CNR No:PHHC010653372023
2026:PHHC:103204

IN THE HIGH COURT FOR THE STATES OF PUNJAB AND HARYANA AT CHANDIGARH

CRM-M-32246-2023 (O&M)

Harvinder Kaur and others **...Petitioners**

Versus

State of Punjab and another **...Respondents**

Sr. No.	Particulars	Details
1	The date when the judgment is reserved	20.07.2026
2	The date when the judgment is pronounced	29.07.2026
3	The date when the judgment is uploaded on the website	29.07.2026
4	Whether only operative part of the judgment is pronounced or full judgment is pronounced	Full
5	The delay, if any, of the pronouncement of full judgment, and reasons thereof	Not applicable

CORAM: HON'BLE MRS. JUSTICE MANISHA BATRA

Present:- Mr. Anil Kashyap, Advocate
for the petitioners.

Ms. Ruchika Sabherwal, Senior DAG, Punjab.

Mr. Nirmaljeet Singh Sidhu, Advocate
for respondent No. 2.

MANISHA BATRA, J.

1. Prayer in the present petition, filed under Section 482 Cr.P.C., is for quashing of FIR No. 06 dated 25.06.2020, registered at Police Station NRI, District Bathinda, under Sections 406, 420 and 120-B IPC, along with all consequential proceedings arising therefrom.

2. As per the allegations in the FIR, the complainant, Pargat Singh, a resident of Canada, got engaged to Gurmeet Kaur, daughter of

Gurnam Singh, in May, 2015. At the time of the *Roka* ceremony, Gurmeet Kaur, her parents Gurnam Singh and Tej Kaur had come to India from Canada. Since petitioner Nos.2 and 3, namely Nirmal Singh Gill and Satvir Kaur Gill, were residing in Canada, the complainant came in contact with them through his prospective wife and her family after the engagement. It was further alleged that after the engagement, petitioner No.1, Harvinder Kaur, who is the complainant's sister-in-law, informed him that her brother Nirmal Singh Gill (petitioner No.2) and his wife Satvir Kaur Gill (petitioner No.3), who were carrying on business in Canada, required a sum of ₹20,00,000/- for expansion of their business. She represented that if the complainant advanced the said amount, the same would be returned after some time. Trusting the representation made by his prospective relatives, the complainant agreed to lend the money. Petitioner No. 1 Harvinder Kaur allegedly asked him to deposit the amount in the joint savings bank account maintained by herself and her father Gurnam Singh with Oriental Bank of Commerce, Moga, assuring him that the amount would thereafter be remitted to Nirmal Singh and Satvir Kaur in Canada. Acting upon the aforesaid assurance, the complainant transferred a sum of ₹20,00,000/- on 13.11.2015 from his HDFC Bank account, Bhakta Bhai Branch, to the joint bank account of Harvinder Kaur and Gurnam Singh bearing Account No. 03912010004830. The complainant retained the receipt of the said transaction. It is stated in the FIR that at the relevant time, his marriage had not yet taken place and, therefore, he had no reason to doubt the assurances extended by his prospective in-laws.

3. As per the further allegations, thereafter the complainant's *Shagun* ceremony was held on 24.02.2016 at Taj Hotel, Moga and his marriage with Gurmeet Kaur was solemnized on 28.02.2016 at Majestic Palace, Moga. After obtaining the necessary visa, the complainant left for Canada on 05.03.2017 and started residing there along with his wife. After reaching Canada, the complainant demanded repayment of the amount of ₹20,00,000/- from all the three petitioners. Initially, they kept postponing the matter on one pretext or another. However, subsequently, they flatly refused to return the amount and allegedly told the complainant that they had cheated him on the pretext of business and that they would not repay any money. They are also alleged to have told the complainant that he could take whatever legal action he wished, as they had no intention of returning the money. They also threatened the complainant with dire consequences and warned him that if he persisted in demanding the money, they would get him killed. On these allegations, the impugned FIR was registered and investigation proceedings were initiated. Since petitioners No. 2 and 3 were residing abroad, they could not be joined into investigation and after completion of investigation, challan qua petitioner No. 1 only was presented and charges against her have been framed. Aggrieved from registration of the impugned FIR against them, the petitioners have filed the present petition. Vide order dated 07.07.2023, passed by this Court, the further proceedings before the learned trial Court were stayed.

4. It is argued by learned counsel for the petitioners that the impugned FIR is a gross abuse of the process of law and deserves to be

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quashed as the dispute is purely civil in nature arising out of an alleged monetary transaction. It is argued that the complainant has already instituted a civil suit for recovery of the alleged amount and, therefore, resort to criminal proceedings is nothing but an attempt to exert pressure upon the petitioners for recovery of money. It is further submitted that the amount of ₹20 lakhs was never advanced as a business loan. Rather, it was deposited by the complainant in the bank account of his prospective father-in-law, Gurnam Singh, as security in connection with his proposed marriage with Gurmeet Kaur. According to the petitioners, the entire amount stood settled in the year 2017 itself, whereafter 10,000 Canadian Dollars and 5,000 Canadian Dollars were transferred to the complainant and his wife through banking channels and the balance amount of ₹9 lakhs was paid in cash in the presence of mediators. Affidavits of the mediators have also been placed on record in support of the alleged settlement.

5. It is further argued that petitioner No.1 was merely a joint account holder with her father and petitioner Nos.2 and 3 have been permanent residents of Canada since 1997 and had no connection whatsoever with the alleged transaction. It is submitted that the essential ingredients of the offences under Sections 420, 406 and 120-B IPC are completely absent. There was neither any dishonest intention at the inception of the transaction nor any entrustment of property or criminal conspiracy attributable to the petitioners. It is also contended that the FIR has been lodged after an unexplained delay of more than four years from the alleged transaction and only after the complainant initiated civil proceedings.

Learned counsel submits that the complainant has deliberately converted a civil dispute into a criminal prosecution with an oblique motive to harass the petitioners and their aged family members. It is also argued that the alleged occurrence took place at Moga, whereas the FIR has been registered at Police Station NRI, Bathinda, thereby raising an issue regarding territorial jurisdiction. Hence, it is urged that the petition deserves to be allowed and the impugned FIR along with all the subsequent proceedings is liable to be quashed. To buttress his arguments, learned counsel for the petitioners has relied upon ***Usha Chakraborty and another v. State of West Bengal and another, 2023 LiveLaw (SC) 67*** and ***Delhi Race Club (1940) Ltd. and others v. State of Uttar Pradesh and another, 2024 INSC 626***.

6. Reply has been filed by the respondent No.1-State. Learned State counsel has argued that the impugned FIR has been registered only after a detailed inquiry conducted by the NRI Wing. During the inquiry, statements of the concerned witnesses were recorded, the bank transactions were verified and sufficient material was found to indicate that respondent No.2 had transferred Rs.20 lakhs to the joint bank account of petitioner No.1 and her father on the assurance that the amount was required for expansion of the business of petitioners No.2 and 3 in Canada. It is submitted that although an amount of Rs.5 lakhs was subsequently returned, the remaining amount was not repaid and the petitioners refused to honour their promise, thereby disclosing a prima facie case of cheating and criminal breach of trust. After completion of investigation, challan has already been presented against petitioner No.1, charges have been framed and the trial is at the stage

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of prosecution evidence. It was further argued that petitioners No.2 and 3 did not cooperate during the inquiry and investigation despite notices issued to them and appropriate proceedings were initiated in accordance with law. The plea that the dispute is purely of civil in nature is misconceived. The matter involves disputed questions of facts which can be decided only during trial and not in a petition filed under Section 482 of the Code. Hence, it is urged that the petition is liable to be dismissed.

7. Reply on behalf of respondent No. 2 has also been filed. Learned counsel for respondent No.2 has adopted the submissions advanced on behalf of the State and has further argued that the petitioners have deliberately attempted to portray a serious act of cheating as a simple civil dispute. Respondent No.2 had parted with a substantial amount solely on the representations made by the petitioners that the money was required for business purposes and would be returned within a short time. However, after receiving the amount, the petitioners failed to repay the same despite repeated demands. It was submitted that the subsequent institution of a civil suit for recovery cannot dilute or extinguish the criminal liability arising from the fraudulent conduct alleged in the FIR. It is, thus, prayed that the petition is devoid of any merit and deserves dismissal. Reliance has been placed upon ***Sita Ram v. State of Haryana, CRM-M-9624-1993, decided on 19.01.1995*** to contend that simply because civil litigation was pending, it could not be said that universally, in the facts and circumstances of all cases, criminal proceedings have to be stayed or kept in abeyance.

8. The rival submissions made by the parties have been heard and

given due deliberations by this Court.

9. At the outset, it will be profitable to look into the scope and ambit of the Court's power under Section 482 Cr.P.C. *(which is pari materia with Section 528 of Bharatiya Nagarik Suraksha Sanhita, 2023)* as spelt out in several judicial pronouncements of Hon'ble Supreme Court as well as different High Courts. The well settled proposition of law is that in exercise of inherent powers under Section 482 Cr.P.C., the High Court is not expected to analyze all the facts, which are to be placed before the High Court. The power conferred under this section is very specific. To secure the ends of justice, to prevent the abuse of process of Court or to make any such orders as may be necessary to give effect to any order under the Code, such power can be exercised to prevent abuse of process of Court. The Hon'ble Supreme Court has drawn up some guidelines in some categories of cases by way of illustration to circumscribe the exercise of inherent power under Section 482 of Cr.P.C. to prevent abuse of process of any Court or to securethe ends of the justice or to give effect to an order of the Court. A celebrated pronouncement on this point is the case cited as ***State of Haryana Vs. Bhajan Lal : 1992 SUPP (1) SCC 335***, wherein Hon'ble Supreme Court has discussed different categories of cases wherein the power under Section 482 Cr.P.C. could be exercised either to prevent abuse of process of law or otherwise to secure the ends of justice, while observing that it might not be possible to lay down any precise, clearly defined, sufficiently channelized, inflexible guidelines or rigid formulae and to give an exhaustive list or myriad kind of cases where such powers should be exercised. The following

principles have been culled out:-

> "102 (1) Where the allegations made in the First Information Report or the complaint, even if they are taken at their face value and accepted in their entirety do not prima facie constitute any offence or make out a case against the accused;
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> (2) Where the allegations in the First Information Report and other materials, if any, accompanying the FIR do not disclose a cognizable offence, justifying an investigation by police officers under Section 156(1) of the Code except under an order of a Magistrate within the purview of Section 155(2) of the Code;
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> (3) Where the uncontroverted allegations made in the FIR or complaint and the evidence collected in support of the same do not disclose the commission of any offence and make out a case against the accused;
>
> (4) Where the allegations in the FIR do not constitute a cognizable offence but constitute only a non-cognizable offence, no investigation is permitted by a police officer without an order of a Magistrate as contemplated under Section 155 (2) of the Code;
>
> (5) Where the allegations made in the FIR or complaint are so absurd and inherently improbable on the basis of which no prudent person can ever reach a just conclusion that there is sufficient ground for proceeding against the accused;
>
> (6) Where there is an express legal bar engrafted in any of the provisions of the Code or the concerned Act (under which a criminal proceeding is instituted) to the institution and continuance of the proceedings and/or where there is a specific provision in the Code or the concerned Act, providing efficacious redress for the grievance of the aggrieved party;

> (7) Where a criminal proceeding is manifestly attended with mala fide and/or where the proceeding is maliciously instituted with an ulterior motive for wreaking vengeance on the accused and with a view to spite him due to private and personal grudge."

10. The principles of law as laid down by Hon'ble Supreme Court in ***Bhajan Lal'***s case (supra) have been followed in a catena of judgments. In ***Paramjeet Batra vs. State of Uttarakhand, (2013) 11 SCC 673***, it was observed by Hon'ble Supreme Court that although the inherent powers of a High Court under Section 482 of the Code should be exercised sparingly and only for the purpose of preventing abuse of process of any Court or otherwise to secure ends of justice, yet, the High Court must not hesitate in quashing such criminal proceedings, where essential ingredients of the offence are not made out. In ***Randheer Singh vs. State of Uttar Pradesh, (2021) 14 SCC 626***, it was observed by Hon'ble Supreme Court that criminal proceedings cannot be taken recourse to as a weapon of harassment.

11. Reference can further be made to ***Gian Singh vs. State of Punjab, (2012) 10 SCC 303***, wherein Hon'ble Supreme Court observed that the power of the High Court in quashing a criminal complaint or an FIR, in exercise of its inherent jurisdiction, is distinct and different from the power given to a criminal court for compounding the offences under Section 320 of the Code. Inherent power is of wide plentitude with no statutory limitation but it has to be exercised in accordance with the guidelines engrafted in such power viz; (i) to secure the ends of justice or (ii) to prevent abuse of the process of any Court. Reference can further be made to ***Narinder Singh and***

Ors. Vs. State of Punjab : (2014) 6 SCC 466, wherein it was by Hon'ble Supreme Court that while exercising power under Section 482 of Cr.P.C., the High Court has to examine as to whether the possibility of conviction is remote and bleak and continuation of criminal case would put him into great oppression and prejudice and injustice would be caused to him by not quashing criminal case.

12. In ***Dhruvaram Murlidhar Sonar vs. State of Maharashtra : 2019 (18) SCC 191,*** Hon'ble Supreme Court, while reiterating the parameters as laid down in ***Bhajan Lal***'s case (supra), had observed that for quashing of the proceedings, meticulous analysis of factum of taking cognizance of an offence by the Magistrate was not called for. Appreciation of evidence was also not permissible in exercise of inherent powers. If the allegations set out in the complaint did not constitute the offence of which cognizance has been taken, it is open to the High Court to quash the same in exercise of its inherent powers.

13. In ***Neeharika Infrastructure vs. State of Maharashtra : 2021 SCC OnLine SC 315***, the Apex Court observed that the Courts ought to be cautious in exercising powers under Section 482 of Cr.P.C. They do have power to quash. The test is whether or not the allegations in the FIR disclose the commission of a cognizable offence? The merits of the allegations are not to be entered into nor the power of the investigating agency to investigate into allegations involving the commission of a cognizable offence is to be trenched upon.

14. On applying the above discussed position of law to the facts of

the present case, this Court is of the considered opinion that the case in hand does not fall within any of the well-recognized categories warranting exercise of inherent jurisdiction under Section 482 Cr.P.C. for quashing of the criminal proceedings. The allegations contained in the impugned FIR, if taken at their face value, disclose that respondent No.2 was allegedly induced by petitioner No.1 to part with an amount of Rs.20,00,000/- on the representation that petitioner Nos.2 and 3 required the said amount for expansion of their business in Canada and that the money, if deposited in the joint bank account of petitioner No.1 and her father, would be transmitted to them. Acting upon the said representation, the complainant transferred the amount through banking channels. It is further alleged that after the complainant reached Canada and demanded the return of the money, all the three petitioners initially avoided repayment and subsequently refused to return the amount while claiming that they had cheated him. During the inquiry conducted by the NRI Wing, the investigating agency also verified the bank transactions and found prima facie material supporting the allegations, whereafter the impugned FIR came to be registered. These allegations cannot, at this stage, be brushed aside as being so absurd or inherently improbable that no offence is made out. Rather, they disclose a prima facie case requiring investigation and adjudication by the trial Court.

15. The principal contention of the petitioners is that the dispute is purely civil in nature and that the amount in question had been deposited as security in connection with the proposed marriage and not as a business loan. It has further been pleaded that the amount stood settled in the year

2017 and that substantial payments were made to the complainant through banking channels as well as in cash. However, these pleas constitute the defence of the petitioners and are founded upon disputed questions of fact. Whether the amount was advanced as a loan for business purposes or as security for the marriage; whether the alleged settlement was in fact arrived at; whether the amount was fully repaid; and whether the affidavits relied upon by the petitioners truly establish discharge of liability are all matters which require appreciation of oral as well as documentary evidence. Such disputed issues cannot be conclusively adjudicated while exercising the limited jurisdiction under Section 482 Cr.P.C., which is not intended to conduct a mini trial or to evaluate the probative value of the defence sought to be projected by the accused.

16. Equally untenable is the submission that the ingredients of Sections 406 and 420 IPC are ex-facie absent. The FIR specifically alleges that the complainant transferred the amount only because of the representations allegedly made by petitioner No.1 that the money was required for the business of petitioner Nos.2 and 3 and would be remitted to them. It is further alleged that the amount was transferred into the joint account of petitioner No.1 and her father for a specified purpose and that despite repeated demands, the petitioners dishonestly refused to return the same. Whether the transaction amounts to entrustment attracting Section 406 IPC, whether it was induced by dishonest representations attracting Section 420 IPC, or whether the evidence ultimately establishes one offence, both offences or neither, are matters which necessarily depend upon the evidence

to be led before the trial Court. At this stage, this Court cannot undertake a meticulous examination of these contentious issues so as to record a definitive finding regarding the applicability or otherwise of the penal provisions invoked in the FIR. The reliance placed by learned counsel for the petitioners upon the aforecited judgments also does not advance their case. They are distinguishable on the facts. The present case stands on a different footing. The prosecution case is not founded merely upon non-payment of money or breach of a contractual obligation but upon specific allegations that the complainant was induced to part with a substantial amount on the basis of representations allegedly made by the petitioners regarding the requirement of funds for business purposes and that the amount was thereafter dishonestly withheld. Whether those allegations are ultimately proved is a matter of evidence; however, at this stage they cannot be discarded as giving rise to only a civil dispute. It is equally well settled that the mere availability or pendency of a civil remedy does not by itself extinguish criminal liability if the factual allegations disclose the commission of a cognizable offence.

17. This Court also finds no merit in the contention that the proceedings deserve to be quashed qua petitioner Nos.2 and 3 merely because the amount was credited into the account of petitioner No.1 and her father. The FIR specifically attributes a role to petitioner Nos.2 and 3 by alleging that the amount was sought for expansion of their business in Canada and that after the complainant reached Canada, all the three petitioners jointly refused to return the money. The inquiry report further

reveals that petitioner Nos.2 and 3, despite being contacted by the investigating agency through electronic means while residing abroad, did not furnish their version during the inquiry. Whether petitioner No.1 was acting independently or on behalf of petitioner Nos.2 and 3, whether the amount was actually transmitted to them, and whether there existed any common intention or criminal conspiracy amongst the accused are questions which cannot be conclusively answered without a full-fledged trial. The absence of a detailed defence from petitioner Nos.2 and 3 during the inquiry cannot be treated as proof of guilt, but it certainly cannot furnish a ground for this Court to return findings in their favour while exercising jurisdiction under Section 482 Cr.P.C. The argument regarding delay in lodging the FIR and the plea relating to territorial jurisdiction are also matters which would require examination in the light of the evidence and the factual matrix brought on record during trial. Neither of these aspects, in the facts of the present case, renders the prosecution inherently illegal or demonstrates that continuation of the proceedings would amount to an abuse of the process of law.

18. In view of the aforesaid discussion, this Court is satisfied that the allegations contained in the FIR, read along with the material collected during the preliminary inquiry, disclose a prima facie commission of cognizable offences and raise several disputed questions of fact which cannot be adjudicated in proceedings under Section 482 Cr.P.C. The defences sought to be raised by the petitioners are matters to be established before the learned trial Court by leading appropriate evidence. Interference

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by this Court at this stage would amount to entering into a premature appreciation of the merits of the prosecution case, which is impermissible in exercise of inherent jurisdiction. Accordingly, finding no merit in the present petition, the same is dismissed. The interim order, if any, shall stand vacated.

19. It is, however, clarified that any observation made herein is only for the purpose of deciding the present petition and shall not be construed as an expression on the merits of the case pending before the learned trial Court, which shall decide the matter independently on the basis of the evidence adduced before it.

29.07.2026 **(MANISHA BATRA)**
Waseem R. Ansari **JUDGE**

Whether speaking/reasoned *Yes/No*

Whether reportable *Yes/No*