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RISHIPAL SINGH

v.

STATE OF U.P. & ANR.

(Criminal Appeal No. 1300 OF 2014)

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JULY 2 , 2014

**[RANJANA PRAKASH DESAI AND N.V. RAMANA, JJ.]**

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*Code of Criminal Procedure, 1973: s.482: Quashing of proceedings - Complainant-account holder in Bank where the appellant was bank manager wrote a letter to the bank that some of his signed cheques were lost in travelling and same be not honoured when presented - Cheques were not cleared when presented - After few months when complainant received notice for dishonour of cheque from co-accused, the*

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*complainant filed a complaint against the appellant and others alleging that appellant failed to perform his duties and ought to have informed the complainant and police when the stolen cheques were presented and, therefore, had conspired with other accused to cheat complainant - Issuance of non-*

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*bailable warrants against the appellant - High Court refused to quash the criminal proceedings u/s.482 - On appeal, held: It is no doubt true that the courts have to be very careful while exercising the power u/s.482 - At the same time, the court should not allow a litigant to file vexatious complaints to*

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*otherwise settle their scores by setting the criminal law into motion, which is a pure abuse of process of law and it has to be interdicted at the threshold - A clear reading of the complaint did not make out any offence against the appellant/*

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*Branch Manager, much less the offences alleged u/ss.34, 379, 411, 417, 418, 420, 467, 458 and 477 I.P.C. - Even assuming that the Branch Manager has violated the instructions in the complaint in letter and spirit, it all amounted to negligence in discharging official work and at the maximum it can be said that it was dereliction of duty - Continuation of*

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*the criminal proceedings against the appellant for commission of the alleged offence was a pure abuse of process of law and the complaint case deserves to be quashed in the interest of justice - Criminal proceeding pending against the appellant is quashed.*

**The appellant was the Bank Manager of the Ghaziabad District Co-operative Bank where the respondent no. 2-complainant was holding an account. On 17th May, 2004, the complainant wrote a letter to the Bank informing that he lost signed cheque book while travelling and, therefore, Bank should not honour the cheques and should cancel them. Regarding the same, the complainant also lodged a written report at Police Station. The cheque was presented on 2nd August 2004 and was not cleared by the Bank in view of the written instruction given by the complainant.**

**On 6th October, 2004, the complainant received a notice under Section 138 of the Negotiable Instruments Act from co-accused alleging dishonour of cheque issued by complainant towards the purchase of bricks. Thereafter, the complainant filed complaint against the appellant under Sections 34, 379, 411, 418, 420, 467, 458 and 477 IPC on the ground that a conspiracy was hatched by appellant and other bank employees for cheating him and because of his involvement in the conspiracy, the appellant has not performed his duties with utmost responsibility and that when the stolen/lost cheques were presented, he should have given information to the police as well as to the complainant. The magistrate issued non-bailable warrants. The High court refused to quash the proceedings under section 482, Cr.P.C.**

**In the instant appeal, the case of the appellant was that he came to know about the criminal complaint only when the non-bailable warrant was issued against him**

A because from August 2004 to January 2007 i.e. during  
the period the proceedings in the criminal complaint were  
going on, he was posted at another Branch of the Bank  
and, therefore, the summons were never served upon  
him and, therefore, the High Court erred in refusing to  
B quash the criminal proceedings against the appellant.

Allowing the appeal, the Court

HELD: 1. A bare perusal of Section 482 Cr.P.C. makes  
it crystal clear that the object of exercise of power under  
C this section is to prevent abuse of process of Court and  
to secure ends of justice. There are no hard and fast rules  
that can be laid down for the exercise of the extraordinary  
jurisdiction, but exercising the same is an exception, but  
not a rule of law. It is no doubt true that there can be no  
D straight jacket formula nor defined parameters to enable  
a Court to invoke or exercise its inherent powers. It will  
always depend upon the facts and circumstances of each  
case. The Courts have to be very circumspect while  
exercising jurisdiction under Section 482 Cr.P.C. [Para 10]  
E [1021--E-G]

2. When a prosecution at the initial stage is asked to  
be quashed, the tests to be applied by the Court is as to  
whether the uncontroverted allegations as made in the  
complaint prima facie establish the case. The Courts  
F have to see whether the continuation of the complaint  
amounts to abuse of process of law and whether  
continuation of the criminal proceeding results in  
miscarriage of justice or when the Court comes to a  
conclusion that quashing these proceedings would  
G otherwise serve the ends of justice, then the Court can  
exercise the power under Section 482 Cr.P.C. While  
exercising the power under the provision, the Courts  
have to only look at the uncontroverted allegation in the  
complaint whether prima facie discloses an offence or  
H not, but it should not convert itself to that of a trial court

and dwell into the disputed questions of fact. [Para 12] A  
[1023-C-E]

*Medchl Chemicals & Pharma (P) Ltd. v Biological E. Ltd and Ors.* 2000 (3) SCC 269; 2000 (1) SCR 1169 ; *State of Haryana v. Bhajan Lal* 1992 Supp (1) SCC 335; 1991 (1) Suppl. SCR 387 ; *Central Bureau of Investigation v. Duncans Agro Industries Ltd.* 1996 (5) SCC 592; *Rajesh Bajaj v. State NCT of Delhi* 1999 (3) SCC 259; 1993 (3) SCR 930; *Zandu Pharmaceuticals Works Ltd. v. Mohd. Sharaful Haque & Anr* (2005) 1 SCC 122 - relied on. B

3. A reading of the letter dated 17th May, 2004 showed that the complainant has instructed the appellant/Branch Manager not to pass cheques which were already signed. There is no dispute that after submitting the letter to the appellant, when the cheque was presented in the Bank on 2nd August, 2004, the same was not cleared by the appellant/Branch Manager in view of the letter of the complainant. There was no instruction to the Bank to inform the account holder or police when the cheque is presented and only a request was made to the Bank that the said four cheques should not be honoured. The complaint and letter addressed by the complainant to the Branch Manager would show that the entire grievance of the complaint appears to be that basing on the written information which had been given to the appellant on 17th May, 2004, when the stolen cheque was presented, he should have given a complaint to the police. As the appellant has not chosen to give the complaint to the police, according to the complainant the other accused hatched a conspiracy with the appellant - Branch Manager and accordingly cheated him. [Paras 14, 15] [1024-E-H; 1025-A] C D E F G

4. It is no doubt true that the Courts have to be very careful while exercising the power under Section 482 Cr.P.C. At the same time, the court should not allow a H

A litigant to file vexatious complaints to otherwise settle their scores by setting the criminal law into motion, which is a pure abuse of process of law and it has to be interdicted at the threshold. A clear reading of the complaint did not make out any offence against the  
 B appellant/Branch Manager, much less the offences alleged under Sections 34, 379, 411, 417, 418, 420, 467, 458 and 477 I.P.C. Even assuming the Branch Manager has violated the instructions in the complaint in letter and  
 C spirit, it all amounted to negligence in discharging official work and at the maximum dereliction of duty. Continuation of the criminal proceedings against the  
 D appellant for commission of the alleged offence under Sections 34, 379, 411, 417, 418, 420, 467, 458 and 477 I.P.C. was a pure abuse of process of law and the complaint case deserved to be quashed in the interest of justice. The impugned judgment of the High Court is set aside by quashing the criminal proceedings pending against the appellant under Sections 34, 379, 411, 418, 420, 467, 458 and 477 I.P.C. [Para 16 17, & 18] [1025-B-G]

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**Case Law Reference**

	2000 (1) SCR 1169	Relied on	Para 11
	1991 (1) Suppl. SCR 387	Relied on	Para 12
F	1996 (5) SCC 592	Relied on	Para 12
	1993 (3) SCR 930	Relied on	Para 12
	(2005) 1 SCC 122	Relied on	Para 12

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CRIMINAL APPELLATE JURISDICTION : Criminal Appeal  
 No. 1300 of 2014

From the Judgment and Order dated 06.11.2012 in CRLMA No. 37848/2012, of the High Court of Judicature at Allahabad.

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V.A. Mohta, Amit Yadav, Omveer Singh, Nilakanta Mayak, Shishir Deshpande, Kaushal Naryan Mishra, Sujata Kurdukar, for the appellant. A

Rantnakar Dash, Garbesh Kabra, Parmod Kumar, Jabar Singh, M.P.S. Tomar Sandhya Goswami Abhishth Kumar, Archana Singh for the respondent. B

The Judgment of the Court was delivered by

**N.V. RAMANA. J. 1.** Leave granted.

2. This appeal arises out of order dated 6th November, 2012 of the High Court of Judicature at Allahabad refusing the prayer of the appellant for quashing the proceedings in Complaint Case No. 2397 of 2012 under Sections 34, 379, 411, 417, 418, 420, 457, 458 and 477 IPC pending on the file of Additional Chief Judicial Magistrate, Ghaziabad. C D

3. The facts relevant for the disposal of this appeal, in a nutshell, are that on 21st March, 2005, respondent No.2 herein filed a private complaint (Annexure P/2) in the Court of Judicial Magistrate, Ghaziabad, Uttar Pradesh under Section 156(3) Cr.P.C. against the appellant herein and three other accused who are not parties before us, invoking Sections 34, 379, 411, 417, 418, 420, 467, 458 and 477 IPC. According to the said complaint, the complainant was holding a Bank Account in the Ghaziabad District Co-operative Bank, Maliwada, Ghaziabad where the appellant was the Branch Manager. It was alleged in the complaint that taking advantage of the innocence of the complainant and his brother, the accused, mischievously obtained their signatures on blank cheques and committed theft of their hand bag in which the signed cheque book was kept. When they came to know that their bag containing signed cheques and other papers was missing, not knowing the misdeed of the accused, a search has been undertaken for the lost bag containing signed cheques and also lodged a written report on 17th May, 2004 at Sihani Gate Police Station to that E F G H

A effect. The Bank was also informed in writing on 17th May, 2004  
 itself that duly signed cheque book of Account No. 1132 has  
 been lost, hence no payment on the lost cheques be made to  
 any person and all those cheques may be cancelled (Annexure  
 P/1). It was further stated by the complainant that when he  
 B received a notice dated 6th October, 2004 under Section 138  
 of the Negotiable Instruments Act from Neelam Rani (co-  
 accused, not party before us) stating that Cheque No.083697  
 (one of the lose cheques) for Rs.5,00,067/- as issued by him  
 towards the purchase of Kachi bricks and coal from "Neelam  
 C Brick Field", then he realized that there was some planned  
 conspiracy and the cheque book was not actually lost but was  
 stolen and being misused by the accused for drawing various  
 amounts from his bank account. In the said complaint, the  
 complainant - respondent No.2, has totally denied any such  
 D transaction with "Neelam Brick Field" and alleged that the  
 accused cooked up that transaction, hatched a conspiracy with  
 the bank employees for cheating him, and accordingly all the  
 amounts of the complainant and his family have been "looted".

4. The main allegation levelled against the appellant was  
 E that when a written information had already been given on 17th  
 May, 2004 to the appellant who was the Branch Manager of  
 the Bank not to honour the lost cheques and cancel them, he  
 should have performed his duties with utmost responsibility and  
 when the stolen/lost cheque was presented, he should have  
 F given the information of its presentation to the police as well  
 as to the complainant. On the contrary, the appellant neither  
 handed over the person who presented the cheque, to the  
 police, nor brought to the notice of the complainant about its  
 presentation. It is because, of the involvement of the appellant  
 G in the conspiracy he has not discharged his duties as Branch  
 Manager with responsibility and acted against the instructions  
 in the letter dated 17th May, 2004 only to harass the  
 complainant and his family financially and mentally. Thus the  
 appellant played a role in the conspiracy, and therefore, the

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complainant lodged the complaint under the aforesaid sections of IPC against the appellant as well as other accused.

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5. After registering the Complaint Case, the learned Magistrate recorded statements under Sections 200 and 202 Cr.P.C. and issued summons against the accused under Section 204 Cr.P.C. Two other co-accused challenged the summoning order before the High Court in a Criminal Miscellaneous Application No. 6334 of 2006 and the Allahabad High Court has stayed further proceedings in the Complaint Case. Subsequently, the High Court dismissed the Criminal Miscellaneous Application, and hence, non-bailable warrant has been issued against the appellant on 3rd October, 2012.

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6. Then the appellant moved the High Court under Section 482 Cr.P.C. to quash the proceedings against him. It was the case of the appellant that he came to know about the criminal complaint only when the non-bailable warrant has been issued against him because from August 2004 to January 2007, during which period the proceedings in the criminal complaint were going on, he was posted at Dhaulana Branch, therefore, the summons were never served upon him. But, by the impugned order dated 6th November, 2012 the High Court refused to quash the criminal proceedings against the appellant.

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7. Before us, the main contention of the learned senior counsel for the appellant is that the appellant has nothing to do with the alleged offence and his name was unnecessarily dragged into the criminal complaint. When Cheque No. 083697 was presented in the Bank on 2nd August, 2004, it was not cleared by the Bank in view of the written instruction given by the complainant and no loss was caused to the complainant at the hands of the appellant. Afterwards, the appellant was transferred from Maliwara Branch to Dhaulana Branch on 21st August, 2004 and he was again transferred to Maliwara Branch in January 2007, where he remained till August 2011. He further contended that the complainant in his letter dated 17th May, 2004 (Annexure P/1) addressed to the appellant has nowhere

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A asked him to inform to the police or to give communication to  
him when the cheque is presented. The entire reading of the  
said letter does not disclose any case against the appellant and  
his name was included into the criminal complaint only to malign  
and defame him because the complainant has received some  
B notices under Section 138 of the Negotiable Instruments Act  
from the other accused. Only to create a defence against those  
cases under the Negotiable Instruments Act, the complaint has  
been filed by the complainant with mala fide intention. Hence,  
the complaint filed by respondent No.2 is misconceived and it  
C does not attract any of the offences alleged against the  
appellant as it was filed only with vexatious and oblique motive.  
But the High Court, without going into the merits and facts of  
the case, merely relying on the provisions of Section 245  
Cr.P.C. directed the appellant to file application for his  
D discharge before the trial Court. This approach of the High  
Court is erroneous and contrary to the law laid down by this  
Court. The High Court ought to have allowed the application of  
the appellant under Section 482 Cr.P.C. as the complaint does  
not attract the ingredients of Sections 34, 379, 411, 417, 418,  
E 467, 468, 471 and 477 IPC. He, therefore, prayed to set aside  
the impugned order passed by the High Court and quash the  
proceedings in the Complaint Case qua the appellant.

8. On the other hand, the learned counsel for respondent  
No.2/complainant while supporting the order passed by the  
F High Court submitted that the appellant has not properly  
discharged his responsibilities as Branch Manager and acted  
in a casual manner due to which respondent No.2 had to suffer  
financial loss as well as put to lot of hardship. Particularly, he  
contended that in the light of the letter dated 17th May, 2004  
G when a lost/stolen cheque was presented for clearance, it is  
expected from a responsible officer of the Bank that instead  
of passing the cheque for payment, he should inform the  
account holder about its presentation and also to bring to the  
notice of police such mala fide presentation of cheque by the  
H presenter, but the appellant has totally failed in performing his

duties. So, therefore is no reason for this Court to interfere with the order of the High Court.

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9. Having heard the learned counsel for the parties and after perusing the entire material available on record, including the complaint, now the issue for consideration before us is whether in the light of the letter dated 17th May, 2004 (Annexure P/1), the appellant has made out any case to quash the proceedings in Complaint Case No. 2397/2002 under Sections 34, 379, 411, 417, 418, 467, 468, 471 and 477 IPC on the file of the Additional Chief Judicial Magistrate, Ghaziabad.

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10. Before we deal with the respective contentions advanced on either side, we deem it appropriate to have thorough look at Section 482 Cr.P.C., which reads:

"Nothing in this Code shall be deemed to limit or affect the inherent powers of the High Court to make such orders as may be necessary to give effect to any orders of this Code or to prevent abuse of process of any Court or otherwise to secure the ends of justice".

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A bare perusal of Section 482 Cr.P.C. makes it crystal clear that the object of exercise of power under this section is to prevent abuse of process of Court and to secure ends of justice. There are no hard and fast rules that can be laid down for the exercise of the extraordinary jurisdiction, but exercising the same is an exception, but not a rule of law. It is no doubt true that there can be no straight jacket formula nor defined parameters to enable a Court to invoke or exercise its inherent powers. It will always depend upon the facts and circumstances of each case. The Courts have to be very circumspect while exercising jurisdiction under Section 482 Cr.P.C.

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11. This Court in *Medchl Chemicals & Pharma (P) Ltd. v Biological E. Ltd and Others* 2000 (3) SCC 269, has discussed at length about the scope and ambit while exercising power under Section 482 Cr.P.C. and how cautious and careful

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A the approach of the Courts should be. We deem it apt to extract the relevant portion from that judgement, which reads:

B "Exercise of jurisdiction under inherent power as envisaged in Section 482 of the Code to have the complaint or the charge sheet quashed is an exception rather than rule and the case for quashing at the initial stage must have to be treated as rarest of rare so as not to scuttle the prosecution with the lodgement of First Information Report. The ball is set to roll and thenceforth the law takes it's own course and the investigation ensures in accordance with the provisions of law. The jurisdiction as such is rather limited and restricted and it's undue expansion is neither practicable nor warranted. In the event, however, the Court on a perusal of the complaint comes to a conclusion that the allegations levelled in the complaint or charge sheet on the fact of it does not constitute or disclose any offence alleged, there ought not to be any hesitation to rise up to the expectation of the people and deal with the situations as is required under the law. Frustrated litigants ought not to be indulged to give vent to their vindictiveness through a legal process and such an investigation ought not to be allowed to be continued since the same is opposed to the concept of justice, which is paramount".

F 12. This Court in plethora of judgments has laid down the guidelines with regard to exercise of jurisdiction by the Courts under Section 482 Cr.P.C. In *State of Haryana v. Bhajan Lal* 1992 Supp(1) SCC 335, this Court has listed the categories of cases when the power under Section 482 can be exercised by the Court. These principles or the guidelines were reiterated by this Court in (1) *Central Bureau of Investigation v. Duncans Agro Industries Ltd.* 1996 (5) SCC 592; (2) *Rajesh Bajaj v. State NCT of Delhi* 1999 (3) SCC 259 and; (3) *Zandu Pharmaceuticals Works Ltd. v. Mohd. Sharaful Haque & Anr* (2005) 1 SCC 122. This Court in *Zandu Pharmaceuticals Ltd.*,  
 G observed that:  
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"The power under Section 482 of the Code should be used sparingly and with to prevent abuse of process of Court, but not to stifle legitimate prosecution. There can be no two opinions on this, but if it appears to the trained judicial mind that continuation of a prosecution would lead to abuse of process of Court, the power under Section 482 of the Code must be exercised and proceedings must be quashed". Also see *Om Prakash and Ors. V. State of Jharkhand* 3012 (12) SCC 72.

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What emerges from the above judgments is that when a prosecution at the initial stage is asked to be quashed, the tests to be applied by the Court is as to whether the uncontroverted allegations as made in the complaint prima facie establish the case. The Courts have to see whether the continuation of the complaint amounts to abuse of process of law and whether continuation of the criminal proceeding results in miscarriage of justice or when the Court comes to a conclusion that quashing these proceedings would otherwise serve the ends of justice, then the Court can exercise the power under Section 482 Cr.P.C. While exercising the power under the provision, the Courts have to only look at the uncontroverted allegation in the complaint whether prima facie discloses an offence or not, but it should not convert itself to that of a trial Court and dwell into the disputed questions of fact.

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13. In the backdrop of the legal position, well settled by this Court through catena of judgements, we would like to deal with the facts of the present case which lead to filing of the present complaint against the appellant under Sections 34, 379, 411, 417, 418, 420, 467, 458 and 477 I.P.C. on the file of the Additional Chief Judicial Magistrate, Ghaziabad.

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14. The facts of the case which are not in dispute, for better appreciation of the facts and arguments advanced on behalf of the appellant, it is necessary for us to have a thorough look at the letter dated 17th May, 2004 addressed to the appellant/ Branch Manager by respondent No.2.

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A "Sir,

B It is requested that the Applicant has issued Cheque Book  
 in which from Cheque No. 083691 to 083700 were 10  
 cheques in Account No. 1132, out of which, payment up  
 to Cheque No. 083696 has been received and on rest of  
 the cheques are signature of the applicant/account holder.  
 The above cheque book and other necessary payers were  
 in my hand bag and I by Bus from Pikhwa was coming  
 to Ghaziabad then in the bust itself by mistake that bag  
 was left and even on making to much search could not  
 found. Its information immediately I have given at the police  
 station, Sihani Gate.

C Therefore, it is requested that you may treat the above  
 cheques as cancelled and on that may not kindly make  
 payment to any person.

D It will be very kind of you".

E A reading of the above letter makes it very clear that the  
 complainant has instructed the appellant/Branch Manager not  
 to pass cheques bearing Nos. 083697 to 083700, the four  
 cheques which were already signed. There is no dispute that  
 after submitting the above letter to the appellant, when Cheque  
 No. 083697 was presented in the Bank on 2nd August, 2004,  
 the same was not cleared by the appellant/Branch Manager in  
 view of the letter of the complainant. Subsequently, the appellant  
 was transferred from that Branch to Dhaulana Branch on 21st  
 August, 2004, there was any instruction to the Bank to inform  
 the account holder or police when the cheque is presented. It  
 appears from the letter that only a request was made to the  
 Bank that the said four cheques shall not be honoured.

G 15. If we look at the complaint and letter addressed by the  
 complainant to the Branch Manager, the entire grievance of the  
 complaint appears to be that basing on the written information  
 which had been given to the appellant on 17th May, 2004, when

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the stolen cheque was presented, he should have given a complaint to the police. As the appellant has not chosen to give the complaint to the police, according to the complainant the other accused hatched a conspiracy with the appellant - Branch Manager and accordingly cheated him.

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16. It is no doubt true that the Courts have to be very careful while exercising the power under Section 482 Cr.P.C. At the same time we should not allow a litigant to file vexatious complaints to otherwise settle their scores by setting the criminal law into motion, which is a pure abuse of process of law and it has to be interdicted at the threshold. A clear reading of the complaint does not make out any offence against the appellant/ Branch Manager, much less the offences alleged under Sections 34, 379, 411, 417, 418, 420, 467, 458 and 477 I.P.C. We are of the view that even assuming that the Branch Manager has violated the instructions in the complaint in letter and spirit. It all amounts to negligence in discharging official work at the maximum it can be said that it is dereliction of duty.

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17. In view of our above discussion, we have come to an irresistible conclusion that continuation of the criminal proceedings against the appellant for commission of the alleged offence under Sections 34, 379, 411, 417, 418, 420, 467, 458 and 477 I.P.C. is a pure abuse of process of law and the complaint case deserves to be quashed in the interest of justice.

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18. We accordingly allow this appeal setting aside the impugned judgment of the High Court by quashing the criminal proceedings pending against the appellant in C.C. No. 2397 of 2012 under Sections 34, 379, 411, 418, 420, 467, 458 and 477 I.P.C. on the file of Additional Chief Judicial Magistrate, Ghaziabad, Uttar Pradesh.

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