



**IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH**

CRM-M-15806-2023

DECIDED ON: 25.09.2025

MADHUKAR TULSI AND ANR

....PETITIONERS

VERSUS

STATE OF HARYANA AND OTHERS

....RESPONDENTS

CORAM: HON'BLE MR. JUSTICE SANJAY VASHISTH.

Present: Mr. Prateek Rathee, Advocate, and
Mr. Ashutosh Singh, Advocate,
for the petitioners.

Mr. Kanwar Sanjiv Kumar, AAG, Haryana.

SANJAY VASHISTH, J (ORAL)

1. On 02.06.2023, following order was passed by the coordinate Bench of this Court:-

“The prayer in this petition is for quashing of an FIR No.16 dated 20.01.2020, under Sections 406, 420, 467, 468 and 471 IPC, registered at Police Station Pinjore, District Panchkula, along with all subsequent proceedings being non-est, illegal, without jurisdiction and an abuse of the process of law.

The learned Senior counsel for the petitioners submits that respondent No.4/Company was incorporated in the year 2007 as Private Limited Company under the provisions of the Companies Act 1956 having its registered office in New Delhi. The said company/respondent No.4 is engaged in the business of Real Estate. The petitioner No.1 was one of the Directors of the company/respondent No.4 w.e.f. 22.03.2007 to 16.08.2018 and the petitioner No.2 was one of the Directors of this Company/respondent No.4 w.e.f. 11.03.2011 to 09.04.2018. Respondent No.4 had come up with a project at Pinjore with name and style of IREO Fiveriver Private Limited to bring a township in Sector 3, 4 and 4-A, Pinjore-Kalka Urban Complex, District Panchkula Haryana. After approval of layout plan for license No.28 of 2010, there was change in the Sectoral Road Circulation Plan. Respondent No.4/Company had to apply for revised layout plan on 09.12.2011 Environment Clearance (EC) was applied on 18.04.2012, Irrigation Department accorded no objection qua the project on 23.03.2013. All the requisites permissions as required under law for the township project were applied and granted by



relevant authorities. The company applied for additional licenses for development of more land for residential colonies and accordingly additional licenses No.55 of 2013 and 74 of 2013. The revised layout plan was also approved by Director Town and Country Planning (DTCP) on 14.10.2013. The Zoning Plan for residential colonies along with commercial site in the project was approved by the government authorities. The Haryana Urban Development Authority (HUDA) had started construction of sectoral roads. The project was granted environment clearance on 15.04.2014 and clearance by wild life department was granted on 24.04.2015.

The respondent No.2/complainant along with Surinder Gupta approached that respondent No.4/Company for purchase of plot measuring 500 Sq yards in the above stated project and paid initial booking amount of Rs.10 lacs. Accordingly, plot No.59 was allotted vide letter dated 18.05.2011. Agreement dated 28.06.2011 was signed for total sale consideration of Rs.1,25,45,444/-. As per terms and conditions of agreement, the possession of the said property was to be given within 42 months from the last date of approval. Due to prevalent market scenario at that particular time, the company for some reasons could not deliver the possession of plot to respondent No.2.

The learned Senior counsel further submits that one of the operational creditors of the company namely Worxpace Consulting Private Limited approached the learned National Company Law Tribunal (NCLT), New Delhi for initiation of Corporate Insolvency Resolution Process of respondent No.4/Company under Section 9 of Insolvency and Bankruptcy Code, 2016 (for short 'IBC, 2016'). The Ld. NCLT vide its order dated 13.12.2018 was pleased to allow the application under Section 9 of the IBC2016 and admitted the respondent No.4/Company into corporate insolvency Resolution Process. Interim Resolution Professional (hereinafter called IRP) was appointed and Board of Directors of the Company/respondent No.4 was suspended. The moratorium under Section 14 of IBC, 2016 was imposed. Copy of judgment dated 13.12.2018 is Annexure P2. The Resolution Professional so appointed by the Ld. Tribunal, after approval of Committee of Creditors submitted the resolution plan (Annexure P-3) for final approval and copy of order dated 06.08.2021 (Annexure P-4). The Ld. Tribunal has approved the plan submitted by Trident Infrahomes Pvt. Ltd. & Romano Infrastructure Pvt. Ltd. After approval of resolution plan and for its implementation respondent No.4 was replaced by Monitoring Professional i.e. Respondent No.3.

It is further submitted that after the initiation of Corporate Insolvency Resolution Process of respondent No.4/Company and in between the period from 2018 to 2021, 13 FIRs were registered by different allottees against Company, petitioner and others primarily on the ground of delay in delivery of possession of apartment/commercial units. In these 13 FIRs closure reports were filed by police. The complainants in the above said FIRs have themselves defaulted in timely payment of installments as per their agreements.

It is further submitted that the allegations in the impugned FIR is in respect of delay in projects which, at best are civil disputes, for which adequate remedies are available in civil laws including Real Estate (Regulation and Development) Act, 2016, National Consumer Dispute Resolution Commission



and other forums. After passing of the Admission Order by NCLT, the Interim Resolution Professional or the Resolution Professional as the case may be, takes over the management of the respondent No.4/Company along with all assets and liabilities of the Company. After passing of the Admission order, any default on or behalf of the company/respondent No.4 cannot be attributed to the suspended board of Directors and the petitioners in this case could not be made liable for any default on the part of respondent No.4, as the petitioners were not in control of the affairs of the Company/respondent No.4 w.e.f. 13.12.2018. The complainant/respondent No.4 had filed the claim before the Interim Resolution Professional/Resolution Professional appointed by the Ld. NCLT, New Delhi. He has already submitted his expression of interest for allotment of the apartment and therefore, the grievance of the respondent No.2/complainant stands resolved and the claim of the complainant/respondent No.2 already stood adjudicated for a sum of Rs.1,31,51,518/- as per details of claims published on the website of the Company/respondent No.5 (Annexure P-5). The petitioners who even though is not on the board of Directors since 2011, cannot be held liable vicariously for the acts done by respondent No.4 after appointment of the Interim Resolution Professional by the Ld. NCLT, New Delhi. If the complainant i.e. respondent No.2 is permitted to continue with the parallel proceedings, it may actually profit from the transaction in as much as it may wrongly recover money from the petitioners both under the pressure of FIR and also the Insolvency & Bankruptcy Code, 2016. If such proceedings are allowed to continue the same would result in an unjust enrichment being caused to the respondent No.2. It is further submitted that police authorities after registration of the impugned FIR carried out a detailed investigation against the petitioners and other authorized representatives of respondent No.4/company and upon being fully satisfied, presented cancellation report dated 02.09.2020 before the ld. Court of Judicial Magistrate, Kalka, Panchkula wherein it is specifically stated that the dispute in hand is civil in nature and no criminal act or ingredients thereof have been found. Copy of Cancellation Report dated 02.09.2020 is annexed as Annexure P-6. Ld. Court below vide order dated 06.01.2021 issued notice to the complainant. Further on 10.02.2021, the complainant appeared through his counsel and sought time for filing protest petition. The petitioners were not, in any manner, associated or managing the affairs of the company/respondent No.4 either at the time of execution of the agreement dated 28.06.2011 or at the time of registration of FIR. It is further submitted that in the 5th meeting of Monitoring Committee of M/s Trident Hills Pvt. Ltd. Held on 18.10.2022, it was discussed and minutized that the Resolution Plan provides for withdrawal of all cases/FIRs filed by the customers and nonwithdrawal of these cases is a deviation from Resolution Plan by the allottees. The said allottees should not be made eligible for benefit under the Resolution Plan till such time such withdrawal takes place. The Monitoring Professional was of the view that all the creditors need to withdraw their legal cases/FIRs qua the Corporate Debtor/Company as per the provisions of law otherwise an application will be filed against these complainants as the allotment of units in the project and legal cases against the company could not be processed simultaneously. The



respondent No.4/Company went through a bad phase. Due to then prevailing conditions, the project could not get through, which resulted in the commencement of Corporate Insolvency Process of the Respondent No.4/Company. Learned counsel has relied on case (i) 'Rajesh Meena Vs. State of Haryana and Others, CRMM-14537-2018 decided on 01.07.2019', (ii) 'State Trading Corpn. of India Ltd. Vs. CTO, AIR 1963 SC 1811' (iii) 'Sunil Bharti Mittal Vs. CBI, (2015) 5 SCC 609', (iv) 'Pooja Ravinder Devidasani Vs. State of Maharashtra and Anr., 2015 AIR (SC) 675', (v) 'S.M.S. Pharaceuticals Ltd. Vs. Neeta Bhalla and Anr, 2007 (4) SCC 70', (vi) 'Mr. Anita Malhotra Vs. Apparel Export Promotion Council, 2012 AIR SC 31' and (vi) 'Hridaya Ranjan Pd. Verma & Ors Vs. State of Bihar & Anr. 2000 AIR (SC) 2341'.

Learned Senior counsel has further submits that instant case does not disclose any cognizable offence against the petitioners as no specific allegation has been levelled against the petitioners. There can be no justification in continuation of the investigation against the petitioner in any manner. The instant FIR (Annexure P-1) is liable to be quashed by exercising inherent jurisdiction to prevent abuse of the process and in order to secure ends of justice.

Keeping in view that prosecution had already filed cancellation report and complainants have filed protest petition and learned Judicial Magistrate, is seized of the matter and proceedings before the learned Judicial Magistrate are not challenged in this petition. So, notice of motion to respondents be issued for 08.08.2023.

In the meantime, no coercive action shall be taken against the petitioners.”

2. Today, Mr. Prateek Rathee, Advocate, submits that *vakalatnama* signed by the petitioners, while engaging him as counsel, is already there on the record, and as of now, impugned complaint itself has been withdrawn by the complainant-respondent No.2. Therefore, present petition can be disposed of, as the same having been rendered infructuous.

3. Ordered accordingly.

(SANJAY VASHISTH)
JUDGE

25.09.2025

Lavisha

Whether speaking/reasoned Yes/No
Whether reportable Yes/No