

**HIGH COURT OF JAMMU & KASHMIR AND LADAKH
AT SRINAGAR**

CRM(M) No.531/2025

c/w

CRM No.532/2024

CRM(M) No.511/2024

CRM(M) No.568/2024

CRM(M) No.569/2024

CRM(M) No.570/2024

HARBACHAN SINGH CHAWLA & ORS. ... PETITIONER(S)

*Through: - Mr. Yogesh Jagia, Advocate (Thr. VM).
Mr. Amjid Maqbool, Advocate &
Mr. Asif Maqbool, Advocate.*

Vs.

SSP, SRINAGAR, & ORS.

...RESPONDENT(S)

*Through: - None. For R1.
Mr. Syed Faisal Qadiri, Sr. Advocate, with
Ms. Shaifta Balkhi & Ms. Sameena, Advocates.*

CORAM: HON'BLE MR. JUSTICE SANJAY DHAR, JUDGE

ORDER (ORAL)

15.07.2026

1) The petitioners, through the medium of present petitions filed under Section 528 of BNSS, have challenged orders dated 12.08.2024 passed by the learned Judicial Magistrate, 1st Class (2nd Additional Munsiff), Srinagar (hereinafter for short "the trial Magistrate"), whereby, on an application under Section 156(3) of the Cr. P. C filed by respondent No.3 herein, respondent No.2 has been directed to register FIR. The petitioners have also sought quashment of FIR No.51/2024 lodged against them for offences under Section 420, 506 and 120-B of IPC in P/S Zakoora, which

has been registered pursuant to impugned order dated 12.08.2024 passed by the learned trial Magistrate.

2) As per the contents of the impugned FIR which has lodged pursuant to impugned order dated 12.08.2024 passed by the learned trial Magistrate on the application of the complainant filed under Section 156(3) of the Cr. P. C, the complainant is a business man by profession dealing in trade of fruits. It is alleged that the Complainant & accused persons are well known to each other through the parents of the complainant who are residing in Delhi since long. It is alleged that the accused persons approached the complainant in 2017 for making investment in their business of construction & gain profit from such investment. It is further alleged that the accused, namely, Kartar Singh pleaded before the complainant that they have three Construction Companies in their name, namely, AS Build Pro, Vicky Residency LLP, & Vicky Associates LLP and that on investing in their companies, the complainant will get the profit within a period of 6 months to one year. On the basis of a conspiracy hatched between all accused persons, namely Harbhajan Singh, Inderjeet Singh Chawla, Iqbal Singh Chawla, Gurpreet Kaur, & Manpreet Kaur, the complainant was convinced by them to invest money in their business.

3) It is alleged that since the complainant and the accused persons were known to each other and the complainant agreed to invest the money in the companies of the accused persons on the basis that profit will be given as per the prevailing market rate within a period of 6 months to one year, from 2017 to 2019, the complainant invested around 1,75,76,961/- (Rupees One Crore Seventy Five Lacs, Seventy Six Thousand & Nine Hundred Sixty One Only) in the accounts of AS Build Pro Pvt. Ltd, wherein accused persons, namely Iqbal Singh Chawla & Gurpreet Kaur Chawla are Directors; Vicky Residency LLP wherein Kartar Singh, Inderjeet Singh Chawla, Gurpreet Kaur Chawla. It is alleged that the complainant transferred an amount of Rs 1,75,76,961/- (Rupees One Crore, Seventy-Five lacs, Seventy-Six Thousand, Nine Hundred, Sixty-one) by way of RTGS from Account No.914010011177800 & Account No.912010065050539.

4) It is also alleged that the complainant from time to time invested money in the companies of the accused persons under the impression that he will get returns on his name, but all his earned money was extorted by the accused persons and they started to threaten the complainant and his family.

5) During investigation of impugned FIR, offences under Section 420, 506 and 120-B IPC were found to have been established against the petitioners.

6) It seems that during pendency of the aforesaid proceedings, the parties have entered into a compromise on 30.05.2026 and in this regard, they have produced a copy of the compromise deed before this Court. In support of the compromise, the statements of respondent No.3 (the complainant) and counsel for the petitioners, namely, Advocate Amjid Maqbool, have been recorded by the Registrar Judicial on 15.07.2026. The complainant in his statement has stated that he has amicably settled his dispute with the petitioners and that he has no grievance against them and that he does not want to pursue the criminal proceedings against the accused/petitioners.

7) It is in the above circumstances that the petitioners have approached this Court for seeking quashment of the impugned orders and the proceedings emanating therefrom.

8) Heard and considered.

9) So far as the fact pertaining to the compromise arrived at between the parties, is concerned, the same is not in dispute. The question arises as to whether this Court has power to quash the proceedings.

10) It is a settled law that the offences arising out of the disputes where the wrong is basically private or personal in nature and the parties have resolved their entire dispute, the High Court will be within its jurisdiction to quash the criminal proceedings, particularly when, as a consequence of the compromise arrived at between the parties, there is remote possibility of securing conviction of the accused. In my aforesaid view, I am fortified by the judgments of the Supreme Court in the cases of **Anil Mishra vs. State of UP & Ors, (2024) 3 SCR 385**, **K. Bharathi Devi vs. The State of Telengana** (SLP (Criminal) No.4353 of 2018 decided on 3rd October, 2024), **Gian Singh. v. State of Punjab & another, (2012) 10 SCC 303** and **Narinder Singh & Ors. Vs. State of Punjab & anr, (2014) 6 SCC 466**.

11) Adverting to the facts of the instant case, it is clear that the parties have entered into a compromise wherein the complainant has categorically stated that he is not willing to pursue the proceedings and that the parties have settled their disputes amicably. It is also clear from the contents of the impugned FIR that the dispute between the accused and the complainant is essentially of private/civil nature, which pertains to business transactions which stands settled amicably. In these circumstances, if an end is not put to the criminal proceedings, it would amount to giving a fresh lease of life to the dispute which has been settled by parties

amicably. It will amount to frittering away of the fruits of compromise that has been arrived at between the parties. The continuance of criminal proceedings against the accused/petitioners in these circumstances, will be nothing but an abuse of process of law.

12) For the foregoing discussion, the petition is allowed and the impugned order dated 12.08.2024.2023 and impugned FIR No.51/2024 for offences under Section 420, 506 and 120-B of IPC registered with P/S Zakoora, and the proceedings emanating therefrom against the petitioners are quashed.

Srinagar
15.07.2026

“Bhat Altaf-Secretary”

Whether the order is reportable: **Yes/No**

