

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

CRM-M-22583 of 2017
Date of Decision: July 24, 2017

SREI Equipment Finance Ltd. And another

.....Petitioners

Versus

UT of Chandigarh and another

.....Respondents

CORAM: HON'BLE MR. JUSTICE ARVIND SINGH SANGWAN

Present: Mr. Vipin Ghai, Senior Advocate with
Mr. Mohammed Arshad and
Mr. Changez Khan, Advocate for the petitioners.
Mr. Sukant Gupta, Additional Public Prosecutor
for Union Territory, Chandigarh.
Mr. Komal Abrol Advocate
for respondent No.2.

ARVIND SINGH SANGWAN, J.

Petitioners have filed the present petition under Section 482 of the Code of Criminal Procedure, 1973 for quashing of FIR No.102 dated 31.5.2017, under Sections 406, 420 and 120-B, of the Indian Penal Code, 1860 ('IPC' for short), registered at Police Station Mani Majra, Chandigarh (Annexure P1) and all consequential proceedings arising therefrom, on the basis of compromise.

Vide order dated 23.6.2017, a direction was given to the Illaqa Magistrate/Duty Magistrate to record the statements of the parties and submit a report regarding the genuineness of the compromise effected

between the parties .

In pursuance thereof, the trial Court has submitted a report dated 14.7.2017, after recording the statements of the parties, that the complainant-authorised representative-Shaveta Sharma, Senior Manager on behalf of respondent No.2, and accused- authorised representative-Shiv Shankar Chaudhary, AVP legal of M/s SREI Equipment Finance Ltd. on behalf of petitioner No.1, and Raja Singh, petitioner No.2 have appeared along with their respective counsel, who had identified them and got their statements recorded acknowledging that the compromise had been effected voluntarily, without any coercion or any undue influence.

As per the Full Bench judgement of this Court in **Kulwinder Singh and others vs. State of Punjab, 2007 (3) RCR (Criminal) 1052**, High Court has power under Section 482 Cr.P.C. to allow the compounding of non-compoundable offence and quash the prosecution where the High Court felt that the same was required to prevent the abuse of the process of any Court or to otherwise secure the ends of justice. This power of quashing is not confined to matrimonial disputes alone.

Hon'ble the Apex Court in the case of **Gian Singh vs. State of Punjab and another 2012 (4) RCR (Crl.) 543**, has held as under:-

“57. The position that emerges from the above discussion can be summarised thus: the power of the High Court in quashing a criminal proceeding or FIR or complaint 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 plenitude with no statutory limitation but it has to be exercised in accord with the guideline engrafted in such power viz; (i) to secure the ends of justice or (ii) to prevent abuse of the process of any Court. In what cases power to quash the criminal proceeding or complaint or F.I.R may be exercised where the offender and victim have settled their dispute would depend on the facts and circumstances of each case and no category can be prescribed. However, before exercise of such power, the High Court must have due regard to the nature and gravity of the crime. Heinous and serious offences of mental depravity or offences like murder, rape, dacoity, etc. cannot be fittingly quashed even though the victim or victim's family and the offender have settled the dispute. Such offences are not private in nature and have serious impact on society. Similarly, any compromise between the victim and offender in relation to the offences under special statutes like Prevention of Corruption Act or the offences committed by public servants while working in that capacity etc; cannot provide for any basis for quashing criminal proceedings involving such offences. But the criminal cases having overwhelmingly and predominatingly civil flavour stand on different footing for the purposes of quashing, particularly the offences

arising from commercial, financial, mercantile, civil, partnership or such like transactions or the offences arising out of matrimony relating to dowry, etc. or the family disputes where the wrong is basically private or personal in nature and the parties have resolved their entire dispute. In this category of cases, High Court may quash criminal proceedings if in its view, because of the compromise between the offender and victim, the possibility of conviction is remote and bleak and continuation of criminal case would put accused to great oppression and prejudice and extreme injustice would be caused to him by not quashing the criminal case despite full and complete settlement and compromise with the victim. In other words, the High Court must consider whether it would be unfair or contrary to the interest of justice to continue with the criminal proceeding or continuation of the criminal proceeding would tantamount to abuse of process of law despite settlement and compromise between the victim and wrongdoer and whether to secure the ends of justice, it is appropriate that criminal case is put to an end and if the answer to the above question(s) is in affirmative, the High Court shall be well within its jurisdiction to quash the criminal proceeding.”

Since the parties have arrived at a compromise and have

decided to live in peace, no useful purpose would be served in allowing the criminal proceedings to continue.

Accordingly, this petition is allowed. FIR No.102 dated 31.5.2017, under Sections 406, 420 and 120-B IPC, registered at Police Station Mani Majra, Chandigarh (Annexure P1) and all the consequential proceedings, arising therefrom, are ordered to be quashed qua the petitioners.

(ARVIND SINGH SANGWAN)
JUDGE

July 24, 2017
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Whether speaking/reasoned: Yes

Whether Reportable: Yes