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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

\+ W.P.(CRL) 333/2016

M/S JINDAL INFRA BUILD PVT. LTD. & ANR ..... Petitioners

Through : Mr. Sunil Fernandes, Mr. Puneeth KG and Mr. V. K. Yadav, Advs.

versus

STATE OF NCT OF DELHI & ANR. ..... Respondents

Through : Mr. Ashish Aggarwal, ASC with SI Surjeet, EOW.
Mr. Vijay Kumar Aggarwal and Mr. Neeraj Kumar Jha, Advs. for R-2.

CORAM:
HON'BLE MR. JUSTICE A.K. PATHAK

O R D E R

% 03.03.2017

W.P.(CRL) 333/2016

Petitioners have prayed for quashing of FIR No.72/2015 under Sections 409/420/120B IPC registered at police station Economic Offences Wing on the complaint of respondent no.2.

Investigations are at the nascent stage. It is trite law that in exercise of inherent powers under Section 482 Cr.P.C., the High Court will interfere and quash the FIR at the investigation stage only in exceptional and rare circumstances. The allegations in the FIR have to be taken on its face value and in case ingredients of offence are disclosed, FIR cannot be quashed. By following catena of judgments, in RBI Marketing (Netherlands) B. V. & Anr. Thr. Attorney Vs. State & Ors, MANU/DE/5643/2012, I have observed as under:-

> “16. There is no gainsaying that powers of High Court under Section 482 of the Cr. P.C. are very wide, but at the same time it has to be noted that great care and caution is to be exercised in invoking the same. Inherent power should be exercised sparingly and only in exceptional circumstances. Inherent power cannot be exercised to stifle a legitimate prosecution. The court will not normally interfere with an investigation into the case and will permit investigation into the offence alleged to be completed; if, however, the materials do not disclose an offence, no investigation should normally be permitted. Once an offence is disclosed, an investigation into the offence must necessarily follow in the interest of justice. If no offence is disclosed, an investigation cannot be permitted, as any investigation, in the absence of any offence being disclosed, will result in unnecessary harassment to a party, whose liberty and property would be put to jeopardy. Liberty and property of an individual are sacrosanct and the court zealously guards and protects them. Whether an offence has been disclosed or not would depend on the facts and circumstances of each particular case. At the same time, the allegations made in the FIR have to be taken on its face value to find out as to whether any offence is disclosed or not. In case facts of the case discloses purely civil disputes, FIR can be quashed but if the case has civil profile with criminal element High Court shall be reluctant to quash the FIR. The inherent jurisdiction of High Court can be exercised to quash the FIR in a proper case either to prevent the abuse of the process of Court or otherwise to secure the ends of justice”.

From perusal of FIR it cannot be said that ingredients of offence are not disclosed or that disputes are purely of civil nature. Complainant/respondent no.2 has alleged in the FIR that the petitioners had approached it in connivance with each other and induced the respondent no.2 to invest about ₹7.66 Crores in their upcoming group housing project; at Village Garh Shahjanpur, Sector-

17, Sonepat, Haryana over an area of 12.543/12.156 acres. It was assured that license was already obtained from the Director General, Town and Country Planning, Government of Haryana, Chandigarh, for developing the group housing project. At the time when the investment was made, petitioners stated that they were a company of repute and had completed several projects. Total estimated cost of project stated to be ₹22.5 Crores and respondent no.2 invested 1/3rd of the project. After the investment was made, shares were not allotted. Petitioners had also assured to execute a written agreement with all the details of the project in the first week of January, 2009 but they avoided the agreement. In the last week of March, 2010, a meeting took place between the petitioner and respondent no.2 for execution of a written agreement but the required documents of the project were not made available. Extension of time was requested to bring the original documents in the last week of December, 2010 and another meeting was rescheduled for the execution of written agreement in the second week of January, 2011. Written agreement was not executed. Respondent no.2 became suspicious since petitioners had been delaying the execution of agreement on one or the other pretext. Thereafter, enquiries were made from the Government of Haryana regarding the existing title of the land and about the license shown by the petitioners to respondent no.2, when it was revealed that petitioners did not complied the terms of license. Petitioner did not disclose the true and correct facts and had committed cheating with the respondent no.2. License No.25/2009, which was the gist of the agreement, contained certain clauses which were not fulfilled by the petitioners. Petitioners were always disinterested in developing the project. In the month of November, 2011, respondent no.2 visited the site and was shocked to notice that no construction was ever commenced and the land was completely barren. Instead of acknowledging their shortcomings, petitioners started demanding more money and threatened the respondent no.2 that invested amount will be forfeited. In the month of July, 2012, a Memorandum of Understanding was executed whereby, respondent no.2 was assured the refund of amount but the same was not honoured. Respondent no.2 also came to know that the petitioners had transferred the money of respondent no.2 in the personal projects of their other companies namely, Jindal Mittal Promoters and Builders Private Limited, Narang Construction and Financiers Private Limited, Max Heights Promoters Private Limited wherein one of the projects namely Max Heights Surajkund was on the verge of completion.

Learned counsel for the petitioners has vehemently contended that it is the simple case of breach of contract. Disputes are purely of civil nature, therefore, FIR is liable to be quashed. Reliance has been placed on Vesa Holdings Private Limited & Anr. Vs. State of Kerala & Ors., (2015) 8 SCC

293 and V. Y. Jose & Anr. Vs. State of Gujarat & Anr., (2009) 3 SCC 78. I have perused the judgments and find the same to be in the context of different facts. In the present case, specific allegations of inducement besides transfer of funds have been levelled, which require to be investigated.

For the foregoing reasons, petition is dismissed.

A.K. PATHAK, J.

MARCH 03, 2017/dk