

HIGH COURT OF CHHATTISGARH, BILASPUR

CR.M.P. No. 97 of 2019

1. Rajan Raheja, S/o. Beharilal Raheja, Aged About 65 Years, Non - Executive Director in Prism Johnson Limited, "Rahejas", Main Avenue, V.P.Road, Santacruz (West), Mumbai 400054.
2. Atul Rasiklal Desai, S/o. Rasiklal Motichand Desai, Aged About 57 Years, Executive Director & CEO - RMC (India) Division
3. Srirang Sondur, S/o Late Anant R Sondur, Aged About 52 Years, President Commercial Concrete - RMC (India) Division
Office Of 2 & 3 At Prism Johnson Limited, RMC (India) Division, 7th Floor, Windsor, CST Road, Kalina, Mumbai 400098.
4. Kunal Dutta, S/o. Late Subimal Dutta, Aged About 48 Years, Dy. General Manager Accounts - RMC (India) Division
5. Saibal Ghosh, S/o. Late Shailendra Chandra Ghosh, Aged About 54 Years, Dy. General Manager Business - RMC (India) Division
6. Kajal Chakrabarti, S/o. Late Subal Chandra Chakrabarti, Aged About 46 Years, Sr. Manager Commercial - RMC (India) Division
Office Of No.4, 5 & 6 At Prism Johnson Limited, RMC (India) Division, Unit 4N, 4th Floor, New Town Square, Near City Centre II, Chinar Park, Atghara, Rajarhat, Kolkata – 700136.
7. Sukanta Paith, S/o. Shri Kamal Paith, Aged About 46 Years, Branch Manager, Prism Johnson Limited, RMC (India) Division, Khasra No. 467/1-3-4-5-6-7 & 462, Village - Serikheri, Tehsil - Arang, District Raipur, 492001.

---- Petitioners

Versus

1. State Of Chhattisgarh, Through District Magistrate, Raipur.
2. Gurvinder Singh Oberoi, S/o. Shri Jasbir Singh Oberoi, Aged About 43 Years, R/o. 505, Civil Lines, Raipur – 492001.

---- Respondents

For Petitioners	:	Mr. Raja Sharma, Advocate
For Respondent No.1	:	Mr. Chandresh Shrivastava, Dy. A.G.
For Respondent No.2	:	Mr. Pragalbha Sharma, Advocate

Hon'ble Shri Justice Goutam Bhaduri

Order On Board

29.01.2019

Heard

1. The present petition is to quash the FIR No.341/2018 registered at Police Station- Mandir Hasaud on 27.10.2018 for the offence under Sections 420, 406, 294, 506 & 34 of Indian Penal Code against the

petitioners. The complaint was lodged by one Gurvinder Singh Oberoi for some alleged non-payment of amount in a business transaction.

2. Learned counsel for the petitioners submits that the respondent No.2/ complainant was in business with the petitioners' company Prism Cement right from 2011-12 and the contract eventually was expired on 2018, however, due to some monetary dispute, which led to civil in nature, the FIR was lodged. Subsequently, the settlement has been arrived at amicably in between the parties being it commercial in nature, therefore, the FIR which is lodged may be quashed.
3. Learned counsel for the respondent No.1 do not opposes the same.
4. The statement of the complainant was recorded before the Additional Registrar (Judicial) wherein he has stated that settlement has been arrived at in between the parties and he do not want to continue his complaint.
5. The Hon'ble Supreme Court in **Gian Singh v. State of Punjab & Another¹** has laid down the following principles :

“**61.** 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

¹ (2012) 10 SCC 303

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.

6. Further, in case of ***Parbatbhai Aahir @ Parbatbhai Bhimsinhbhai Karmur & Ors. v. State of Gujarat & Ors.***² their Lordship again reiterated the view taken in case of ***Gian Singh*** (supra) and has laid down the following propositions :

“15. The broad principles which emerge from the precedents on the subject, may be summarised in the following propositions :

(i) Section 482 preserves the inherent powers of the High Court to prevent an abuse of the process of any court or to secure the ends of justice. The provision does not confer new powers. It only recognises and preserves powers which inhere in the High Court;

(ii) The invocation of the jurisdiction of the High Court to quash a First Information Report or a criminal proceeding on the ground that a settlement has been arrived at between the offender and the victim is not the same as the invocation of jurisdiction for the purpose of compounding an offence. While compounding an offence, the power of the court is governed by the provisions of Section 320 of the Code of Criminal Procedure, 1973. The power to quash under Section 482 is attracted even if the offence is non-compoundable.

(iii) In forming an opinion whether a criminal proceeding or complaint should be quashed in exercise of its jurisdiction under Section 482, the High Court must evaluate whether the ends of justice would justify the exercise of the inherent power;

(iv) While the inherent power of the High Court has a wide ambit and plenitude it has to be exercised; (i) to secure the ends of justice or (ii) to prevent an abuse of the process of any court;

(v) The decision as to whether a complaint or First Information Report should be quashed on the ground that

² (2017) 9 SCC 641

the offender and victim have settled the dispute, revolves ultimately on the facts and circumstances of each case and no exhaustive elaboration of principles can be formulated;

(vi) In the exercise of the power under Section 482 and while dealing with a plea that the dispute has been settled, the High Court must have due regard to the nature and gravity of the offence. Heinous and serious offences involving mental depravity or offences such as murder, rape and dacoity cannot appropriately be quashed though the victim or the family of the victim have settled the dispute. Such offences are, truly speaking, not private in nature but have a serious impact upon society. The decision to continue with the trial in such cases is founded on the overriding element of public interest in punishing persons for serious offences;

(vii) As distinguished from serious offences, there may be criminal cases which have an overwhelming or predominant element of a civil dispute. They stand on a distinct footing in so far as the exercise of the inherent power to quash is concerned;

(viii) Criminal cases involving offences which arise from commercial, financial, mercantile, partnership or similar transactions with an essentially civil flavour may in appropriate situations fall for quashing where parties have settled the dispute;

(ix) In such a case, the High Court may quash the criminal proceeding if in view of the compromise between the disputants, the possibility of a conviction is remote and the continuation of a criminal proceeding would cause oppression and prejudice; and

(x) There is yet an exception to the principle set out in propositions (viii) and (ix) above. Economic offences involving the financial and economic well-being of the state have implications which lie beyond the domain of a mere dispute between private disputants. The High Court

would be justified in declining to quash where the offender is involved in an activity akin to a financial or economic fraud or misdemeanour. The consequences of the act complained of upon the financial or economic system will weigh in the balance.

7. Considering the submission made by the learned counsel appearing for the parties and taking into the statement of the complainant, it appears that no purpose would be served to continue the investigation in the FIR as prima facie the dispute appears to be commercial in nature. Under the circumstances, following the principles laid down by the Supreme Court in the above cited cases, the petition is allowed and it is directed that the FIR No.341/2018 dated 27/10/2018 registered at Police Station- Mandir Hasaud for the offence under Sections 420, 406, 294, 506 & 34 of Indian Penal Code against the petitioners is hereby quashed and they are acquitted of the charges.

Sd/-
(Goutam Bhaduri)
Judge