



BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 08.08.2019

CORAM:

THE HONOURABLE MR.JUSTICE V.BHARATHIDASAN

Cr1.O.P.(MD) No.11020 of 2019

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1.C.Chinnamani

2.Arivu @ Arivuselvam

: Petitioners/Accused No.1&2

Versus

1.State rep. by

The Inspector of Police,

D-2,Sellur (L & O) Police Station,

Madurai City.

In Cr.No.1106 of 2013

: Respondent/Complainant

2.M.Thirumeni

: Respondent/Defacto Complainant

Prayer: Petition is filed under Section 482 of the Criminal Procedure Code praying to quash the charge sheet in C.C.No.179 of 2014, on the file of the learned Judicial Magistrate No.II, Madurai, on the basis of Compromise Memo dated 01.08.2019.

For Petitioners : Mr.T.Sugadev

For Respondent No.1 : Mr.K.Suyambulinga Bharathi,
Government Advocate (Cr1.side)

For Respondent No.2 : Mr.M.Karunanithi

O R D E R

This petition has been filed to quash the charge sheet in C.C.No.179 of 2014, on the file of the learned Judicial Magistrate No.II, Madurai.

2. The petitioners are arrayed as accused Nos.1 and 2 in C.C.No.179 of 2014, registered for the offences under Sections 3 and 4 of the Tamil Nadu Prohibition of Charging Exorbitant Interest Act, 2003 and Sections 365, 323 and 506 (ii) of the Indian Penal Code, based on the complaint given by the second respondent. Now, to quash the above criminal proceedings, the present petition has been filed.

3. The learned counsel appearing for the petitioners submitted that the second respondent has given a complaint alleging that he has borrowed some money from the first petitioner herein. Thereafter, the petitioners have demanded some interest from the second respondent / *defacto* complainant and threatened him with dire consequences. Hence the present complaint has been given. After registration of the First Information Report, the second respondent has conducted investigation. After completing the investigation, the final report has been filed before the learned Judicial



Magistrate and the learned Judicial Magistrate has taken cognizance and the matter is now pending in C.C.No.179 of 2014.

4. The learned counsel appearing for the petitioners as well as the learned counsel appearing for the second respondent / *defacto* complainant submitted that the petitioners have received a sum of Rs.30,000/- to the total discharge of the loan from the second respondent / *defacto* complainant and they did not demand any amount from the second respondent. Now the petitioners and the second respondent/*defacto* complainant have resolved their dispute between themselves amicably and they are living in peace and harmony and also the second respondent/*defacto* complainant is not willing to proceed further with the criminal case.

5. Today, when the matter was taken up for hearing, both the petitioners and the second respondent/*defacto* complainant are present in Court and they are identified by their respective counsel. On enquiry, both parties have stated that they have resolved their dispute between themselves amicably and the second respondent/*defacto* complainant has also stated that he is not willing to proceed with the criminal case any further and they have also filed a joint compromise memo to that effect.

6. It is settled law that the High Court has inherent power under Section 482 of the Code of Criminal Procedure to quash the criminal proceedings even for the offences which are not compoundable under Section 320 of the Code of Criminal Procedure, where the parties have settled their dispute between themselves. However, while quashing the criminal proceedings, based on the settlement arrived at between the parties, the High Court should act with caution and the power should be exercised sparingly only in order to secure the ends of justice and also to prevent abuse of process of any Court.

7. In **Gian Singh vs. State of Punjab [2012 (10) SCC 303]**, the Supreme Court has held as follows:

"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 FIR may be exercised where the offender and the 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 a serious impact on society."

8. In **Narinder Singh v. State of Punjab** [2014(6) SCC 466], after considering the **Gian Singh's** case referred to above, the Hon'ble Supreme Court has held as follows:

29.1. Power conferred under Section 482 of the Code is to be distinguished from the power which lies in the Court to compound the offences under Section 320 of the Code. No doubt, under Section 482 of the Code, the High Court has inherent power to quash the criminal proceedings even in those cases which are not compoundable, where the parties have settled the matter between themselves. However, this power is to be exercised sparingly and with caution.

29.2. When the parties have reached the settlement and on that basis petition for quashing the criminal proceedings is filed, the guiding factor in such cases would be to secure:

- (i) ends of justice, or
- (ii) to prevent abuse of the process of any court.

While exercising the power the High Court is to form an opinion on either of the aforesaid two objectives.

29.3. Such a power is not to be exercised in those prosecutions which involve heinous and serious offences of mental depravity or offences like murder, rape, dacoity, etc. Such offences are not private in nature and have a serious impact on society. Similarly, for the offences alleged to have been committed under special statute like the Prevention of Corruption Act or the offences committed by public servants while working in that capacity are not to be quashed merely on the basis of compromise between the victim and the offender.

29.4. On the other hand, those criminal cases having overwhelmingly and predominantly civil character, particularly those arising out of commercial transactions or arising out of matrimonial relationship or family disputes should be quashed when the parties have resolved their entire disputes among themselves.

29.5. While exercising its powers, the High Court is to examine as to whether the possibility of conviction is remote and bleak and continuation of criminal cases would



put the accused to great oppression and prejudice and extreme injustice would be caused to him by not quashing the criminal cases."

9. In *Parbatbhai Aahir v. State of Gujarat* [AIR 2017 SC 4843], the Supreme Court held thus"

"(1) Section 482 CrPC 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 inherent in the High Court.

(2) 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 CrPC. The power to quash under Section 482 is attracted even if the offence is non-compoundable.

(3) 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.

(4) 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.

(5) the decision as to whether a complaint or first information report should be quashed on the ground that 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 formulate.

(6) 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.



(7) 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 insofar as the exercise of the inherent power to quash is concerned.

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(8) 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.

(9) 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

(10) There is yet an exception to the principle set out in Propositions (8) and (9) 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."

10. Recently, in **State of Madhya Pradesh v. Laxmi Narayan** [AIR 2019 SC 1296], the Hon'ble Supreme Court, considering all the above judgments, has held as follows:

"i) that the power conferred under Section 482 of the Code to quash the criminal proceedings for the non-compoundable offences under Section 320 of the Code can be exercised having overwhelmingly and predominantly the civil character, particularly those arising out of commercial transactions or arising out of matrimonial relationship or family disputes and when the parties have resolved the entire dispute amongst themselves;

ii) such power is not to be exercised in those prosecutions which involved heinous and serious offences of mental depravity or offences like murder, rape, dacoity, etc. Such offences are not private in nature and have a serious impact on society;

iii) similarly, such power is not to be exercised for the offences under the special statutes like Prevention of Corruption Act or the offences committed by public servants while working in that capacity are not to be quashed merely on the basis of compromise between the



victim and the offender;

iv) offences under Section 307 IPC and the Arms Act etc. would fall in the category of heinous and serious offences and therefore are to be treated as crime against the society and not against the individual alone, and therefore, the criminal proceedings for the offence under Section 307 IPC and/or the Arms Act etc. which have a serious impact on the society cannot be quashed in exercise of powers under Section 482 of the Code, on the ground that the parties have resolved their entire dispute amongst themselves. However, the High Court would not rest its decision merely because there is a mention of Section 307 IPC in the FIR or the charge is framed under this provision. It would be open to the High Court to examine as to whether incorporation of Section 307 IPC is there for the sake of it or the prosecution has collected sufficient evidence, which if proved, would lead to framing the charge under Section 307 IPC. For this purpose, it would be open to the High Court to go by the nature of injury sustained, whether such injury is inflicted on the vital/delegate parts of the body, nature of weapons used etc. However, such an exercise by the High Court would be permissible only after the evidence is collected after investigation and the charge sheet is filed/charge is framed and/or during the trial. Such exercise is not permissible when the matter is still under investigation. Therefore, the ultimate conclusion in paragraphs 29.6 and 29.7 of the decision of this Court in the case of Narinder Singh (supra) should be read harmoniously and to be read as a whole and in the circumstances stated hereinabove;

v) while exercising the power under Section 482 of the Code to quash the criminal proceedings in respect of non-compoundable offences, which are private in nature and do not have a serious impact on society, on the ground that there is a settlement/compromise between the victim and the offender, the High Court is required to consider the antecedents of the accused; the conduct of the accused, namely, whether the accused was absconding and why he was absconding, how he had managed with the complainant to enter into a compromise etc."

11. Keeping the above principles in mind, let us now consider the instant case as to whether it is a fit case to quash the criminal proceedings based on the settlement arrived at between the parties.



12. Considering the fact that though the case was registered for the offence under Sections 3 and 4 of the Tamil Nadu Prohibition of Charging Exorbitant Interest Act, 2003 and Sections 365, 323 and 506 (ii) of the Indian Penal Code, it is predominantly a money dispute, now both parties have resolved their dispute between themselves and they are living in peace and harmony and the second respondent / defacto complainant is not interested in prosecuting the complaint. In view of the compromise between the parties, the possibility of conviction is also remote and bleak. In the above circumstances, continuity of the criminal proceedings would only cause oppression and prejudice to the parties, hence, in order to secure the ends of justice, this Court is inclined to quash the criminal proceedings.

13. Accordingly, this Criminal Original Petition is allowed and the criminal proceedings initiated against the petitioners in C.C.No.179 of 2014, on the file of the learned Judicial Magistrate No.II, Madurai is hereby quashed.

Sd/-

Assistant Registrar

// True Copy //

Sub Assistant Registrar(CS)

To

- 1.The Judicial Magistrate No.II,
Madurai.
2. The Inspector of Police,
D-2,Sellur (L & O), Police Station,
Madurai District.
3. The Additional Public Prosecutor,
Madurai Bench of Madras High Court,
Madurai.

+1 CC to Mr.T.SUGADEV, Advocate (SR-81088[F] dated 09/08/2019)

Order made in
Cr1.O.P. (MD) No.11020 of 2019
Dated: 08.08.2019

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MK (28.08.2019) 7P 5C