

**HIGH COURT OF CHHATTISGARH, BILASPUR****CRMP No. 1070 of 2020**

1. Ram Kishor Arora s/o. Late Shri I.S. Arora, aged about 56 years, r/o. C/10, Sector-36, Noida, Gautambudhnagar, UP.
2. Mohit Arora, s/o. Shri Ram Kishor Arora, aged about 32 years, r/o. C/10, Sector-36, Noida, Gautambudhnagar, UP.

**---- Petitioners****Versus**

1. State of Chhattisgarh at the instance of Amanaka Police Station, District Raipur in FIR No. 0092 date 18-5-2020.
2. Rajkumar Paliwal, s/o. Late Madam Lal Pailwal, aged about 47 yers, resident of Sheetla Mata Mandir, Shanti Vihar Colony, Dist. Raipr (492008).

**---- Respondents**


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| For Petitioner      | : Shri Aman Saxena, Advocate           |
| For State           | : Shri Devendra Pratap Singh, Dy. A.G. |
| For Respondent No.2 | : Mr. Abhyudhay Singh, Advocate        |

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**Hon'ble Shri Justice Narendra Kumar Vyas****Order on Board****16-07-2021**

1. The petitioners have filed this petition under Section 482 of the Cr.P.C. seeking quashment of FIR No. 0092 dated 18-5-2020 registered at Police Station Amanaka, District Raipur for committing offence under Section 420 read with Section 34 of IPC on the complainant made by respondent No.2.
2. The facts, in brief, as projected by the petitioners are that they are Directors of M/s Supertech Ltd., a Private Limited Company (for short,"the Company") incorporated under the Companies Act, 1956.

The company had long term business relationship with R.K.S.K. Steel India Pvt. Ltd. (hereinafter "RAMA group") since 2014. The company purchased Steel TMT bars from respondent No.2 by placing purchasing orders and since 2014 petitioners and respondent No.2 have done business transaction to the tune of Rs.54.26 crores. Due to certain dispute arisen between the petitioners and respondent No.2, on 18-5-2020 respondent No.2 lodged a complaint at Police Station Amanaka alleging that the company has not paid Rs.4,05,58,718/- to them which is due for purchase of TMT Steel since March 2018 and thus they have committed offence of cheating and dishonesty and on the basis of said complaint FIR under Section 420 read with Section 34 of IPC has been registered against the petitioners/company.

3. The petition was admitted by this court and while issuing notice on 4-9-2020 this court directed that no coercive steps shall be taken against the petitioners, thereafter the matter was listed before this court on 24-5-2021 and this court has directed that since the dispute relates to business transaction between the parties, therefore, they shall try to mutually settle their grievance. The petitioners and respondent No.2 have settled their dispute, as such this court vide its order dated 2-7-2021 has directed that Mr. Jaybir Singh, who is Manager (Legal) of the petitioners/company and respondent No.2 to appear before the Additional Registrar (Judicial) of this court on 9-7-2021 for recording their statements. The relevant clause of the settlement deed is reproduced as under.

"To allot 4 (Four) Plots (I) bearing Plot No. H-11, (hereinafter referred to as "Plot No. 1") admeasuring 200 sq.yd.; (ii) bearing Plot No. H-12 (hereinafter referred to as "Plot no. 2") admeasuring 200 sq.yd.; (iii) bearing Plot no. H-14, (hereinafter referred to as "Plot No. 3") admeasuring 200 sq.yd. and (iv) bearing Plot No. E-68, (hereinafter referred to as "Plot No. 4") admeasuring 150 sq.yd., of the project named "Golf Country/Golf Village" (hereinafter referred to as the "Project") situated at Plot No. TS – 5, Section-22 D, Yamuna Expressway, Greater

Noida, U.P. (India) to the First Party in lieu of the adjustment of the said outstanding amount of Rs. 2,00,37,993/- (Rupees Two Crores Thirty Seven Thousand Nine Hundred and Ninety Three Only) towards the consideration of the said 4 Plots as a full and final settlement of all the claims of the First Party in respect of the said Case, NCLT notices and the Outstanding Amount against the Second Party including the settlement of all the claims of the First Party against the Third Party and Fourth Party.”

4. In pursuance of the direction of this Court, the petitioners and respondent No. 2 entered their appearance before the Registry of this court on 9-7-2021 and stated in unequivocal terms that now there is no dispute between them, respondent No. 2 is not willing to continue with the criminal proceedings and prayed for quashment of the FIR No.0092. He has stated that he has voluntarily deposed that statement, it has been executed without fear, pressure or undue influence from the petitioners.
5. Hon'ble the Supreme Court in case of **State of Madhya Pradesh Vs. Laxmi Narayan & others**<sup>1</sup>, has summarized the law for quashing of FIR, the relevant paragraphs are extracted below:-

“15.1 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;

15.5 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

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<sup>1</sup> (2019) 5 SCC 688

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.”

6. Though the offence under Section 420 of IPC is not compoundable but this can be quashed with the leave of this Court as the petitioners and respondent have mutually settled their dispute.
7. In view of the said legal position, considering the facts and circumstances of the case, the fact that the parties have amicably settled dispute between them and they do not want to continue with the criminal case, this court is of the considered opinion that there is sufficient material for this court to form an opinion to quash the criminal proceeding initiated against the petitioners. Further, this court is of the opinion that the continuation of criminal proceeding will be nothing, but to an abuse of process of law.
8. Accordingly, FIR bearing registration No.0092 registered against the petitioners at Police Station- Amanaka , District- Raipur for committing offence punishable under Section 420 read with Section 34 of I.P.C., deserves to be and is hereby quashed in the interest of justice.
9. In view of the above, the present petition is allowed. No order as to costs.

**Sd/-**

**(Narendra Kumar Vyas)**  
**Judge**