

25.11.2024
Serial no. 2
Piya
Ct. No. 30

CRR 4070 of 2023
+
IA No.: CRAN 1 of 2024

M/s. EMT Megatherm Pvt. Ltd. & Ors.
vs.
Lohia Traders

Mr. Arindam Sen,
Mr. Saurav Basu,
..... for the Petitioners

Mr. Samit Bhanja,
Mr. Arka Roy,
... for the Opposite Party

1. The present revision has been preferred praying for quashing of the proceeding being complaint case no. CS/94086 of 2023 presently pending before the learned Metropolitan Magistrate, 5th Court, Calcutta, alleging commission of offence under Sections 406/420 of the Indian Penal Code.
2. **CRAN 1 of 2024** filed, is a joint application on affidavit stating that the parties have arrived at an amicable settlement in the present case and the complainant/opposite party does not have any grievance if the proceedings in the present case is quashed in respect of the petitioners.

3. The following rulings are relied upon by this Court considering the facts and circumstances of the case herein:-

(1) (2012) 10 Supreme Court Cases 303.

(2) (2018) 3 Supreme Court Cases 290.

4. A Three Judge Bench of the Court in **(2012) 10 Supreme Court Cases, 303, Gian Singh vs State of Punjab** and another has cleared the position in respect of the power of the High Court in quashing a criminal proceedings in exercise of its inherent jurisdiction in para 61 of the judgment, which is reproduced here in:-

“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. Similarly, any compromise between the victim and the offender in relation to the offences under special statutes like the 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 a 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, the High Court may quash the criminal proceedings if in its view, because of the compromise between the offender and the victim, the possibility of conviction is remote and bleak and continuation of the criminal case would put the 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 the wrongdoer and whether to secure the ends of justice, it is appropriate that the criminal case is put to an end and if the answer to the above question(s) is in the affirmative, the High Court shall be well within its jurisdiction to quash the criminal proceeding.”

5. In Anita Maria Dias & Anr. vs The State of Maharashtra & Anr. (2018) 3 SCC 290.

The Court held:-

- (a) Offences which are predominant of civil character, commercial transaction should be quashed when parties have resolved their dispute.*
- (b) Timing of settlement would be crucial for exercise of power or declining to exercise power (stage of proceedings).*

6. The joint application filed by the parties clearly shows that an amicable settlement and compromise has been

arrived at between the parties and the complainant does not wish to proceed with the criminal case against the petitioners being complaint case no. CS/94086 of 2023 presently pending before the learned Metropolitan Magistrate, 5th Court, Calcutta, alleging commission of offence under Sections 406/420 of the Indian Penal Code.

7. Supplementary affidavit has been filed by the petitioners along with the copy of the demand draft of Rs. 5 lakhs paid to the opposite party.
8. **From the materials on record**, it is clear that dispute in the present case is a financial/private business dispute and the parties have now resolved their entire dispute by way of a compromise/settlement on affidavit and as such the possibility of conviction is remote and bleak and continuation of the criminal case would put the accused to great oppression and prejudice and extreme injustice could be caused to him by not quashing the criminal case despite full and complete settlement and compromise with the complainant. As in the words of the Supreme Court in ***(Gian Singh Vs. State of Punjab and another, (Supra))***.
9. As such this court is of the view that it would be unfair and contrary to the interest of justice to continue with the criminal proceedings which would tantamount to abuse of process of law in view of the settlement arrived at between the parties in respect of their dispute and to

secure the ends of justice it would be prudent to quash the proceedings in the case as prayed for.

10. Accordingly, the revisional application being CRR 4070 of 2023 is allowed.

11. The proceeding being complaint case no. CS/94086 of 2023 presently pending before the learned Metropolitan Magistrate, 5th Court, Calcutta, alleging commission of offence under Sections 406/420 of the Indian Penal Code, **is hereby quashed in respect of the petitioners.**

12. All connected Applications, if any, stands disposed of.

13. Interim order, if any, stands vacated.

14. Copy of this order be sent to the learned Trial Court for necessary compliance.

15. Urgent certified website copy of this order, if applied for, be supplied expeditiously after complying with all, necessary legal formalities.

(Shampa Dutt (Paul), J.)