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

+ **W.P.(CRL) 714/2024 & CRL.M.A. 6678/2024**

KIRAN KUMAR & ORS.

..... Petitioners

Through: Mr. Akshay Malik, Mr. Anirudh Sharma, Mr. Lokesh Kashyap and Mr. Dharmendra, Advocates along with Petitioners in person.

versus

STATE OF NCT OF DELHI THROUGH SHO PS SAKET & ORS.

..... Respondents

Through: Ms. Nandita Rao, ASC for State with Insp. Nagender Nagar, PS: Saket.
R-2 (through Video Conferencing) and R-3 in person.

CORAM:

HON'BLE MS. JUSTICE JYOTI SINGH

ORDER

07.03.2024

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1. This petition has been filed by the Petitioners under Article 226 of the Constitution of India under Section 482 Cr.P.C. for quashing of FIR No. 114/2023 dated 24.03.2023 registered under Sections 420/468/471/120B IPC at PS: Saket including proceedings emanating therefrom.

2. It is the case of the prosecution that complaint was received from the Complainants, who are residents of London, U.K. alleging that the Accused persons, in an unlawful manner and in connivance with each other, siphoned off money from their bank accounts maintained in India, by forging their signatures on the cheques. Complainants obtained a forensic report from an expert, which proves the forgery on the cheques. Accused were also threatening the Complainants not to make complaints else they would have to suffer dire consequences. Complainants and Accused persons are closely



related and on account of this relationship, Complainants had reposed complete faith and trust in Prem Verma and his legal heirs. One of the Complainants, Subodh Verma had in the year 2001, before moving to London deposited most of his hard money in the banks and converted the same into Fixed Term Deposits. For the purpose of timely renewal of the deposits, he had handed over the documents to Prem Verma, who kept assuring him from time to time that the deposits were being renewed, which later turned out to be false and the cheques were used to siphon off the money, after encashing the Fixed Term Deposits. Complainants were, however, assured that the money would be remitted back, but the promises were never kept by the Accused persons and complaints were lodged, leading to registration of the present FIR.

3. During the pendency of the criminal proceedings, Petitioners and Respondent No. 2 settled all their disputes amicably with the intervention of well-wishers and friends. Mr. Subodh Kumar Verma, one of the Complainants and Respondent No.2 herein, who is a resident of London has joined the Court proceedings virtually and is identified by the Investigating Officer Insp. Nagender Nagar, PS: Saket. Respondent No.3, the second Complainant is also present in Court. Settlement Deed has been placed on record, which is notarized by the Notary Public on 27.02.2024. General Power of Attorney executed by Subodh Kumar Verma S/o Late Sh. Krishan Kumar Verma and resident of D-14, Second Floor, Panchsheel Enclave, New Delhi-110017 and currently residing in United Kingdom giving the Power of Attorney in favour of his wife Smt. Savita Verma, executed on 21.04.2023 and attested on the same day has also been placed on record along with the photocopy of the passport. As per the terms of Settlement



Agreement, Petitioners were to pay a sum of Rs.70 lacs to Respondents No.2 and 3 at the time of signing of the said agreement in full and final settlement of all their claims.

4. Issue notice.

5. Learned APP accepts notice on behalf of the State.

6. Respondent No.2, who is present virtually and Respondent No.3, who is present in person accept notice.

7. Investigating Officer has also spoken to Mr. Subodh Kumar Verma, who has joined virtually and identifies him as he has seen him several times during the investigation process. Matter has been settled for a total sum of Rs.70 lacs, which stands paid by the Petitioners to Ms. Savita Verma by way of Demand Drafts in the name of the two Complainants. Copy of the passport and the documents have been annexed with the petition. In view of this, Respondents No. 2 and 3 give their No Objection to the quashing of the present FIR. Learned ASC for the State submits that since parties have amicably settled their disputes, the State leaves the decision of quashing of the FIR to this Court.

8. The Supreme Court in ***Gian Singh v. State of Punjab and Another, (2012) 10 SCC 303***, observed that while exercising inherent powers under Section 482 Cr.P.C. in respect of quashing of an FIR where parties have entered into amicable resolution of the disputes, one of the considerations would be whether it would be unfair or contrary to the interest of justice to continue the criminal proceedings despite the compromise and if the answer to the question is in the affirmative, the High Court would be well within its jurisdiction to quash the criminal proceedings, in order to ensure that the disputes are put to an end and peace is restored as securing the ends of



justice is the ultimate guiding factor. This was of-course with a caveat that heinous and serious offences of mental depravity or offences like murder, dacoity etc. cannot be fittingly quashed even though the victim or the victim's family settles the disputes with the offender. Relevant paragraphs of the judgment are as follows:-

“55. In the very nature of its constitution, it is the judicial obligation of the High Court to undo a wrong in course of administration of justice or to prevent continuation of unnecessary judicial process. This is founded on the legal maxim quando lex aliquid alicui concedit, conceditur et id sine qua res ipsa esse non potest. The full import of which is whenever anything is authorised, and especially if, as a matter of duty, required to be done by law, it is found impossible to do that thing unless something else not authorised in express terms be also done, may also be done, then that something else will be supplied by necessary intendment. Ex debito justitiae is inbuilt in such exercise; the whole idea is to do real, complete and substantial justice for which it exists. The power possessed by the High Court under Section 482 of the Code is of wide amplitude but requires exercise with great caution and circumspection.

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58. Where the High Court quashes a criminal proceeding having regard to the fact that the dispute between the offender and the victim has been settled although the offences are not compoundable, it does so as in its opinion, continuation of criminal proceedings will be an exercise in futility and justice in the case demands that the dispute between the parties is put to an end and peace is restored; securing the ends of justice being the ultimate guiding factor. No doubt, crimes are acts which have harmful effect on the public and consist in wrongdoing that seriously endangers and threatens the well-being of the society and it is not safe to leave the crime-doer only because he and the victim have settled the dispute amicably or that the victim has been paid compensation, yet certain crimes have been made compoundable in law, with or without the permission of the court. In respect of serious offences like murder, rape, dacoity, etc., or other offences of mental depravity under IPC or offences of moral turpitude under special statutes, like the Prevention of Corruption Act or the offences committed by public servants while working in that capacity, the settlement between the offender and the victim can have no legal sanction at all. However, certain offences which overwhelmingly and predominantly bear civil flavour having arisen out of civil, mercantile, commercial, financial, partnership or such like transactions or the offences arising out of matrimony, particularly relating to dowry, etc. or the family dispute, where the wrong is basically to the victim and the



offender and the victim have settled all disputes between them amicably, irrespective of the fact that such offences have not been made compoundable, the High Court may within the framework of its inherent power, quash the criminal proceeding or criminal complaint or FIR if it is satisfied that on the face of such settlement, there is hardly any likelihood of the offender being convicted and by not quashing the criminal proceedings, justice shall be casualty and ends of justice shall be defeated. The above list is illustrative and not exhaustive. Each case will depend on its own facts and no hard-and-fast category can be prescribed.

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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. 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.”

9. In a later judgment in the case of ***Narinder Singh and Others v. State of Punjab and Another, (2014) 6 SCC 466***, the Supreme Court reiterated the proposition and relevant paragraphs are 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.”



10. It is a settled law that inherent powers under Section 482 Cr.P.C. are required to be exercised to secure the ends of justice and/or prevent abuse of the process of the Court. The Supreme Court in the case of ***Nikhil Merchant v. Central Bureau of Investigation and Another, (2008) 9 SCC 677***, has observed that despite the ingredients and the factual content of an offence of cheating being punishable under Section 420 IPC, the same has been made compoundable under sub-section (2) of Section 320 Cr.P.C., with the leave of the Court. Co-ordinate Benches of this Court in ***Jatan Singh and Ors. v. State and Anr., CRL.M.C. No.4086/2011*** decided on 22.12.2011 and ***Sanjay Ghai and Ors. v. State and Anr., CRL.M.C. No.539/2012*** decided on 14.02.2012, have quashed FIRs under similar provisions predicated on amicable settlement between the parties.

11. From the conspectus of the aforesaid judgments, one of the principles that can be succinctly culled out for exercise of inherent powers under Section 482 Cr.P.C. is that the inherent jurisdiction is to prevent abuse of process of Court and/or to secure ends of justice as ends of justice are higher than ends of mere law and this is premised on the principle that inherent powers have been vested to do real, complete and substantial justice. This is of course not without a caveat that Courts must steer clear of intervention in cases, which involve heinous or serious offences involving mental depravity or economic offences and those which fall in the category of offences relating to murder, extortion, dacoity, cases under the Arms Act, 1959 etc.

12. Parties have mutually settled all their disputes. Respondents No. 2 and 3 have made a categorical statement that they have received the entire money and thus, they do not wish to pursue the complaint. In these facts and



circumstances, chances of conviction are bleak and it would be in the interest of justice to terminate the criminal proceedings.

13. Accordingly, FIR No. 114/2023 dated 24.03.2023 registered under Sections 420/468/471/120B IPC at PS: Saket is hereby quashed including the proceedings emanating therefrom.

14. Petition along with pending application stands disposed of in the aforesaid terms.

MARCH 7, 2024/kks

JYOTI SINGH, J