



\$~100

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

+ **W.P.(CRL) 873/2024**

ASHISH KUMAR

..... Petitioner

Through: Mr. Pujya Kumar Singh, Mr. Amit Kumar, Mr. Rahul Bharti, Mr. Niraj Chamyal and Mr. Anuj Kumar Chauhan, Advocates along with Petitioner in person.

versus

THE STATE NCT OF DELHI AND ANR.

..... Respondents

Through: Ms. Nandita Rao, ASC for State with SI Sandeep, PS: D.B.G. Road.

Mr. Sushant Dahiya, Ms. Faguni Katyal and Ms. Sumita Mann, Advocates for Complainant Company along with Mr. Daksh Arora, Director of Complainant Company (through Video Conferencing) and Mr. Rakesh Arora, Director of Complainant Company in person.

CORAM:

HON'BLE MS. JUSTICE JYOTI SINGH

ORDER

%

15.03.2024

CRL.M.A. 8304/2024 (exemption)

1. Allowed, subject to all just exceptions.
2. Application stands disposed of.

W.P.(CRL) 873/2024

3. This is a writ petition filed on behalf of the Petitioner under Article 226 of the Constitution of India read with Section 482 Cr.P.C. seeking quashing of FIR No. 511/2021 dated 07.12.2021 under Sections 420/406/467/468 IPC registered at PS: D.B.G. Road, including proceedings emanating therefrom.



4. As per the averments in the petition, Respondent No.2 is carrying on business in the name of M/s Pacific Fire Controls Pvt. Ltd. and Petitioner was an employee of Respondent No.2 as an Accountant since the year 2017. Complaint was filed by Respondent No.2 alleging that the Petitioner while being employed with Respondent No.2 was entrusted with accounts of the company and by virtue of his employment had access to various passwords and account details and was indulging in wrongdoing. On filing of the complaint, present FIR was registered. Petitioner was released on regular bail vide order dated 30.09.2022.

5. It is further stated that during the pendency of the present proceedings, Respondent No.2 through one of its Directors Daksh Arora and brother of the Petitioner arrived at an amicable settlement of all their disputes and differences and a Settlement Agreement was executed on 28.09.2022, copy of which has been filed along with the petition. The settlement was with the brother of the Petitioner on his behalf since Petitioner was in judicial custody on 28.09.2022. It is further stated that Petitioner agreed to pay a total sum of Rs.31,00,000/- to Respondent No.2 in full and final settlement of its claims, out of which Rs.21,00,000/- have been paid at different stages in consonance with the terms of settlement and the balance amount was payable at the time of quashing of the FIR.

6. Issue notice.

7. Learned ASC accepts notice on behalf of the State.

8. Mr. Sushant Dahiya, learned counsel accepts notice on behalf of Complainant/Respondent No.2.

9. The Directors of the Complainant Company M/s Pacific Fire Controls Private Limited, namely, Mr. Daksh Arora and Rakesh Arora are present in



Court and are identified by their counsel as well as the Investigating Officer SI Sandeep, PS: D.B.G. Road. Mr. Rakesh Arora acknowledges receipt of the balance amount of Rs.10 lacs in Court today by way of a Demand Draft bearing No. 341379 dated 15.03.2024 and drawn on Punjab National Bank, Nangloi Branch, Delhi-110041. Copy of the Demand Draft is handed over in Court and is taken on record. Complainants state that the matter has been amicably settled and the outstanding amounts due to them have been received and in view of the Settlement Agreement, they have no objection to the FIR being quashed. Learned ASC appearing on behalf of the State submits that in view of the settlement between the parties, the State also has no objection to the quashing of the FIR, as even otherwise, in view of the stand of the Complainants, the chances of conviction at the end of the trial will be remote.

10. 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.

xxx

xxx

xxx

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.

xxx

xxx

xxx

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.”

11. 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.”

12. Parties have mutually settled all their disputes. Complainants have categorically stated that they do not wish to prosecute the complaint. Outstanding dues of the Complainants have been paid and their claims stand satisfied. In these facts and circumstances, it would be in the interest of



justice to terminate the criminal proceedings. This Court is fortified in its view by the decision of the Co-ordinate Bench of this Court in ***Suresh Kumar Sharma & Ors. v. State (NCT of Delhi) & Anr., CRL.M.C. 519/2023***, decided on 21.02.2023, where the Court has quashed FIR under the same provisions, predicated on settlement between the parties, in the interest of justice.

13. Accordingly, FIR No. 511/2021 dated 07.12.2021 under Sections 420/406/467/468 IPC registered at PS: D.B.G. Road is quashed including proceedings emanating therefrom.

14. Petition stands allowed and disposed of.

JYOTI SINGH, J

MARCH 15, 2024/kks