



IN THE HIGH COURT OF PUNJAB & HARYANA
AT CHANDIGARH

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CRM-M-5963-2024 (O&M)

Date of decision: 11.11.2025

Gagandeep Singh

...Petitioner(s)

VERSUS

State of Haryana and another

...Respondent(s)

CORAM : HON'BLE MR. JUSTICE VINOD S. BHARDWAJ

Present :- Mr. G.S. Sandhu, Advocate and
Mr. Dinesh Maurya, Advocate for the petitioner(s).

Mr. Vivek Chauhan, Addl. A.G. Haryana.

Mr. Nikita Goel, Advocate for respondent No.2.

VINOD S. BHARDWAJ, J. (Oral)

1. Prayer in the present petition is for seeking quashing of FIR No.6924 dated 09.11.2020 registered under Section(s) 135, 138 and 151 of the Electricity Act, 2003 registered at Police Station I&P Karnal, District Karnal alongwith all the consequential proceedings arising therefrom.

2. The FIR in the present case came to be registered on the basis of a communication addressed by the SDO, OP Assandh, Sub-Division No. 2, to the SHO, I & P Police Station, Karnal, vide Memo No. L36/2020/883 dated 06.11.2020. The said letter requested the initiation of criminal proceedings against Gagandeep, son of Ranjeet Singh, resident of Village Thari. It was stated therein that a checking team comprising Jagdish Chand, J.E., Naresh, J.E., and Uday, AFM, had inspected the consumer premises through LLI No. 47/1156 dated 21.10.2020. During inspection, it was found that the consumer was indulging in the cognizable offence of theft of electricity, punishable under Section 135 of the Electricity Act, 2003 (as



amended in 2007), thereby causing a loss of ₹40,856 to the Nigam. A notice demanding payment of the theft assessment was issued to the consumer vide Memo No. L36/2020/881 dated 06.11.2020; however, the consumer failed to deposit the assessed amount. The communication also recorded that this was the second instance of electricity theft attributed to the said offender. Accordingly, the SDO requested the lodging of an FIR under Sections 135 and 138 read with Section 151 of the Electricity Act, 2003, against Gagandeep.

3. Learned counsel for the petitioner submits that the petitioner has been falsely implicated in the present case. He contends that, in terms of Section 152(4) of the Electricity Act, 2003, compounding of an offence is permissible only once, and since the present allegation pertains to a second offence, it is non-compoundable under the Electricity Act, 2003. After investigation, a report under Section 173 Cr.P.C. dated 10.10.2022 has already been filed against the petitioner. He further contends that the dispute is predominantly civil in nature and has been unnecessarily clothed with criminal consequences. Counsel submits that it is well-settled that the inherent jurisdiction of this Court under Section 482 Cr.P.C. may be invoked to prevent abuse of the process of law and to secure the ends of justice. He asserts that the FIR itself is liable to be quashed and that the continuation of criminal proceedings would be wholly unwarranted, particularly when the petitioner has already deposited the assessment amount as per Section 135(1-A) of the Electricity Act, 2003 and the department has suffered no wrongful loss.



4. In support of his prayer for quashing of the FIR, counsel for the petitioner places reliance upon the judgment of *State of Haryana & Others v Ch. Bhajan Lal & Others* reported as *1991 (1) RCR (Crl) 38*, as well as on the judgments of *Kulwinder Singh & Others v State of Punjab & Others* reported as *2007 (3) RCR (Crl) 1052*, *Gian Singh v State of Punjab & Anr.* reported as *2012 (4) RCR (Crl) 543* and *Dimpy Gujraj v UT Chandigarh* reported as *2013 (1) RCR (Crl) 745*.

5. Learned counsel for respondent No.2 contends that the petitioner is a habitual offender and that, the present case being a second FIR for electricity theft, the offence is not liable to be compounded under law. It is not disputed that the assessment conveyed has been deposited and loss of the department has been obviated.

6. I have heard the counsel appearing for the parties and have gone through the documents appended along with the present petition.

7. The controversy in the present case lies in a narrow compass. The petitioner seeks quashing of the FIR registered for the offence of theft of electricity on the ground that he has already discharged his entire civil liability as assessed under Section 135(1-A) of the Electricity Act, 2003 by depositing the assessed amount, and that no further dues remain outstanding. The State, however, opposes the prayer on the ground that this is the petitioner's second offence and, therefore, the matter is not compoundable under Section 152 of the Electricity Act, 2003.

8. At the very threshold, it becomes imperative to delineate the distinction between compounding of an offence under Section 152 of the



Electricity Act, 2003 and the quashing of criminal proceedings under Section 482 of the Code of Criminal Procedure, 1973. These two remedies operate in distinct legal spheres and are governed by fundamentally different principles.

9. As envisaged under Section 152 of the Electricity Act, compounding is a creature of statute. Its availability, scope, and limitations are expressly dictated by the legislature. It is permissive only in the circumstances enumerated by the legislature, and the statute itself places a categorical restriction that the benefit of compounding may be availed only once, thereby prohibiting compounding in cases where the accused is alleged to have committed a subsequent offence. Therefore, the power to permit compounding is not discretionary but it is confined and constrained by the statutory framework and neither the parties nor the authorities can travel beyond those bounds.

10. The power of quashing, however, stands on an entirely different footing. Section 482 Cr.P.C. does not create a new remedy but it recognises the inherent jurisdiction of the High Court, a jurisdiction that flows from it being a constitutional court. This power exists to ensure that the administration of criminal justice remains free from misuse, harassment, and procedural abuse. It is invoked to prevent the criminal process from being used as a weapon of oppression and to secure the ends of justice in situations where the continuation of prosecution would be unjust, futile, or contrary to the broader principles of fairness.

11. Thus, while compounding is statutorily controlled, quashing is



judicially exercised, while compounding depends upon legislative permission, quashing depends upon judicial satisfaction and while compounding may be barred in certain situations, this Court's inherent power cannot be curtailed by statutory limitations except by express legislative mandate, which such mandate is absent here. Consequently, the statutory embargo on compounding a second offence cannot divest the High Court of its inherent jurisdiction to quash the proceedings where the factual circumstances so demand. The two powers operate independently, and the limitation upon one cannot be read as a constraint upon the other.

12. The broad principles for exercising the powers under Section 482, Cr.P.C (now Section 528 BNSS) were summarized by the Hon'ble Supreme Court in the matter of **'Parbatbhai Aahir @ Parbatbhai Bhimsinhbhai Karmur and others versus State of Gujarat and another'** (2017) 9 SCC 641'. The relevant paragraphs are extracted as under:

16.1. Section 482 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 inhere in the High Court.

16.2. 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 of the Code of Criminal Procedure, 1973. The power to quash under Section 482 is attracted even if the offence is non- compoundable.

16.3. 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.

16.4. 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.

16.5. 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 formulated.

16.6. 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.

16.7. 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.

16.8. 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.

16.9. 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

16.10. There is yet an exception to the principle set out in propositions 16.8. and 16.9. 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.

13. In the present case, the petitioner has already discharged his civil liability arising from the theft of electricity. The departmental dues stand fully satisfied and no further recovery is sought from him. The controversy, therefore, has effectively lost its substratum. In such circumstances, to allow the FIR and consequential proceedings to linger on would not only result in unnecessary harassment of the petitioner, but would also reduce the criminal process to a mechanical formality devoid of any substantive purpose. Such an outcome, in the considered view of this Court, would be wholly antithetical to the principles of fairness, proportionality, and justice and allowing the proceedings to continue any further would amount to a travesty of justice.

14. It is however noticeable that statute does prescribe



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compounding charges as a sufficient compensation to the State machinery and as a deterrent.

15. Thus, in view of the principles laid down by the Apex Court in ***Parbatbhai Aahir @ Parbatbhai Bhimsinhbhai Karmur and others versus State of Gujarat and another***” (2017) 9 SCC 641’, ***Gian Singh Vs. State of Punjab and others*** (2012) 10 SCC 303 and also by *this Court* in ***Kulwinder Singh and others Vs. State of Punjab and another***, 2007(3) RCR (Criminal) 1052, the instant petition is allowed. FIR No. 6924 dated 09.11.2020 registered under Section(s) 135, 138 and 151 of the Electricity Act, 2003 registered at Police Station I&P Karnal, District Karnal and all other consequential proceedings arising therefrom, are hereby quashed qua the petitioner(s) subject to payment of an additional cost of Rs.40,000 within a period of two months from receipt of certified copy of this order. Let the above amount be deposited in the account to which the statutory compounding fee is to be deposited.

(VINOD S. BHARDWAJ)
JUDGE

11.11.2025

Mangal Singh

Whether speaking/reasoned : Yes/No
Whether reportable : Yes/No