

IN THE HIGH COURT OF JUDICATURE AT PATNA
CRIMINAL MISCELLANEOUS No.11997 of 2026

Arising Out of PS. Case No.-809 Year-2022 Thana- GAYA COMPLAINT CASE District-
Gaya

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Chandradeo Yadav @ Bahadur Yadav S/o Late Banwari Yadav R/o Village -
Kandi Nawada, P.S - Chandauti, District - Gaya

... .. Petitioner/s

Versus

1. The State of Bihar
2. Anil Kumar Sharma S/o Sri Bacha Prasad Sharma R/o Mohalla - Rang
Bahadur Road, Near - Purani Jailkhana, P.S - Kotwali, District - Gaya, Pin -
823001

... .. Opposite Party/s

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Appearance :

For the Petitioner/s	:	Mr.Sanjay Kumar Sharma, Advocate.
For the Opposite Party/s	:	Mr.Prem Kumar Jha, APP.
For O.P. No.2	:	Mr. Vinod Kumar, Advocate.

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CORAM: HONOURABLE MR. JUSTICE PURNENDU SINGH
ORAL ORDER

2 12-03-2026 Heard learned counsel appearing on behalf of the

petitioner and learned APP for the State.

2. The petitioner seeks pre-arrest bail in connection
with Complaint Case No. 809 of 2022 registered for the offence
punishable under Sections 420, 406 and 409 of the Indian Penal
Code.

3. As per the allegation made in the complaint, the
complainant is said to have paid Rs.1,81,000/- to the petitioner
for execution of a sale deed in favour of the complainant, but
neither the sale deed was executed nor the amount paid to the
petitioner was returned to him.



4. Learned counsel appearing on behalf of the petitioner submits that the petitioner is innocent and he has falsely been implicated in the case. He further submits that the matter primarily relates to monetary transaction between the parties and for amicable settlement of dispute between the parties outside the Court, the matter be referred for mediation.

5. Learned APP appearing on behalf of the State and learned counsel appearing on behalf of the O.P. No.2 jointly submitted that a chance be given to the parties for amicable settlement outside the court.

6. The petitioner's counsel informs that he has received instruction that the petitioner also wants to reconcile the dispute by way of mediation.

7. Both the parties have agreed to appear before the learned District Court at 10:30 A.M. on 17.03.2026 for resolving the dispute by way of mediation.

8. Heard the parties

9. Having considered the rival submissions made on behalf of the parties, as well as, having perused the allegation made in the F.I.R., I am of the opinion that an opportunity is required to be given to the parties to settle their score amicably outside the Court.



10. In this regard, I find it apt to take note of the observation made by the Apex Court in case of ***Paramjeet Batra v. State of Uttarakhand*** reported in **(2013) 11 SCC 673**, in which, the Apex Court in paragraph no. 12 has held as follows:

"12. While exercising its jurisdiction under Section 482 of the Code the High Court has to be cautious. This power is to be used sparingly and only for the purpose of preventing abuse of the process of any court or otherwise to secure ends of justice. Whether a complaint discloses a criminal offence or not depends upon the nature of facts alleged therein. Whether essential ingredients of criminal offence are present or not has to be judged by the High Court. A complaint disclosing civil transactions may also have a criminal texture. But the High Court must see whether a dispute which is essentially of a civil nature is given a cloak of criminal offence. In such a situation, if a civil remedy is available and is, in fact, adopted as has happened in this case, the High Court should not hesitate to quash the criminal proceedings to prevent abuse of process of the court."

(emphasis supplied)

11. The Apex Court has reiterated the aforesaid proposition in recent judgment of ***S. N. Vijayalakshmi & Ors. vrs. The State of Karnataka and Anr.*** reported in **(2025) SCC Online SC 1575**.

12. The Apex Court while considering the content of ingredients of Sections 406 and 420 of the Indian Penal Code in the case of ***Delhi Race Club (1940) Ltd. & Ors. vs. State of Uttar Pradesh & Anr. in Criminal Appeal No. 3114 of 2024***, after discussing the earlier law laid down in several cases, has



observed in paragraphs nos. 35, 36 and 37, *inter alia* as follows:

Difference between criminal breach of trust and cheating

35. This Court in its decision in *S.W. Palanitkar v. State of Bihar* S.W. Palanitkar v. State of Bihar, (2002) 1 SCC 241 expounded the difference in the ingredients required for constituting of an offence of criminal breach of trust (Section 406 IPC) vis-à-vis the offence of cheating (Section 420). The relevant observations read as under :

“9. The ingredients in order to constitute a criminal breach of trust are : (i) entrusting a person with property or with any dominion over property; (ii) that person entrusted : (a) dishonestly misappropriating or converting that property to his own use; or (b) dishonestly using or disposing of that property or wilfully suffering any other person so to do in violation (i) of any direction of law prescribing the mode in which such trust is to be discharged, (ii) of any legal contract made, touching the discharge of such trust.

10. The ingredients of an offence of cheating are : (i) there should be fraudulent or dishonest inducement of a person by deceiving him, (ii)(a) the person so deceived should be induced to deliver any property to any person, or to consent that any person shall retain any property; or (b) the person so deceived should be intentionally induced to do or omit to do anything which he would not do or omit if he were not so deceived; and (iii) in cases covered by (ii) (b), the act of omission should be one which causes or is likely to cause damage or harm to the person induced in body, mind, reputation or property.”

36. What can be discerned from the above is that the offences of criminal breach of trust (Section 406 IPC) and cheating (Section 420 IPC) have specific ingredients:

In order to constitute a criminal breach of trust (Section 406 IPC)

(1) There must be entrustment with person for property or dominion over the property, and

(2) The person entrusted:

(a) Dishonestly misappropriated or converted property to his own use, or

(b) Dishonestly used or disposed of the property or wilfully suffers any other person so to do in violation of:

(i) Any direction of law prescribing the



method in which the trust is discharged; or

(ii) Legal contract touching the discharge of trust (see : S.W. Palanitkar [S.W. Palanitkar v. State of Bihar, (2002) 1 SCC 241.

Similarly, in respect of an offence under Section 420IPC, the essential ingredients are:

(1) Deception of any person, either by making a false or misleading representation or by other action or by omission;

(2) Fraudulently or dishonestly inducing any person to deliver any property, or

(3) The consent that any person shall retain any property and finally intentionally inducing that person to do or omit to do anything which he would not do or omit (see : Harmanpreet Singh Ahluwalia v. State of Punjab [Harmanpreet Singh Ahluwalia v. State of Punjab, (2009) 7 SCC 712.

37. Further, in both the aforesaid sections, mens rea i.e. intention to defraud or the dishonest intention must be present, and in the case of cheating it must be there from the very beginning or inception."

13. Both the parties have willingly desired to appear before the learned District Court on or before 17.03.2026, so that the matter can be referred to the District Mediation Centre.

14. Learned District Court is directed to take necessary steps to refer the matter before the learned Mediator of the District Mediation Center by fixing a date for appearance of the parties to give effect to "Mediation for the Nation 2.0".

15. Learned Mediator of the District Mediation Center concerned, upon appearance of the parties, shall make his/her best efforts to settle the dispute amicably and thereafter submit his/her report before the concerned learned District Court, well



within a period of three months, till then, no coercive action shall be taken against the petitioner in connection with the aforesaid case.

16. In case, the parties resolve their dispute amicably or arrive at a mutual settlement, in light of the law laid down by the Apex Court as referred hereinabove, the petitioner is required to be released on pre-arrest bail on such terms and conditions as the learned District Court deems it fit and proper.

17. In case of failure on the part of the petitioner to appear on 17.03.2026 before the learned District Court or any date fixed by the learned Mediator, the interim protection granted to the petitioner shall automatically lose its force.

18. In case, it is deliberate on the part of the complainant to reconcile, then in that case, the interim protection granted to the petitioner shall continue and the trial shall proceed in accordance with law.

19. In case, the parties fail to reconcile, then in that case, parties may avail appropriate remedy. Then also, petitioner is directed to be released on pre-arrest bail on such terms and conditions as the learned District Court deems it fit and proper.

20. If both the parties arrive at amicable settlement, then they must withdraw the criminal cases, if any, which they



have lodged against each other.

21. With aforesaid direction and observation, the present application stands disposed of.

22. Let a copy of this order be communicated to the Member Secretary, Bihar State Legal Services Authority and the Patna High Court Mediation Centre for the purpose of record.

(Purnendu Singh, J)

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