

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CRIMINAL APPELLATE JURISDICTION**

CRIMINAL WRIT PETITION NO. 6337 OF 2025

Rajesh Jugraj Madhani And Anr.

... Petitioners

Vs.

The State of Maharashtra & Anr.

... Respondents

Mr. Aman Kothari for the Petitioners.

Mr. Y. M. Nakhwa, APP for the Respondent-State.

Mr. Ramiz Sheikh i/b Rizwan Merchant & Associates for Respondent No.2.

CORAM : RANJITSINHA RAJA BHONSALE , J.

DATED : 27th FEBRUARY, 2026.

P. C. :-

1) Petitioners, accused in C.R. No. 490 of 2023 dated 4th May 2023, registered with Sakinaka Police Station, District Mumbai, under Sections 406, 420 of the Indian Penal Code, have filed present Petition under Article 226 and 227 of the Constitution of India and Section 482 of Cr.P.C. for quashing of the said C.R. with the consent of Respondent No.2, the informant.

2) Mr. Kothari, learned Advocate for Petitioners submits that, it was the case of the Petitioners that over a period of time an amount of Rs. 5,33,50,000/- was paid to the Petitioners for the purpose of investment for under construction project at Kandivali, Taluka Borivali. He submits that,

the arbitration proceedings and the proceedings before the NCLT were initiated between the parties. That, over the period of time disputes between the parties were settled in an arbitration proceeding by filing consent terms dated 7th October 2025. Learned Advocate for the Petitioner would submit that, in paragraphs 7 and 8 of the Consent Terms the parties had listed out various proceedings initiated against each other including the present proceedings and the fact that they have agreed, confirmed and undertaken to unconditionally withdraw the same or file consent terms in the said proceedings. Learned Advocate for the Petitioners tendered across the bar a photocopy of the Consent Terms dated 7th October 2025 filed in the arbitration proceeding before the sole Arbitrator Mr. Ramesh Dhanuka (Retd. Chief Justice). That, learned Sole Arbitrator has passed an Consent Award dated 4th November 2025 in terms of the Consent Terms. The said Consent Award is annexed along with the Arbitration Award dated 4th November 2025. The same is taken on record.

3) Mr. Ramiz Sheikh, learned Advocate for Respondent No.2 tendered across the bar Consent Affidavit dated 27th February 2026, duly affirmed by Respondent No.2 before a Notary Public.

4) Respondent No.2 is personally present in the Court. Learned Advocate appearing for the Respondent No.2 identified him vide Aadhar Card. A copy of the Aadhar Card of Respondent No.2 is taken on record

and marked as 'X' for identification. Respondent No.2 through his Advocate reiterates the contents of the Consent Affidavit dated 27th February 2026 and his 'no objection' for quashing of the crime in question.

5) Perusal of the Consent Affidavit would indicate that, the disputes and differences had arisen out of the transfer of Rs. 5,33,50,000/- from Respondent No.2 to Petitioner. In paragraph 2 of the Consent Affidavit, it is specifically stated that based on the Consent Terms dated 7th October 2025 annexed as 'Exhibit-B', Respondent No.2 and Petitioners have amicably settled their disputes and differences between them. In paragraph 3 of the Consent Affidavit, Respondent No.2 has given his no objection and consent for quashing of the F.I.R. bearing No. 490 of 2023 dated 4th May 2023, registered with Sakinaka Police Station, District Mumbai.

6) The scope of the High Court's inherent jurisdiction under Section 482 of the Code of Criminal Procedure has been authoritatively expounded by the Hon'ble Supreme Court in *Narinder Singh v. State of Punjab* (2014) 6 SCC 466. The Apex Court categorically held that the High Court's power to quash criminal proceedings under Section 482 is independent of, and distinct from, the power of a criminal court to compound offences under Section 320 of the Code. Consequently, even in cases involving non-compoundable offences, this Court is vested with the

inherent jurisdiction to quash proceedings where the parties have arrived at a genuine settlement. While this extraordinary power must not be invoked in prosecutions involving heinous crimes, offences of mental depravity, or wrongs against society at large, it is squarely applicable to cases where the wrong is basically private or personal in nature. The ultimate touchstone for exercising this power is twofold: to secure the ends of justice and to prevent the abuse of the process of any court.

7) Applying these guiding principles to the present case, the offences alleged are private in nature and do not have any wider societal impact. The parties have amicably resolved all their disputes and differences out of their own free will and volition, leaving no surviving grievance against each other. In view of the amicable settlement, the possibility of a conviction is bleak, and permitting the prosecution to continue would be a futile exercise amounting to an abuse of the process of law. Therefore, to secure the ends of justice and to promote harmony, this Court finds it appropriate to accept the compromise and quash the FIR along with all consequent proceedings.

8) In view thereof, I am inclined to quash F.I.R. bearing No. 490 of 2023 dated 4th May 2023, registered with Sakinaka Police Station, District Mumbai.

9) As I expressed my opinion for quashing of F.I.R. bearing No.

490 of 2023 dated 4th May 2023, registered with Sakinaka Police Station, District Mumbai, learned Advocate for the Petitioners on instructions submitted that, the Petitioners will pay a cost of Rs.2,00,000/-, jointly or severally, to the Armed Forces Battle Casualties Welfare Fund within a period of two weeks from the date of uploading of present Order on the official website of High Court of Bombay. The said statement is accepted as an undertaking given to this Court.

10) As the Respondent No.2 is successful in bringing the Petitioners for amicable settlement, due to filing of the said criminal case, learned Advocate for Respondent No.2, on instructions submits that, the Respondent No.2 will voluntarily pay a cost of Rs.2,00,000/- to the Armed Forces Battle Casualties Welfare Fund within a period of two weeks from the date of uploading of present Order on the official website of High Court of Bombay. The said statement is accepted as an undertaking given to this Court.

11) I, therefore direct the Petitioners to pay a cost of Rs.2,00,000/- and the Respondent No.2 to pay a cost of Rs.2,00,000/- to the Armed Forces Battle Casualties Welfare Fund within a period of two weeks from the date of uploading of present Order on the official website of High Court of Bombay.

12) Details of the bank account for payment of cost are as under :-

Account Name :- Armed Forces Battle Casualties Welfare Fund.
Account Number :- 90552010165915.
Bank Name :- Canara Bank.
Branch :- South Block, Defence Headquarters, New Delhi – 110 011.
IFSC Code :- CNRB0019055.

13) Petitioners and Respondent No.2 to deposit the said cost within stipulated period as noted above and submit receipt(s) of the same in the Registry of this Court.

14) In view of the above and subject to payment of cost by both, the Petitioners and Respondent No.2, Petition is allowed in terms of prayer clause (a).

15) It is made clear that, if the cost is not paid within stipulated period as mentioned above, the Petition shall stand revived automatically and in that event, the trial Court will proceed with the said case expeditiously.

16) List the Petition on board on 30th April 2026, under caption 'for reporting compliance' of present Order.

(RANJITSINHA RAJA BHONSALE, J.)