



IN THE HIGH COURT OF PUNJAB & HARYANA
AT CHANDIGARH

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CRM-M-4819-2026 (O&M)

Date of decision: 19.05.2026

Shailendra Singh Sekhawat and others

...Petitioner(s)

VERSUS

State of Punjab and another

...Respondent(s)

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

Present :- Mr. Piyush Setia, Advocate for the petitioner(s).

Ms. Alisha Soni, AAG Punjab.

Mr. Shubham Goyal, Advocate for respondent No.2
(through V.C.).

VINOD S. BHARDWAJ, J. (Oral)

1. Prayer in the present petition is for quashing of FIR No.204 dated 24.09.2019 under Sections 420 and 120-B of the Indian Penal Code, 1860 registered at Police Station City-1, Abohar, District Fazilka along with all subsequent proceedings arising therefrom on the basis of compromise dated 15.11.2025 (Annexure P-2).

2. Briefly stated, the facts of the present case are that the FIR was registered on the complaint lodged by Ravi Godara son of Mani Ram. In the complaint, it was alleged that the complainant was the owner and partner in

Bus No. RJ13PA5694 (Model 2015) and Bus No. RJ13PA5695 (Model 2015). It was alleged that accused Nos. 4 and 5 facilitated execution of an agreement dated 18.10.2018 between the complainant and accused No. 1 for sale of the aforesaid buses for a total sale consideration of Rs.40 lakhs. As per the terms of the said Agreement to Sell, an initial amount was to be paid at the time of execution of the agreement, while a further amount of Rs.1,49,000/- was agreed to be paid subsequently. It was further agreed that an amount of Rs.12,80,000/- was to be paid on 18.11.2018. Besides the aforesaid payments, the accused persons had undertaken to pay a sum of Rs.60,000/- per month per bus commencing from 18.11.2018. The complaint further disclosed that possession of both the buses was handed over to the accused persons on 18.10.2018 itself and that, at the time of taking possession, the accused persons issued three cheques towards part payment of the agreed consideration. However, all the said cheques were dishonoured upon presentation. It was further alleged that accused No. 3 had assumed responsibility in relation to execution and compliance of the aforesaid agreement. According to the complainant, despite repeated demands raised in the presence of witnesses for payment of the agreed amounts, the accused persons continuously avoided making payment on one pretext or another. The complainant further alleged that whenever payment was demanded, the accused persons not only refused to clear the outstanding liability but also extended threats to the complainant, stating that in the event he persisted in demanding the money, he would be killed. On the basis of the aforesaid allegations, it was alleged that all the accused persons, acting in connivance with each other and sharing common intention, dishonestly induced the

complainant to part with possession of the buses, failed to honour the terms of the agreement and thereby committed offences of cheating, fraud and criminal intimidation. The complainant accordingly sought registration of a criminal case against the accused persons and prayed for protection of his life and liberty.

3. However, with the intervention of the respectables, the parties have decided to compromise the matter. Hence, the present petition.

4. The parties were directed to appear before the learned trial Court/Illaqa Magistrate vide order dated 03.02.2026 of this Court, to get their statements recorded regarding the compromise arrived at between the parties and a report in this regard was called for.

5. Pursuant to the said order, report has been received from the Sub-Divisional Judicial Magistrate, Abohar vide Memo No. 410 dated 17.04.2026. The relevant extract of the report is reproduced as under:-

<i>S. No.</i>	<i>Information required</i>
<i>Question I</i>	<i>Total number of persons found involved as accused in the dispute/FIR;</i>
<i>Answer</i>	<i>As per statement of HC Swaraj Singh, I.O., the present FIR was registered against four persons i.e. accused (1) Shailendra Singh Shekhawat, (2) Suresh Kumar, (3) Amit Puri, (4) Honey Sharma @ Kuwait Sharma.</i>
<i>Question II</i>	<i>Number of complainant/victim(s);</i>

<i>Answer</i>	<i>As per statement of I.O., the present FIR was got registered on the statement of Ravi Godara son of Mani Ram and there is no other complainant/victim in the present FIR.</i>
<i>Question III</i>	<i>Whether all the accused and complainant / victims are party to compromise & signed the same;</i>
<i>Answer</i>	<i>All the accused and complainant/victim are the party to the compromise Ex. P6 & signed the same.</i>
<i>Question IV</i>	<i>In case, any affected person (accused or complainant) is left out or not arrayed as party in the quashing petition before High Court, detail whereof;</i> <i>OR</i> <i>His/her statement is still to be recorded, in compliance to the direction of this Court, details of such person;</i>
<i>Answer</i>	<i>There is no affected person (accused or complainant), who has left out as party in the quashing petition before the Hon'ble High Court.</i>
<i>Question V</i>	<i>Whether any accused has been declared as a proclaimed offender/person or any such proceedings against him/her have been initiated or pending adjudication;</i>
<i>Answer</i>	<i>As per statement of I.O., none of the accused has been declared absconded/proclaimed offender in the present case.</i>
<i>Question VI</i>	<i>Report of the Court whether compromise is genuine, voluntary, and without any coercion or undue influence;</i>

Answer	<i>As per above statements of parties, compromise has been effected between petitioners and respondent No. 2. This compromise is acceptable to both the respective parties. Therefore, this compromise is genuine, voluntary and is without any coercion or undue influence.</i>
Question VII	<i>Any other aspect relevant to the present case.</i>
Answer	<i>There is no other relevant aspect to the present case.</i>

6. Learned State counsel does not dispute the factum of the compromise amongst the parties and does not have any serious objection to the resolution of the dispute amongst the parties.

7. Learned counsel appearing on behalf of respondent No. 2 reiterates the settlement and his concurrence to the FIR and all the other consequential proceedings being quashed and affirmed during statement before the trial Court.

8. The broad principles for exercising the powers under Section 482 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.”*

9. It is evident that in view of the amicable resolution of the issues amongst the parties, no useful purpose would be served by continuation of the proceedings. The furtherance of the proceedings is likely to be a waste of judicial time and there appears to be no chances of conviction.

10. The following relevant factors emerge from perusal of the case as well as the subsequent developments supplementing a case for invocation of the powers under Section 528 of the Bharatiya Nagarik Suraksha Sanhita, 2023:-

- i) *The dispute giving rise to the present FIR is essentially private and monetary in nature, arising out of a commercial transaction between the parties.*
- ii) *The substance of the allegations pertains primarily to non-*

payment and breach of financial obligations and does not disclose any element affecting public peace, societal morality, or the sovereignty and integrity of the State.

- iii) The parties have amicably resolved their inter se disputes and have entered into a full and final settlement voluntarily, without any coercion, undue influence or compulsion.*
- iv) The petitioners are aged approximately 40, 34, 37 and 30 years respectively and are settled in their personal, social and professional lives. Continued exposure to criminal proceedings and the apprehension of incarceration would adversely affect not only their livelihood and professional standing but would also seriously prejudice their ability to discharge familial, social and financial obligations towards their dependents.*
- v) The FIR in question pertains to the year 2019 and a substantial period of time has already elapsed since its registration. However, the proceedings are still at a preliminary stage and no significant progress appears to have been made towards culmination of trial.*
- vi) The petitioners have continued to face the rigours, anxiety and stigma associated with criminal prosecution for a prolonged duration, which itself constitutes a relevant consideration while exercising inherent jurisdiction under Section 482 of the Code.*

- vii) *The offences alleged cannot be categorized as heinous offences involving mental depravity or offences having such grave societal impact so as to shock the collective conscience of society or that of the Court.*
- viii) *The allegations do not pertain to offences against the State, acts of terrorism, offences involving extreme violence, sexual offences or crimes having grave repercussions upon public order or institutional integrity.*
- ix) *The complainant, having entered into a lawful compromise with the petitioners, is no longer desirous of pursuing the criminal proceedings. Thus, the possibility of the prosecution securing a meaningful conviction is rendered extremely remote and bleak.*
- x) *Continuation of the criminal proceedings in such circumstances would only result in unnecessary prolongation of litigation, avoidable harassment to the parties and futile consumption of valuable judicial time.*
- xi) *There is nothing on record to suggest that the petitioners are habitual offenders or persons having criminal antecedents indicative of criminal propensity.*
- xii) *Quashing of the proceedings would advance the cause of justice, promote harmony between the parties and secure lasting peace and finality to the dispute.*

11. In view of the report of the Sub-Divisional Judicial Magistrate,

Abohar and 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', the instant petition is allowed. FIR No.204 dated 24.09.2019 under Sections 420 and 120-B of the Indian Penal Code, 1860 registered at Police Station City-1, Abohar, District Fazilka along with all subsequent proceedings arising therefrom, are hereby quashed qua the petitioner(s) on the basis of compromise dated 15.11.2025 (Annexure P-2).

12. Petition is ***allowed***.

(VINOD S. BHARDWAJ)
JUDGE

19.05.2026

Mangal Singh

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