

IN THE HIGH COURT OF PUNJAB & HARYANA
AT CHANDIGARH

301

2026:PHHC:007819



CRM-M-57671-2025 (O&M)
Date of decision: 20.01.2026.

SUBHASH CHANDER AND ANOTHER

...Petitioner(s)

VERSUS

STATE OF HARYANA AND ANOTHER

...Respondent(s)

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

Present :- Mr. Ajay Nain, Advocate,
(Through Video Conference)
for the petitioners.

Mr. Onkar Singh Wahla, Sr. DAG, Haryana.

Mr. Kartik, Advocate,
for respondent No.2.

VINOD S. BHARDWAJ, J. (Oral)

Prayer in the present petition under Section 528 of the Bharatiya
Nagarik Suraksha Sanhita, 2023 is for quashing of FIR bearing No.575 dated
04.08.2020 under Section(s) 406 and 420 of the Indian Penal Code, 1860,
(Section 406 IPC deleted and Sections 408, 467, 468 and 471 IPC added
later on) registered at Police Station HTM Hisar, District Hisar, along with

all subsequent proceedings arising therefrom on the basis of compromise/MOU/agreement/addendum dated 12.09.2025 (Annexure P-2).

2 Briefly summarised, the aforesaid FIR was registered on the statement of Kamaljeet Singh, son of late Sh. Hari Ram. The translated version of the same is reproduced as under: -

“To PP MD Hisar PS HTM Subject Application regarding the misappropriation/ fraud of Rs. 609500/- On dated 2nd of June 2020 some recon shortage customer claim has been apprised by recon team. Against Mr. Subhash kumar Emp code 5111139 who is working with the company since 2015 and 2nd custodian Mr. Vinod Emp code 8013481 is working from 10th feb 2020 of Rs 20,000 and on 15th June Rs 31000/- shortage was reported and instruction given by BM to justify the same but they were failed to justify post which we have off routed them on 25th June with proper hand over of 28 ATM's out of which 4 are recycler machines on same day while take over the route. Mr. Kamaljeet has observed that there is difference of 3 recycler with Bank GL accounts on enquiry with bank they were apprised that there is some cash mis matched is going between deposition (GL) accounts v/s actual balance in three of recycler machines and they will confirm the exact balance report from their HO (OBC) on repeated follow up with Bank. We get confirmation on 13th July that there is shortage of 609500/- from 1 recycler machine. H06R005801 on same day. It has shared the EJ with region recon lead Mr. Kapil Kumar on 14th June. Mr Kapil has declared the shortage of Rs (H06R005801) 609500/-on dated 14th June instructed have been passed to Mr. Subhash and Mr. Vinod to report in office but he denied to come and refuse to take call. On next 15th July the centralized recon lead Mr. Sanjeev Bansal also reached at Hisar and called Mr. Subhash but he did not response or report to office. Then

we have visited his village to meet his family about the incident and his family gave assurance to their cooperation. On next day 16th July all video footage of this case received from Bank/MSP and informed Police. And understand them how Mr. Subhash and Vinod have done the misappropriation of cash Rs 609500/-. On 17th July Police Called them at Police station for investigation. We are requesting you kindly recover the entire amount from both of them and deposit into the company account. Would requested kindly instruct the concerned to lodge an FIR against them and bring the culprits into court of Justice and shall be highly obliged. SD-kamaljeet, Mr. KAMALJEET SINGH S/O LATE SHRI HARIRAM R/O 1069, SECTOR 13, HISAR, MOBILE 7027514647. is working with CMS info system Ltd On the capacity of Branch Manager at Hisar 2015.”

3 However, with the intervention of the respectables from both sides, the parties have decided to compromise the matter. Hence, the present petition. The parties were directed to appear before the learned trial Court/Illaq Magistrate vide order dated 14.10.2025 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.

4 Pursuant to the said order, a report has been received from the Chief Judicial Magistrate, Hisar, vide Memo No.533 dated 24.11.2025. The relevant extract of the report is reproduced as under:-

“i) Total number of persons found involved as accused in the dispute/FIR;.

As per the statement of IO, Inspector Sandeep Kumar, In-charge Economic Cell, Fatehabad, FIR no.575 dated

04.08.2020, under sections 406, 420 (later on section 406 was deleted and sections 408, 467, 471 were added), PS HTM, Hisar, has been registered only against accused namely Subhash Chander S/o Madan Lal, R/o Village Khairampur, Kherampur, District Hisar and Vinod son of Rajaram, resident of Jambheshwar Mandir, Chaudhriwas, District Hisar

ii) Number of complainant/victims(s);

As per statement of IO, in this case there is only one complainant/victim company i.e. M/s. CMS Info System Ltd., Mumbai and on its behalf Mr. Kamalajeet Singh has got registered the present case.

iii) Whether all the accused and complainant/victim are party to compromise and signed the same;

As per statements of the parties, both the accused and complainant/victim are party to the compromise and signed their statements about compromise.

iv) In case, any affected persons (accused or complainant) is left out or not arrayed as party in the quashing petition before High Court, details whereof; OR His/her statement is still to be recorded, in compliance to the direction of this Court, details of such persons'

As per statement of the parties, except them there is no other affected accused or complainant and all of them are party in the quashing petition before the Hon'ble High Court.

v) Whether any accused has been declared as a proclaimed offender/person or any such proceedings against him/her have been intimated or pending adjudication;

As per statement of IO, accused have not been declared as a proclaimed person in any criminal case.

vi) Report of the Court whether compromise is genuine, voluntary, and without any coercion or undue influence;

As per statement of the complainant and accused, the compromise seems to be genuine, voluntary and without any coercion or undue influence.

vii) Any other aspect relevant to the present case.

No”

5 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.

6 Learned counsel for respondent No.2 reiterates the settlement and his concurrence to the FIR and all the other consequential proceedings being quashed.

7 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 noncompoundable.

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.”

8 The Hon'ble Supreme Court has held in the matter of

'Ramgopal And Another Vs State of Madhya Pradesh, 2021 SCC Online

SC 834', that the matters which can be categorized as personal in nature or in the matter in which the nature of injuries do not exhibit mental depravity or commission of an offence of such a serious nature that quashing of which would override public interest, the Court can quash the FIR in view of the settlement arrived at amongst the parties.

9 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 BNSS:-

(i) The petitioners are alleged to have misappropriated a sum of Rs. 609,500/- from M/s CMS Infosystems

(ii) The petitioners are in their 30s and continuation of criminal proceedings would hamper their career prospects and the discharge of their social obligations.

(iii) The offence in question cannot be said to be heinous or as an offence that would be shocking to the conscience of the society or public at large. It can also not be termed as one shocking to the conscience of the Court;

10 In view of the report of the Chief Judicial Magistrate, Hisar 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 bearing No.575 dated 04.08.2020 under Section(s) 406 and 420 of the Indian Penal Code, 1860, (Section 406 IPC deleted and Sections 408, 467, 468 and 471 IPC added later on) registered at Police Station HTM Hisar, District Hisar,

along with all subsequent proceedings arising therefrom, is hereby quashed on the basis of compromise/MOU/agreement/addendum dated 12.09.2025 (Annexure P-2).

11 Petition is allowed in above terms.

January 20, 2026.	(VINOD S. BHARDWAJ)
raj arora	JUDGE
<i>Whether speaking/reasoned</i>	: <i>Yes/No</i>
<i>Whether reportable</i>	: <i>Yes/No</i>