



2026:CGHC:17101-DB

NAFR

HIGH COURT OF CHHATTISGARH AT BILASPUR

CRMP No. 951 of 2026

1 - Swapnil Mittal S/o Suresh Kumar Mittal Aged About 39 Years Partner Of M/s S M Shop, S/o Shri Suresh Kumar Mittal, R/o D6 Sector-2, Agroha Society Behind Rewa Showroom, Raipura, Raipur, District- Raipur (Cg)

2 - Garima Mittal W/o Swapnil Mittal Aged About 39 Years Partner Of M/s S M Shop, S/o Shri Suresh Kumar Mittal, R/o D6 Sector-2, Agroha Society Behind Rewa Showroom, Raipura, Raipur, District- Raipur (Cg)

3 - Suresh Kumar Mittal S/o Prahalad Mittal Aged About 67 Years Partner Of M/s S M Shop, R/o D6 Sector-2, Agroha Society Behind Rewa Showroom, Raipura, Raipur, District- Raipur (Cg)

4 - Piyush Rathi W/o Shri Suresh Kuamr Rathi Aged About 39 Years R/o House No. 15/887, Mamta Hospital, Jawahar Nagar, District Raipur (Cg)

5 - Vikaram Singh S/o Shri Ramashray Singh Aged About 37 Years R/o E-70, Sankalp Vatika, Samta Colony Raipur, District Raipur (Cg)

6 - Smt. Neha Singh W/o Vikram Singh Aged About 34 Years R/o E-70, Sankalp Vatika, Samta Colony Raipur, District- Raipur (Cg)

... Petitioner(s)

versus

1 - State Of Chhattisgarh Through The Station House Officer Police Station Azad Chowk, Raipur, District Raipur (Cg)

2 - M/s Chhattisgarh Steels Through Its Partner Mr. Rajesh Kumar Agrawal. R/o Main Road Jawahar Nagar Raipur District- Raipur (Cg)

... Respondent(s)

For Petitioner(s)	: Mr. Niraj Baghel, Advocate
For State	: Ms Vaishali Mahilong, Dy. G.A.
For Respondent No. 2	: Mr. Prashant Sahu, Advocate

Division Bench:

Hon'ble Shri Ramesh Sinha, Chief Justice

Hon'ble Ravindra Kumar Agrawal, Judge

Order on Board

Per Ramesh Sinha, Chief Justice

15.04.2026

1. Heard Mr. Niraj Baghel, learned counsel for the petitioners. Also heard Ms. Vaishali Mahilong, Dy. Govt. Advocate for the State as well as Mr. Prashant Sahu, learned counsel for Respondent No. 2.
2. The present petition under Section 528 of B.N.S.S. 2023 filed by the petitioners with the following reliefs:-

“1. Quash and set aside Charge-Sheet bearing No. 222 of 2023, filed under Sections 120B & 420, 201 of the Indian Penal Code, 1860 submitted by Police Station Azad Chowk, District Raipur in FIR No. 163 of 2022, and all consequential proceedings arising therefrom on the ground of compromise, insofar as it relates to the present petitioners.

2. Quash and set aside the order dated 22.12.2023 passed by the learned Judicial Magistrate First Class Raipur, whereby cognizance was taken against the petitioners for the offences under Sections 120B & 420, 201 of the Indian Penal Code, 1860, insofar as it relates to the present petitioners.

3. Quash the entire proceedings of Criminal Case No. 22580 of 2023, for the offence punishable under Sections 120B & 420, 201 of the Indian Penal Code, 1860 pending before learned Judicial Magistrate First Class Raipur Raipur, District Raipur, insofar as it relates to the present petitioners. as continuation of the said trial would amount to abuse of the process of Court in light of the amicable settlement between the parties.

4. Pass such further or other orders as this Hon'ble Court may deem fit and proper in the interest of justice"

3. The present petition arises out of FIR No. 163/2022 dated 07.06.2022 registered at Police Station Azad Chowk, Raipur for offences under Sections 120B and 420 IPC, wherein the petitioners, partners of "S M Shop" engaged in TMT steel trading, have been arraigned as accused. The complainant alleged that between 03.05.2022 and 09.05.2022, approximately 520 tons of TMT steel worth about ₹3.70 crore was supplied to the petitioners, for which payment was not made. The petitioners contend that the goods were further sold in the ordinary course of business to third parties, namely Rampal Steel, Kabeer Steel, and Santosh Steel, but payments were not received from them despite repeated follow-ups and issuance of legal notice dated 05.06.2022. It is submitted that the dispute is purely commercial in nature arising out of non-payment in business transactions, with no element of dishonest intention or criminality. During investigation, no material was found indicating misappropriation or fraudulent intent on the part of the petitioners; however, the police still filed a charge-sheet, and cognizance was taken by the learned Magistrate. The petitioners further submit that multiple similar FIRs were lodged within a short span across jurisdictions as a pressure tactic, reflecting abuse of criminal process. Subsequently, during pendency of proceedings, the parties entered into an amicable settlement dated 09.12.2025, agreeing to resolve the dispute for Rs. 18,44,000/- as full and final payment, and the complainant consented to quashing of proceedings. However, the trial court rejected the compounding application due to inclusion of Section 120B IPC, leading the petitioners to file the present

petition seeking quashing of the FIR, charge-sheet, and consequential proceedings.

4. Learned counsel for the petitioners would submit that after registration of the FIR against the present petitioners, the parties have entered into a compromise and a settlement agreement has also been executed between the parties on 09.12.2025 which is filed in the present petition. Since the dispute has been resolved and the matter has been compromised between the parties, there is no ultimate chance of their conviction and therefore, the impugned FIR as well as the criminal proceeding against the petitioners may be quashed on the basis of the compromise between the parties.
5. Learned counsel appearing on behalf of respondent No. 2/ complainant has not disputed the fact that they have entered into the compromise and settled their dispute, as also the contents of the settlement agreement executed between the parties on 09/12/2025. In view of the settlement agreement dated 09/12/2025, the complainant is having no objection in quashing of the FIR No. 163 of 2022, registered for the offence punishable under Section 120-B and 420 of IPC as well as the Criminal proceeding of the criminal case No. 22580 of 2023, pending before the learned Judicial Magistrate First Class, Raipur.
6. We have considered the submissions made by learned counsel for the respective parties and have perused the document annexed with the petition by either side as well as the settlement agreement dated 09/12/2025.

7. The terms of settlement between the parties as reflected in the settlement agreement dated 09/12/2025 is reproduced hereinbelow for the sake of convenience:-

1. यह की पक्षकार क्रमांक 1 अपनी आज दिनांक तक की बकाया राशि रुपये 3,68,79,212/- जिसको पक्षकार क्रमांक 2 से प्राप्त करना है उसको पूर्ण रूप से आपसी समझौता अनुसार माफ़ करते हुए केवल समझौता राशि रुपये 18,44,000/- को सम्पूर्ण भुगतान के रूप में लेने को सहर्ष रूप से राजी है एवं पूर्ण रूप से स्वीकार करते हैं।
2. यह कि पक्षकार क्रमांक 2 पक्षकार क्रमांक 1 द्वारा आज दिनांक तक प्रस्तावित बकाया राशि समझौता अनुसार केवल राशि 18,44,000/- को भुगतान करने के लिए अपनी पूर्ण सहमति एवं रजामंदी प्रदान करते हैं।
3. यह कि इस इकरानामा द्वारा पक्षकार क्रमांक 2 की ओर से श्री सुरेश मितल, पक्षकार क्रमांक 1 को उपरोक्त समझौता राशि रुपये 18,44,000/- ICICI Bank, Devendra Nagar Branch, Raipur के चेक क्रमांक 000202 चेक दिनांक 09/12/2025 के माध्यम से पूर्ण रूप से अदा करता है जिसे पक्षकार क्रमांक 1 द्वारा प्राप्त किया गया। जिसके बाद SM SHOP एवं उसके सारे भागीदारों की सारी देनदारी समाप्त हो जाएगी।
4. यह कि पक्षकार क्रमांक 1 इस इकरानामा द्वारा स्वीकार करता है कि पक्षकार क्रमांक 2 द्वारा उपरोक्त चेक के माध्यम से भुगतान होने के उपरान्त पक्षकार क्रमांक 2 से उपरोक्त राशि के सम्बन्ध में किसी भी मद में कोई भी राशि लेना शेष नहीं रहेगा।
5. यह कि पक्षकार क्रमांक 1 विशेष रूप से स्वीकार करता है कि पक्षकार क्रमांक 2 के विरुद्ध बकाया राशि के भुगतान के लिए कोई भी कानूनी व अन्य प्रकार की कार्यवाही नहीं करेंगे। पक्षकार क्रमांक 1 यह भी स्वीकार करते हैं कि आज दिनांक से पूर्व पक्षकार क्रमांक 1 के पास पक्षकार क्रमांक 2 का यदि कोई भी चेक सुरक्षार्थ रखा हुआ था उसे इस इकरानामा के अनुसार पक्षकार क्रमांक 1 पक्षकार क्रमांक 2 को वापस कर देगा।
6. यह कि पक्षकार क्रमांक 1 यह भी स्वीकार करता है कि यदि आज दिनांक से पूर्व पक्षकार क्रमांक 2 के विरुद्ध कोई चेक अनादरण से संबंधित प्रकरण किसी भी न्यायालय में प्रस्तुत किया है तो वह उसे वापस ले लेगा या किसी भी पुलिस थाने में उपरोक्त राशि के वसूली से संबंधित कोई शिकायत प्रस्तुत की गई होगी तो इसे करारनामा के निष्पादन से वह

शून्य एवं अमान्य मानी जाएगी और न ही पक्षकार क्रमांक 1 के पास यदि कोई चेक पक्षकार क्रमांक 2 का उपलब्ध होगा तो उसे भविष्य में उपरोक्त राशि के वसूली हेतु किसी भी कानूनी प्रक्रिया में उपयोग नहीं करेगा।

7. यह कि, इस इकरारनामा के निष्पादन उपरांत दोनों पक्षकार स्पष्ट रूप से स्वीकार करते हैं कि दोनों को एक-दूसरे से आज के बाद कोई भी राशि का लेन देन शेष नहीं रह जाएगा और न ही कोई कानूनी मामला लंबित है और न ही दायर करेंगे और दोनों पक्ष एक-दूसरे के विरुद्ध भविष्य में उपरोक्त राशि के संबंध में कोई कानूनी प्रकरण प्रस्तुत नहीं करेंगे।

8. यह कि, पक्षकार क्रमांक-1 द्वारा की गई शिकायत के आधार पर पुलिस थाना Azad Chowk, Raipur में एफ.आई.आर. क्रमांक 163/2022 दर्ज की गई है, तथा विवेचना उपरांत उक्त प्रकरण अपराधिक प्रकरण क्रमांक 22580/2023 के रूप में पंजीबद्ध होकर माननीय न्यायिक दंडाधिकारी प्रथम श्रेणी, रायपुर, जिला रायपुर (छत्तीसगढ़) के न्यायालय के समक्ष लंबित है। प्रथम पक्षकार यह वचन देता/देती है कि उपर्युक्त प्रकरण को राजीनामा/समझौते के आधार पर समाप्त कराने हेतु आवश्यकतानुसार यथाशीघ्र उचित कार्यवाही जैसे कि संबंधित आवेदन प्रस्तुत करना, बयान देना इत्यादि - करेगा/करेगी। आवश्यकता पड़ने पर प्रथम पक्षकार अन्य किसी भी न्यायालय अथवा अधिकरण के समक्ष उपस्थिति देकर, बिना किसी हिचकिचाहट या विलंब के, प्रकरण को राजीनामा के आधार पर प्रकरण के समस्त अभियुक्तों के खिलाफ अपराधिक प्रकरण क्रमांक 22580/2023 समाप्त कराने हेतु सभी आवश्यक सहयोग प्रदान करेगा।

9. यह कि पक्षकार क्रमांक 1 यह भी स्वीकार करता है कि इस इकरारनामा के निष्पादन उपरांत वह पक्षकार क्रमांक 2 से शेष बकाया राशि को माफ़ करता है एवं भविष्य में बकाया राशि की वसूली से संबंधित कोई दीवानी एवं फौजदारी मुकदमे प्रस्तुत नहीं करेगा।

10. यह कि, अगर उपरोक्त वर्णित चेक अनादरित होता है तो यह इकरारनामा शून्य माना जायेगा।

8. Hon'ble Supreme court in the matter of **BS Joshi and others Vs State of Haryana and another** reported in (2003) 4 SCC 675, held as under:-

"If for the purpose of securing the ends of justice, quashing of FIR becomes necessary, Section 320 would not be a bar to the exercise of power of quashing. It is, however, a different matter depending upon the facts and circumstances of each case whether to exercise or not such a power.

Thus, the High Court on exercise of its inherent power can quash criminal proceedings or FIR or complaint and section 320 of the Code does not limit or affect the powers under Section 482 of the Code."

9. Further, in the matter of **Gian Singh Vs State of Punjab and another** reported in (2012) 10 SCC 303, Honble Supreme court has held:-

"57. The position that emerges from the above discussion can be summarised thus: the power of the High Court in quashing a criminal proceeding or FIR or complaint in exercise of its inherent jurisdiction is distinct and different from the power given to a criminal court for compounding the offences under Section 320 of the Code. Inherent power is of wide plenitude with no statutory limitation but it has to be exercised in accord with the guideline engrafted in such power viz; (i) to secure the ends of justice or (ii) to prevent abuse of the process of any Court. In what cases power to quash the criminal proceeding or complaint or F.I.R may be exercised where the offender and victim have settled their dispute would depend on the facts and circumstances of each case and no category can be prescribed. However, before exercise of such power, the High Court must have due regard to the nature and gravity of the crime. Heinous and serious offences of mental depravity or offences like murder, rape, dacoity, etc. cannot be fittingly quashed even though the victim or victim's family and the offender have settled the dispute. Such offences are not private in nature and have serious impact on society. Similarly, any compromise between the victim and offender in relation to the offences under special statutes like Prevention of Corruption Act or the offences

committed by public servants while working in that capacity etc, cannot provide for any basis for quashing criminal proceedings involving such offences. But the criminal cases having overwhelmingly and pre-dominantly civil flavour stand on different footing for the purposes of quashing, particularly the offences arising from commercial, financial, mercantile, civil, partnership or such like transactions or the offences arising out of matrimony relating to dowry, etc. or the family disputes where the wrong is basically private or personal in nature and the parties have resolved their entire dispute. In this category of cases, High Court may quash criminal proceedings if in its view, because of the compromise between the offender and victim, the possibility of conviction is remote and bleak and continuation of criminal case would put accused to great oppression and prejudice and extreme injustice would be caused to him by not quashing the criminal case despite full and complete settlement and compromise with the victim. In other words, the High Court must consider whether it would be unfair or contrary to the interest of justice to continue with the criminal proceeding or continuation of the criminal proceeding would tantamount to abuse of process of law despite settlement and compromise between the victim and wrongdoer and whether to secure the ends of justice, it is appropriate that criminal case is put to an end and if the answer to the above question(s) is in affirmative, the High Court shall be well within its jurisdiction to quash the criminal proceeding."

10. Further, in the matter of **Narinder Singh and others Vs State of Punjab** reported in (2014) 6, SCC 466, Hon'ble Supreme court has held that:

"29.4 On the other hand, those criminal cases having overwhelmingly and pre-dominantly civil character, particularly those arising out of commercial transactions or arising out of matrimonial relationship or family disputes should be quashed

when the parties have resolved their entire disputes among themselves.

29.5 While exercising its powers, the High Court is to examine as to whether the possibility of conviction is remote and bleak and continuation of criminal cases would put the accused to great oppression and prejudice and extreme injustice would be caused to him by not quashing the criminal cases."

11. In view of the aforesaid pronouncement of the Hon'ble Supreme Court and also in the facts and circumstances of the case, particularly, the compromise arrived at between the parties and execution of settlement deed in between them. Accordingly, the present petition deserves to be allowed and the proceedings of Criminal Case No. 22580 of 2023 pending before the learned Judicial Magistrate First Class, Raipur for the offence under Section 120-B and 420, 201 of IPC, arising out of the Crime No. 163/2022 registered at Police Station Azad Chowk, Raipur, charge-sheet No. 222/2023 submitted by Azad Police Station, Raipur for the offence under section 120-B and 420, 201 of IPC, order taking cognizance dated 22.12.2023 by the learned Judicial Magistrate First Class, Raipur in Criminal Case No. 22580/2023 and further the charges framed thereunder are hereby quashed against the petitioner No.1 Swapnil Mittal, No. 2 Garima Sharma, No. 3 Suresh Mittal, No. 4 Piyush Rathi, No.5 Vikram Singh and No. 6 Smt. Neha Singh, subject to the fulfillment of the conditions of compromise.

12. Accordingly, the instant CRMP is **allowed**.

Sd/-
(Ravindra Kumar Agrawal)
Judge

Sd/-
(Ramesh Sinha)
Chief Justice