IN THE HIGH COURT OF HIMACHAL PRADESH, SHIMLA

Cr. MMO No. 53 of 2026
Reserved on: 27.02.2026
Date of Decision: 11.03.2026

Anand Kumar @ Ritesh Kumar and Ors ...Petitioners

Versus

State of H.P. & Anr. ...Respondents

Coram

Hon'ble Mr Justice Rakesh Kainthla, Judge.

Whether approved for reporting?[1] ***No.***

For the Petitioners : Mr Naresh Verma, Advocate.

For Respondent No.1/State : Mr Lokender Kutlehria, Additional Advocate General.

Rakesh Kainthla, Judge

The petitioners have filed the present petition for seeking quashing of FIR No.64 of 2022, dated 26.09.2022, registered at Police Station Darlaghat, District Solan, H.P., for the commission of offences punishable under Sections 420, 471 and 201 read with Section 34 of the Indian Penal Code (IPC) based on the compromise.

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[1] Whether reporters of Local Papers may be allowed to see the judgment? Yes.

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2. As per the FIR, the informant had received a call from a person representing himself as the Manager of a Petroleum Company. The caller also forwarded some documents to the informant. The caller said that the informant's application for a petrol pump was sanctioned, but he would have to deposit ₹50,000/-. The informant deposited the money, but the caller asked for a larger amount. When the demand for the deposit continued to increase, the complainant got suspicious and reported the matter to the police. The police registered the FIR and investigated the matter.

3. It has been asserted that the parties have settled the matter with the intervention of respectable persons of the society. The informant does not want to proceed further with the present matter. Hence, the petition.

4. I have heard Mr Naresh Verma, learned counsel for the petitioners and Mr Lokender Kutlheria, learned Additional Advocate General for the respondent/State.

5. Mr Naresh Verma, learned counsel for the petitioners, submitted that the parties have entered into a compromise voluntarily without any influence from any person. Therefore, he prayed that the present petition be allowed and the FIR be

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quashed. He relied upon the judgment of the Hon'ble Supreme Court in ***N.S. Gnaneshwaran Etc. versus The Inspector of Police & Anr. SLP Crl. Nos. 17481-17482 of 2024 decided on 28.05.2025*** in support of his submission.

6. Mr Lokender Kutlheria, learned Additional Advocate General for the respondent No.1/State submitted that the allegations against the petitioners show the forgery of the documents. Such an FIR cannot be quashed based on a compromise. Hence, he prayed that the present petition be dismissed.

7. I have given considerable thought to the submissions made at the bar and have gone through the records carefully.

8. It was laid down by the Hon'ble Supreme Court in ***Parbatbhai Aahir v. State of Gujarat (2017) 9 SCC 641*** that a settlement between the offender and the victim in offences against society will not justify the quashing of the FIR. The offences punishable under Sections 467, 468 and 471 of the IPC involve the forgery of the document and such offences cannot be quashed under Section 482 of the Cr PC. It was observed:-

> **13.** In ***State of Maharashtra v. Vikram Anantrai Doshi, (2014) 15 SCC 29: (2015) 4 SCC (Cri) 563***, a Bench of two learned Judges of this Court explained the earlier decisions and the

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principles which must govern in deciding whether a criminal proceeding involving a non-compoundable offence should be quashed. In that case, the respondents were alleged to have obtained letters of credit from a bank in favour of fictitious entities. The charge sheet involved the offences under Sections 406, 420, 467, 468 and 471, read with Section 120-B of the Penal Code. Bogus beneficiary companies were alleged to have got them discounted by attaching fabricated bills. Mr Justice Dipak Misra (as the learned Chief Justice then was) emphasised that the case involved an allegation of forgery; hence, the Court was not dealing with a simple case where "the accused had borrowed money from a bank, to divert it elsewhere". The Court held that the manner in which letters of credit were issued, and funds were siphoned off, had a foundation in criminal law (SCC p. 42, para 26)

> "26. ... availing of money from a nationalised bank in the manner, as alleged by the investigating agency, vividly exposes fiscal impurity and, in a way, financial fraud. The *modus operandi*, as narrated in the charge sheet, cannot be put in the compartment of an individual or personal wrong. It is a social wrong, and it has an immense societal impact. It is an accepted principle of handling finance that whenever there is manipulation and cleverly conceived contrivance to avail of these kinds of benefits, it cannot be regarded as a case having overwhelmingly and predominately civil character. The ultimate victim is the collective. It creates a hazard to the financial interests of society. The gravity of the offence creates a dent in the economic spine of the nation."

The judgment of the High Court quashing the criminal proceedings was hence set aside by this Court.

14. The same principle was followed in ***v. Maninder Singh, (2016) 1 SCC 389: (2016) 1 SCC (Cri) 292*** by a Bench of two learned Judges of this Court. In that case, the High Court had, in the exercise of its inherent power under Section 482, quashed proceedings under Sections 420, 467, 468

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and 471 read with Section 120-B of the Penal Code. While allowing the appeal filed by the Central Bureau of Investigation, Mr Justice Dipak Misra (as the learned Chief Justice then was) observed that the case involved allegations of forgery of documents to embezzle the funds of the bank. In such a situation, the fact that the dispute had been settled with the bank would not justify a recourse to the power under Section 482 (SCC p. 394, para 17)

> "*17.* ... In economic offences, the Court must not only keep in view that money has been paid to the bank which has been defrauded, but also the society at large. It is not a case of simple assault or theft of a trivial amount, but the offence with which we are concerned was well planned and was committed with a deliberate design with an eye on personal profit, regardless of consequence to society at large. To quash the proceeding merely on the ground that the accused has settled the amount with the bank would be misplaced sympathy. If the prosecution against the economic offenders is not allowed to continue, the entire community is aggrieved."

15. In a subsequent decision in ***State of T.N. v. R. Vasanthi Stanley, (2016) 1 SCC 376: (2016) 1 SCC (Cri) 282***, the Court rejected the submission that the first respondent was a woman "who was following the command of her husband" and had signed certain documents without being aware of the nature of the fraud which was being perpetrated on the bank. Rejecting the submission, this Court held that (SCC p. 387, paras 14-15)

> "*14.* ... Lack of awareness, knowledge or intent is neither to be considered nor accepted in economic offences. The submission assiduously presented on gender leaves us unimpressed. An offence under criminal law is an offence, and it does not depend upon the gender of an accused. True it is, there are certain provisions in CrPC relating to the exercise of jurisdiction under Section 437, etc. therein, but that altogether pertains to a different sphere. A person committing a murder or getting involved in a

financial scam or forgery of documents cannot claim discharge or acquittal on the grounds of her gender, as that is neither constitutionally nor statutorily a valid argument. The offence is gender-neutral in this case. We say no more on this score.

15. ... A grave criminal offence or serious economic offence, or for that matter the offence that has the potential to create a dent in the financial health of the institutions, is not to be quashed on the ground that there is a delay in trial or the principle that when the matter has been settled, it should be quashed to avoid the load on the system. ..."

16. The broad principles which emerge from the precedents on the subject may be summarised in the following propositions:

16.1. Section 482 preserves the inherent powers of the High Court to prevent 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 on whether a criminal proceeding or complaint should be quashed in the 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 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 on 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 proposition 16.8. and 16.9. above. Economic offences involving the financial and economic well-being of the State have implications that 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 financial or economic fraud or misdemeanour. The consequences of the act complained of upon the financial or economic system will weigh in the balance.

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18. The present case, as the allegations in the FIR would demonstrate, is not merely one involving a private dispute over a land transaction between two contesting parties. The case involves allegations of extortion, forgery and fabrication of documents, utilisation of fabricated documents to effectuate transfers of title before the registering authorities and the deprivation of the complainant of his interest in land on the basis of a fabricated power of attorney. If the allegations in the FIR are construed as they stand, it is evident that they implicate serious offences having a bearing on a vital societal interest in securing the probity of titles to or interest in land. Such offences cannot be construed to be merely private or civil disputes but implicate the societal interest in prosecuting serious crimes. In these circumstances, the High Court was eminently justified in declining to quash the FIR, which had been registered under Sections 384, 467, 468, 471, 120-B and 506(2) of the Penal Code."

9. It was held in ***CBI v. Hari Singh Ranka (2019) 16 SCC 687: (2020) 2 SCC (Cri) 413: 2017 SCC OnLine SC 1837*** that a grave

criminal offence does not come to an end because of the compromise between the parties. It was observed at page 697:

> "**17.** In the ***Rumi Dhar case*** **[*Rumi Dhar* v. *State of W.B.*, (*2009) 6 SCC 364: (2009) 2 SCC (Cri) 1074]***, this Court has observed that when a settlement is arrived at between the creditors and the debtor, the offence, if committed, as such does not come to an end. Even a judgment rendered in the civil proceedings, when it is rendered on the basis of a settlement entered into between the parties, would not be of large relevance as per the criminal offence required by Section 43 of the Evidence Act. The judgment of the civil court is admissible only for limited purposes.
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> **18.** In ***State of Maharashtra v. Vikram Anantrai Doshi, (2014) 15 SCC 29 : (2015) 4 SCC (Cri) 563]***, this Court has considered the decision in ***Narinder Singh v. State of Punjab, (2014) 6 SCC 466 : (2014) 3 SCC (Cri) 54], Dimpey Gujral v. State (UT of Chandigarh), (2013) 11 SCC 497 : (2012) 4 SCC (Cri) 35*** and ***Gian Singh v. State of Punjab, (2012) 10 SCC 303 : (2012) 4 SCC (Civ) 1188 : (2013) 1 SCC (Cri) 160 : (2012) 2 SCC (L&S) 988*** and has laid down the principles for interfering in such matters thus : (***State of Maharashtra v. Vikram Anantrai Doshi, (2014) 15 SCC 29 : (2015) 4 SCC (Cri) 563]***, SCC pp. 38-39 & 41-42, paras 18, 24 & 26)
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> > "*18.* Recently, in ***Narinder Singh v. State of Punjab, (2014) 6 SCC 466 : (2014) 3 SCC (Cri) 54]***, a two-Judge Bench placed reliance on ***Gian Singh v. State of Punjab, (2012) 10 SCC 303 : (2012) 4 SCC (Civ) 1188 : (2013) 1 SCC (Cri) 160 : (2012) 2 SCC (L&S) 988]*** and ***Dimpey Gujral v. State (UT of Chandigarh), (2013) 11 SCC 497 : (2012) 4 SCC (Cri) 35*** and distinguished the decision in ***State of Rajasthan v. Shambhu Kewat, (2014) 4 SCC 149 : (2014) 4 SCC (Cri) 781***, and came to hold that in the facts of the said case the proceedings under Section 307 deserved to be quashed. The two-judge Bench laid down certain guidelines by which the High Courts would be guided in giving adequate treatment to the settlement between the parties and exercising their power under Section 482 of the Code while accepting the settlement and

quashing the proceedings or refusing to accept the settlement. Some of the guidelines which are relevant for the present purpose are reproduced below: (***Narinder Singh v. State of Punjab, (2014) 6 SCC 466: (2014) 3 SCC (Cri) 54***, SCC p. 483, para 29)

> '*29.2.* When the parties have reached a settlement and, on that basis, a petition for quashing the criminal proceedings is filed, the guiding factor in such cases would be to secure the following:
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> (*i*) ends of justice, or
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> (*ii*) to prevent abuse of the process of any court.
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> While exercising the power, the High Court is to form an opinion on either of the aforesaid two objectives.
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> *29.3.* Such a power is not to be exercised in those prosecutions which involve heinous and serious offences of mental depravity or offences like murder, rape, dacoity, etc. Such offences are not private in nature and have a serious impact on society. Similarly, for the offences alleged to have been committed under special statutes like the Prevention of Corruption Act or the offences committed by public servants while working in that capacity, are not to be quashed merely on the basis of a compromise between the victim and the offender.
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> *29.4.* On the other hand, those criminal cases having overwhelmingly and predominantly civil character, particularly those arising out of commercial transactions or arising out of matrimonial relationships or family disputes, should be quashed when the parties have resolved their entire disputes among themselves.
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> *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

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would be caused to him by not quashing the criminal cases.'

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24. In the case at hand, as per the charge sheet, the respondents had obtained LCs issued by the bank in favour of fictitious companies propped up by them, and the fictitious beneficiary companies had obtained letters of credit discounted by attaching their bogus bills. The names of 10 fictitious companies have been mentioned in the charge sheet. Thus, the allegation of forgery is very much there. As is manifest from the impugned order [***Vikram Anantrai Doshi v. State of Maharashtra, 2010 SCC OnLine Bom 2242***], the learned Single Judge has not adverted to the same. It is not a simple case where an accused has borrowed money from the bank and diverted it somewhere else and, thereafter, paid the amount. It does not create a situation where there is a dealing between a private financial institution and an accused, and after initiation of the criminal proceedings, he pays the sum and gets the controversy settled. The exposé of facts tells a different story. As submitted by the learned counsel for CBI, the manner in which the letters of credit were issued and the funds were siphoned off, has a foundation in criminal law. The learned counsel would submit that it does not depict a case which has overwhelmingly and predominantly a civil flavour. The intrinsic character is different. The emphasis is laid on the creation of fictitious companies.

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26. We are in respectful agreement with the aforesaid view. Be it stated that availing of money from a nationalised bank in the manner as alleged by the investigating agency vividly exposes fiscal impurity and, in a way, financial fraud. The modus operandi, as narrated in the charge sheet, cannot be put in the compartment of an individual or personal wrong. It is a social wrong, and it has an immense societal impact. It is an accepted principle of handling finance that whenever there is manipulation and cleverly conceived

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contrivance to avail of these kinds of benefits, it cannot be regarded as a case having overwhelmingly and predominately civil character. The ultimate victim is the collective. It creates a hazard to the financial interests of society. The gravity of the offence creates a dent in the economic spine of the nation. The cleverness which has been skilfully contrived, if the allegations are true, has a serious consequence. A crime of this nature, in our view, would definitely fall in the category of offences which travel far ahead of personal or private wrong. It has the potential to usher in an economic crisis. Its implications have its own seriousness, for it creates a concavity in the solemnity that is expected in financial transactions. It is not such a case where one can pay the amount and obtain a "no-dues certificate" and enjoy the benefit of quashing of the criminal proceeding on the hypothesis that nothing more remains to be done. The collective interest of which the Court is the guardian cannot be a silent or a mute spectator to allow the proceedings to be withdrawn, or, for that matter, yield to the ingenuous dexterity of the accused persons to invoke the jurisdiction under Article 226 of the Constitution or Section 482 of the Code and quash the proceedings. It is not legally permissible. The Court is expected to be on guard to these kinds of adroit moves. The High Court, we humbly remind, should have dealt with the matter keeping in mind that in this kind of litigation, the accused, when he perceives a tiny gleam of success, readily invokes the inherent jurisdiction for quashing the criminal proceeding. The Court's principal duty, at that juncture, should be to scan the entire facts to find out the thrust of the allegations and the crux of the settlement. It is the experience of the Judge that comes to his aid, and the said experience should be used with care, caution, circumspection and courageous prudence, as we find in the case at hand, the learned Single Judge has not taken pains to scrutinise the entire conspectus of facts in proper perspective and quashed the criminal proceeding. The said quashment neither

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> helps to secure the ends of justice nor does it prevent the abuse of the process of the Court, nor can it be said that, as there is a settlement, no evidence will come on record, and there will be a remote chance of conviction. Such a finding, in our view, would be difficult to record. Be that as it may, the fact remains that the social interest would be in peril, and the prosecuting agency, in these circumstances, cannot be treated as an alien to the whole case. Ergo, we have no other option but to hold that the order [***Vikram Anantrai Doshi v. State of Maharashtra, 2010 SCC OnLine Bom 2242***] of the High Court is wholly indefensible."

19. It has been observed by this Court that when the charge sheet reflects that the respondent got LCs issued by the Bank in favour of fictitious companies propped up by them, and the fictitious beneficiary companies had got letters of credit discounted by attaching their bogus bills. It is not a simple case where an accused has borrowed money from the bank and diverted it somewhere else and, thereafter, paid the amount. Civil settlement of the controversy would not suffice to wipe off the criminal liability. The case reflects fiscal impropriety and, in a way, financial fraud. The modus operandi, as narrated in the charge sheet, cannot be put in the compartment of an individual or personal wrong. It is a social wrong, and it has an immense societal impact. This Court has further observed that the accepted principle of handling of finance is that whenever there is manipulation and cleverly conceived contrivance to avail of this kind of benefits, it cannot be regarded as a case having overwhelmingly and predominantly civil character. The gravity of the offence creates a dent in the economic spine of the nation. The quashing of the case was set aside as social interest would be in peril. The order of the High Court was held to be indefensible. Facts are more or less similar in the instant case, and as such, the impugned orders cannot be permitted to be sustained on the anvil of the aforesaid principles.

23. In the ***Ashok Sadarangani v. Union of India, (2012) 11 SCC 321: (2013) 1 SCC (Civ) 298: (2013) 1 SCC (Cri) 638*** offence

was registered by CBI. The allegation was that they had secured the credit facility by submitting forged documents, as collected and utilised such facilities in a dishonest and fraudulent manner by obtaining letters of credit in respect of foreign suppliers of goods without actually bringing any goods, but inducing the bank to negotiate letters of credit in favour of the foreign suppliers and also by exercising the cash credit facility.

24. This Court has considered the various decisions in ***Sushil Suri v. CBI, (2011) 5 SCC 708: (2011) 2 SCC (Cri) 764*** and ***Gian Singh v. State of Punjab, (2012) 10 SCC 303: (2012) 4 SCC (Civ) 1188: (2013) 1 SCC (Cri) 160: (2012) 2 SCC (L&S) 988***. This Court also considered whether, when the dispute has been settled by the bank, the continuance of criminal proceedings would be a futility. This Court distinguished the decision of ***Nikhil Merchant v. CBI, (2008) 9 SCC 677: (2008) 3 SCC (Cri) 858,*** as the case projected a larger conspiracy than this Court refused to grant the relief in the prayer of quashing of the case.

25. In ***Sushil Suri v. CBI, (2011) 5 SCC 708: (2011) 2 SCC (Cri) 764***, this Court made the following observations: (SCC pp. 716-17, para 23)

> "23. It is manifest from a bare reading of the charge sheet, placed on record, that the gravamen of the allegations against the appellant, as also the co-accused, is that the Company, acting through its Directors in concert with the chartered accountants and some other persons:
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> (*i*) conceived a criminal conspiracy and executed it by forging and fabricating a number of documents, like photographs of old machines, purchase orders and invoices showing the purchase of machinery in order to support their claim to avail of a hire-purchase loan from PSB;
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> (*ii*) on the strength of these false documents, PSB parted with the money by issuing pay orders and demand drafts in favour of the Company and
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> (*iii*) the accused opened six fictitious accounts in the banks (four accounts in Bank of Rajasthan and two

in Bank of Madura) to encash the pay orders/bank drafts issued by PSB in favour of the suppliers of machines, thereby directly rotating back the loan amount to the borrower from these fictitious accounts, and in the process committed a systematic fraud on the Bank (PSB) and obtained pecuniary advantage for themselves.

Precise details of all the fictitious accounts, as well as the further flow of money realised on encashment of demand drafts/pay orders, have been incorporated in the charge sheet. Additionally, by allegedly claiming depreciation on the new machinery, which was never purchased, on the basis of forged invoices, etc., the accused cheated the public exchequer as well."

This Court considered the modus operandi noted in the afore-extracted para 23. Considering the allegations that the accused had obtained pecuniary benefit by producing forged documents, the case was dismissed, and the trial court was directed to decide the case expeditiously. The facts of the instant case are more or less similar.

12. Recently, in ***CBI* v. *Maninder Singh*** (***2016) 1 SCC 389***, the allegation against the accused was that bill of lading presented by the proprietors of the accused firms were found forged and cases were registered under Section 120-B IPC read with Section 420 IPC and Section 5(2) read with Section 5(1)(*d*) of the Prevention of Corruption Act, 1947 and further substantive offences under Sections 420, 467, 468 and 471 IPC. The accused person arrived at a settlement with the Bank and thereafter moved the High Court under Section 482 CrPC for quashing of the FIR. The High Court placed [***Maninder Singh v. CBI, 2009 SCC OnLine Del 4246]*** reliance on the decision in ***Nikhil Merchant [(2008) 9 SCC 677 : (2008) 3 SCC (Cri) 858***] and allowed the petition and directed for quashing of the criminal proceedings. This Court placed reliance on ***Vikram Anantrai Doshi [(2014) 15 SCC 29: (2014) 10 Scale 690***] and came to hold as follows: (***Maninder Singh case [(2016) 1 SCC 389***], SCC p. 394, paras 16-17)

> "*16.* The allegation against the respondent is 'forgery' for the purpose of cheating and the use of forged documents as genuine in order to embezzle the public money. After facing such serious charges of forgery, the respondent wants the proceedings to be quashed on account of a settlement with the bank. The development in means of communication, science and technology, etc., has led to an enormous increase in economic crimes, viz. phishing, ATM frauds, etc., which are being committed by intelligent but devious individuals involving huge sums of public or government money. These are actually public wrongs or crimes committed against society, and the gravity and magnitude attached to these offences are concentrated on the public at large.
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> *17.* The inherent power of the High Court under Section 482 of the Code of Criminal Procedure should be sparingly used. Only when the Court comes to the conclusion that there would be manifest injustice or there would be abuse of the process of the Court if such power is not exercised can the Court quash the proceedings. In economic offences, the Court must not only keep in view that money has been paid to the bank which has been defrauded, but also the society at large. It is not a case of simple assault or theft of a trivial amount, but the offence with which we are concerned was well planned and was committed with a deliberate design with an eye on personal profit, regardless of consequence to society at large. To quash the proceeding merely on the ground that the accused has settled the amount with the bank would be a misplaced sympathy."

10. This position was reiterated in ***Daxaben v. State of Gujarat (2022) 16 SCC 117: 2022 SCC OnLine SC 936***, wherein it was observed at page 134:

> "***44.*** In ***State of T.N. v. R. Vasanthi Stanley, (2016) 1 SCC 376: (2016) 1 SCC (Cri) 282***, this Court held: (SCC p. 387, paras 14-15)
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> > "*14.* ... Lack of awareness, knowledge or intent is neither to be considered nor accepted in economic offences. The submission assiduously presented on gender leaves us unimpressed. An offence under the criminal law is an offence, and it does not depend upon the gender of an accused. True it is, there are certain provisions in CrPC relating to the exercise of jurisdiction under Section 437, etc. therein, but that altogether pertains to a different sphere. A person committing a murder or getting involved in a financial scam or forgery of documents cannot claim discharge or acquittal on the ground of her gender, as that is neither constitutionally nor statutorily a valid argument. The offence is gender-neutral in this case. We say no more on this score.
> >
> > *15.* ... A grave criminal offence or serious economic offence, or for that matter the offence that has the potentiality to create a dent in the financial health of the institutions, is not to be quashed on the ground that there is a delay in trial or the principle that when the matter has been settled, it should be quashed to avoid the load on the system."

11. The allegations in the present case disclose a financial fraud, wherein the petitioner had impersonated himself as an official of a petroleum company to demand money from the informant. Such offences are on the increase, and if such an offence is quashed based on a compromise between two persons, it will encourage the commission of similar offences. The police also found that false representations were made and the documents were forged by the accused to carry out the fraud.

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Thus, keeping in view the gravity of the offence, the FIR cannot be quashed based on a compromise between the parties.

12. In ***N.S. Gnaneshwaran Etc.*** (supra), the Hon'ble Supreme Court found that the matter was settled in one time settlement between the parties. The bank had received the outstanding amount, and the bank had no objection to quashing the FIR. The offences in the present case cannot be equated to a case where the person had taken the loan and could not repay it due to financial difficulties. Hence, the cited judgment will not apply to the present case.

13. Hence, in view of the above, the present petition fails, and it is dismissed.

14. The observations made hereinbefore shall remain confined to the disposal of the petition and will have no bearing, whatsoever, on the merits of the case.

(Rakesh Kainthla)
Judge

11th March, 2026
(Nikita)