2026:AHC:83296

**HIGH COURT OF JUDICATURE AT ALLAHABAD**

**APPLICATION U/S 482 No. - 25724 of 2022**

Satinder Singh Bhasin And Another

.....Applicant(s)

Versus

State Of U.P. And Another

.....Opposite Party(s)

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| Counsel for Applicant(s) | : | Aditya Yadav, Pankaj Kumar Shukla, Satya Prakash Tiwari, Shivam Yadav, Swatantra Pratap Singh |
| Counsel for Opposite Party(s) | : | Akash Sharma, Ashish Dwivedi, G.A. |

**Court No. - 82**

**HON'BLE PADAM NARAIN MISHRA, J.**

1. Heard Sri Manish Tiwary, learned Senior Counsel for the applicants assisted by Sri Shivam Yadav, Sri Praney Sharma, Sri Aditya Yadav and Sri I.K. Chaturvedi, learned Senior Counsel, Sri Pankaj Kumar Shukla learned counsel for the Opposite Party No. 2, learned A.G.A. for the State and perused the materials available on record.

2. The present application under Section 482 Cr.P.C. has been filed with the prayer to quash the entire proceedings of Case No. 1559 of 2019 (State v. Satinder Singh Bhasin) arising out of Case Crime No. 353 of 2015, under Sections 406 and 420 I.P.C., Police Station Kasna, District Gautam Budh Nagar, pending in the court of Additional Chief Judicial Magistrate - II, Gautam Budh Nagar.

3. Brief fact of the present is that an FIR was lodged against the applicant - Satinder Singh Bhasin and one another for the offences punishable under Sections 406 and 420 of IPC, which was registered as Case Crime No. 353 of 2015. Investigating Officer, after thorough investigation, submitted a final report on 30.11.2016. Against the said final report, a protest petition was filed on 13.03.2017. Thereafter, Investigating Officer has submitted a charge sheet in the present case on 17.02.2019. In the present case, various FIRs were lodged against the present applicant and other persons with the allegations of large scale misappropriation of fund and cheating with regard to

Grand Venice. Apart from the FIR No. 353 of 2015, Forty one (41) FIRs were lodged in the various districts of Uttar Pradesh and five (5) FIRs were lodged in New Delhi with the identical allegations. In the present case, Hon'ble Supreme Court, vide order dated 12.05.2022, has directed for clubbing of all FIRs i.e. Forty Six (46) and also directed to the Investigating Officer to submit a composite charge sheet. In compliance of order of Hon'ble Supreme Court, a composite charge sheet was submitted on 23.12.2022 under sections 420, 406 and 120 - B of IPC. Thereafter, a further supplementary charge-sheet was also submitted on 10.04.2025.

4. Learned Senior Counsel for the applicant vehemently submitted that the dispute between the parties is essentially civil in nature arising out of a commercial transaction. The allegations, even if taken at their face value, do not disclose the essential ingredients of offences punishable under Sections 406 and 420 I.P.C. It is submitted that there is no entrustment nor dishonest intention from the inception, which are *sine qua non* for constituting the said offences. It is further submitted that the project is ready and allotment has been handed over to various buyers.

5. Learned Senior Counsel has vehemently submitted that for fastening vicarious liability upon a Director or office bearers of a company, the company itself must be arraigned as an accused. It is further submitted that in the absence of the company being impleaded as a party, prosecution against its Directors or officers alone is not maintainable. It is further submitted that the vicarious liability in criminal law cannot be fastened upon a Director or officers of a company in the absence of specific allegations demonstrating their active role in the commission of the offence. It is further submitted that merely holding a position in the company is not sufficient to attract criminal liability unless there are clear and unambiguous averments indicating personal involvement.

6. It is further submitted that in the present case, the Investigating Officer after due investigation, has submitted the final report on 30.11.2016. Against the said final report, a protest petition was filed by the opposite party no. 2 on 13.03.2017. He further submitted that without passing any judicial order either accepting the final report

or treating the protest petition as a complaint case, the learned Magistrate proceeded to direct further investigation. Pursuant thereto, a supplementary charge-sheet under Section 406 I.P.C. has been submitted. Learned counsel for the applicants has vehemently contended that the entire proceedings are vitiated in law. In absence of such order, the direction for submission of supplementary charge-sheet is wholly without jurisdiction.

7. Learned Senior Counsel for the applicants has vehemently submitted that parallel civil proceedings bearing Original Suit No. 448 of 2017 is pending in the court of Senior Civil Judge, Patiala House Courts, New Delhi. It is further submitted that insolvency proceedings is also pending before the National Company Law Tribunal. It is vehemently submitted that in the peculiar facts and circumstances of the present case, where appropriate civil proceedings are pending, present criminal proceedings is liable to be quashed. In support of their contentions, learned Senior Counsel for the applicants has placed reliance upon the judgment passed by Hon'ble Supreme Court in the case of ***G. Sagar Suri vs State of U.P.*** **(2000) 2 SCC 636**, ***S.K. Alag v. State of U.P. and Others*** **(2008) 5 SCC 662** *and* ***Aneeta Hada Vs. Godfather Travels and Tours Private Limited*** **(2012) 5 SCC 661.**

8. Learned Senior Counsel appeared on behalf of opposite party no. 2 has opposed the submissions advanced by the learned Senior Counsel for the applicants. It is further submitted that the present case is very distinct in nature. It is further submitted that the FIR No. 353 of 2015 relates to the non-payment of rent for the use of shuttering material but the remaining FIRs, that are forty six (46), primarily relates with large scale fraud involving misappropriation of money and land. It is further submitted that the applicants, in connivance with others, induced a large number of innocent buyers to invest money in a project 'Grand Venice' and collected huge amounts running into crores of rupees, but failed to deliver the promised property, thereby causing wrongful loss to the investors and wrongful gain to himself. It is further submitted that if the present FIR No. 353 of 2015 is quashed by this Hon'ble Court, the remaining FIR would also be quashed. It is further submitted that in the interest of public at

large, the present matter must be tried by Trial Court concerned.

9. It is further submitted that on the perusal of FIR and statements recorded under Section 161 of Cr.P.C., prima facie offence has been made out against the applicants. It is further submitted that the scope of inherent power of Hon'ble High Court is very restricted with regard to the quashing of Criminal Proceedings when the material available on record, prima facie, discloses the commission of offence. It is further submitted that pleas raised by the learned counsel for the applicants involve the factual questions, which can be adjudicated at the stage of trial.

10. It is further submitted that by Learned Senior Counsel for the opposite party no.2 that the Hon'ble Supreme Court, vide order dated 12.05.2022, has directed that Case Crime No. 353 of 2015 shall be treated as the parent FIR and all other 46 FIRs be clubbed with it. In compliance thereof, a composite charge-sheet has been filed and the proceedings are continuing in accordance with law. It is further submitted that in view of the said order, the challenge to the parent FIR would have far-reaching consequences, affecting not only the present case but also numerous connected FIRs, thereby prejudicing the rights of a large number of victims. It is further submitted that the material collected during investigation clearly discloses a prima facie case against the applicants and, therefore, the matter requires adjudication on evidence during trial. It is further submitted that proceedings by the Enforcement Directorate have been initiated, which further indicates the seriousness and magnitude of the alleged offence.

11. Learned Senior Counsel for the opposite party no.2 has submitted that the applicants in collusion with co-accused has fabricated and forged allotment letter dated 15.4.2015, wherein a GST Number was mentioned despite the fact that the GST was implemented on 01.07.2017. The conduct of applicants clearly shows that they have dishonest intention from the inception of the transaction. It is further submitted that the applicants and other co-accused were enlarged on bail by Hon'ble Supreme Court vide order dated 6.11.2019. It is further submitted that the bail of the applicants and other co-accused has been cancelled by Hon'ble Supreme Court vide order dated

02.04.2026 for not complying with the conditions of bail. It is further submitted that the conduct of the applicants clearly shows that they are not complying the order of Hon'ble Supreme Court.

12. At the outset, it is necessary to reiterate the settled legal position governing the exercise of inherent powers under Section 482 Cr.P.C. The Hon'ble Supreme Court in ***State of Haryana v. Bhajan Lal,*** **1992 Supp (1) SCC 335** has exhaustively laid down the categories of cases wherein the High Court may exercise its inherent jurisdiction to quash criminal proceedings. However, it has been equally emphasized that such power is to be exercised sparingly and with great caution. Further, in ***M/s Neeharika Infrastructure Private Limited v. State of Maharashtra,*** **2021 SCC OnLine SC 315**, the Hon'ble Supreme Court has categorically held that while exercising jurisdiction under Section 482 Cr.P.C., the High Court should not embark upon an enquiry into the reliability or genuineness of the allegations and should refrain from interfering at the stage of investigation or when a prima facie case is disclosed. Guided by the aforesaid principles, this Court proceeds to examine the contentions raised by the applicants.

13. On perusal of records, it appears that in the present matter, an FIR was lodged against the applicants, namely Satinder Singh Bhasin, and another under Sections 406 and 420 IPC, registered as Case Crime No. 353 of 2015. It transpires that multiple FIRs were lodged against the present applicants and other co-accused persons in connection with alleged large-scale misappropriation of funds and cheating relating to the "Grand Venice" project. In all, 41 FIRs were registered in various districts of Uttar Pradesh and 5 FIRs were lodged in New Delhi on similar allegations. The Hon'ble Supreme Court, vide order dated 12.05.2022, directed that all the aforesaid 46 FIRs be clubbed together and further directed that Case Crime No. 353 of 2015 shall be treated as the parent FIR. It was also directed that a composite charge-sheet be submitted. It transpires that FIR No. 353 of 2015 is related to non-payment of money for the shuttering material supplied but other 46 FIRs are related to serious allegations of the misappropriation of the money and land. On the perusal of records, it is evident that only some documents are available on record with regard to other FIRs.

14. The submission advanced by the learned Senior Counsel with regard to the absence of specific allegations against the applicants has also been considered. However, the Court has also clarified that where material on record discloses prima facie involvement, the matter must proceed to trial. In the present case, whether the applicants had any active role or *mens rea* is a matter which requires evidence and cannot be conclusively determined at this stage.

15. The argument that the dispute is purely of civil nature does not persuade this Court at this stage. The Hon'ble Supreme Court in ***P. Swaroopa Rani vs. M. Hari Narayana Alias Hari Babu*, (2008) 5 SCC 765** has held as under:-

*"11. It is, however, well settled that in a given case, civil proceedings and criminal proceedings can proceed simultaneously. Whether civil proceedings or criminal proceedings shall be stayed depends upon the fact and circumstances of each case. (See M.S. Sheriff v. State of Madras [AIR 1954 SC 397] , Iqbal Singh Marwah v. Meenakshi Marwah [(2005) 4 SCC 370 : 2005 SCC (Cri) 1101] and Institute of Chartered Accountants of India v. Assn. of Chartered Certified Accountants [(2005) 12 SCC 226 : (2006) 1 SCC (Cri) 544] "*

On the perusal of the above mentioned judgment of Hon'ble Supreme Court, it is evident that if a dispute gives rise to civil liability, it does not mean that criminal proceedings are not maintainable if the allegations disclose the ingredients of a criminal offence. It is also evident that the presence of a civil dispute does not bar criminal prosecution where allegations of fraud, cheating or dishonest intention are made out. In the present case, the allegations prima facie disclose inducement of a large number of persons and alleged misappropriation of funds, which cannot be brushed aside as a mere breach of contract.

16. This Court finds that it is not in dispute that the applicants were granted bail by the Hon'ble Supreme Court on 06.11.2019 and the same has subsequently been cancelled by the Hon'ble Supreme Court vide order dated 02.04.2026 due to non-compliance of the conditions of bail. It is also evident that the co ordinate bench of this court has granted the interim protection to the applicants in the present case, but the applicants did not disclose the fact that a

charge sheet has already been submitted on 23.12.2022. The cancellation of bail by the Hon'ble Supreme Court on account of violation of conditions and the concealment of fact of submission of the charge sheet while obtaining the order dated 27.04.2023 are significant circumstances, which reflect upon the conduct of the applicants.

17. This Court has given thoughtful consideration to the submission advanced by the learned Senior Counsel for the opposite parties that the present case has been treated as the parent FIR pursuant to the directions issued by the Hon'ble Supreme Court. It is not in dispute that by virtue of the order passed by the Hon'ble Supreme Court, all the connected FIRs, arising out of identical and similar allegations, have been directed to be clubbed with the present FIR and a composite charge-sheet has also been submitted. Thus, the present FIR has assumed a central and pivotal position in the entire set of proceedings. In such circumstances, any interference with the parent FIR at this stage cannot be viewed in isolation. Quashing of the said FIR would inevitably have a cascading and far-reaching effect on all the connected FIRs, which have been consolidated pursuant to the directions of the Hon'ble Supreme Court. The consequence of such interference would be that the entire framework of investigation and prosecution, as structured under the directions of the Hon'ble Supreme Court, may stand seriously affected. This would not only disrupt the course of trial but may also lead to multiplicity of proceedings and legal complications in respect of the connected matters. More importantly, the allegations in the present case pertain to large-scale financial irregularities and cheating affecting a substantial number of investors/victims. Therefore, any premature interference with the parent FIR would have the effect of prejudicing the rights and interests of a large number of victims, whose grievances are sought to be addressed through the consolidated proceedings.

18. In view of the aforesaid discussions, this Court does not find any good ground to exercise its inherent jurisdiction under Section 482 Cr.P.C. to quash the impugned proceedings.

19. Accordingly, the present application is **dismissed**.

20. Application pending, if any, stands disposed of.

**April 9, 2026**
Akram

**(Padam Narain Mishra,J.)**