

55. We are constrained to observe that learned court below has completely erred in overlooking such vital facts. Its finding recorded in the order of conviction perhaps are persuaded by presumptions and conjunctures but are not based on credible evidence led at the trial. Such a finding recorded by the learned court below may remain to be categorized as perverse and wholly unsustainable in the eyes of law.

56. Consequently, the appeal succeeds and is allowed.

57. The judgment and order dated 30.09.2024 passed by the Additional Sessions Judge/ Fast Track Court- II, Court No.24, Shahjahanpur in Sessions Case No.762 of 2023 (State of U.P. Vs. Sukhlal), arising out of Case Crime No.47 of 2023, under Sections 302 and 201 I.P.C., Police Station- Sindhauli, District- Shahjahanpur, is hereby **set aside**.

58. The appellant is acquitted of the charges for lack of evidence led by the prosecution. Since the appellant-Sukh Lal is in jail. He be released forthwith subject to the condition that he is not wanted in any other case and subject to compliance of Section 437A Cr.P.C.

59. Let the trial court record along with a copy of this order be transmitted to the court concerned through Registrar (Compliance) forthwith and a copy of this order may also be sent to the Jail authorities concerned.

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**(2025) 5 ILRA 1745**  
**REVISIONAL JURISDICTION**  
**CRIMINAL SIDE**  
**DATED: LUCKNOW 09.05.2025**

**BEFORE**

**THE HON'BLE SUBHASH VIDYARTHI, J.**

Criminal Revision No. 478 of 2025

And

Criminal Revision No. 479 of 2025

**Praveen Pratap Singh & Anr....Revisionists**  
**Versus**

**C.B.I.**

**...Opposite Party**

**Counsel for the Revisionists:**

Purnendu Chakravarty, Anuj Taandon

**Counsel for the Opposite Party:**

Anurag Kumar Singh

**Criminal Law — Indian Penal Code, 1860 - Sections 120-B & 420 — Prevention of Corruption Act, 1988, Sections 13(1)(d), 13(2) — Discharge — Scope — Subletting of Government contract by public sector company through pre-tender tie-up — Allegation of conspiracy causing loss to public exchequer — Plea that no person cheated and offence compoundable under Section 320 Cr.P.C. — Held, cheating of Government constitutes offence under Section 420 IPC as 'St.' falls within definition of 'person' under Section 11 IPC — Charge not speculative merely because exact loss not quantified — Offences under Sections 120-B IPC and 13(1)(d), 13(2) PC Act non-compoundable — No ground for discharge — Revisions dismissed. (Paras 27, 28, 32, 37, 39 and 41)**

**HELD:**

The second submission of the learned counsel for the revisionists is the amount of losses has not been quantified and the charge is merely speculative. When it is apparent from the material available on record that the Government had awarded the contract to NPCC for Rs.14,60,62,604/-, NPCC sublet the contract to UCC for Rs.13.82 crores and UCC further sublet the contract to Sat Sai Earth Works Rs.7.16 crores i.e. almost half the amount of contract value of NPCC and the contract has been awarded without following the usual process of inviting tenders so as to ensure availability of best rates, prima facie a case of causing wrongful loss to the Public Exchequer is

made out which needs to be tried by the trial Court. (Para 28)

Definition of the word 'person' given in Section 11 of the Penal Code is wide enough to include any association or body of persons, whether incorporated or not. It would certainly include within its ambit the St. Government, which is a body of persons. If the accused persons have deceived the Government by fraudulently or dishonestly inducing it to enter into a contract with NPCC, which contract was first sub-let to UCC and thereafter it was further sub-let to M/s Sat Sai Earth Works at almost half of the contract value and thereby an excessive amount was paid to NPCC, which act has caused financial loss to the Government, the accused persons have committed the offence of cheating. If any person was involved in the criminal conspiracy to commit the offence of cheating, he is liable to be prosecuted. Therefore, I find no force in the aforesaid submission of the learned Counsel for the revisionist. (Para 32)

The revisionist has been charged for commission of the offence of criminal conspiracy for committing the offence punishable under Section 420 I.P.C. The revisionist has also been charged for commission of offences under Sections 13(2) and 13(1)(d) of the Prevention of Corruption Act, 1988, which offences are also non-compoundable offences. Therefore, the aforesaid submission of the learned Counsel for the revisionist is misconceived. (Para 37)

When the offences under Section 120-B I.P.C. and Sections 13(2) and 13(1)(d) of the Prevention of Corruption Act, 1988 are not compoundable offences, the alleged lack of opportunity of compounding for want of any natural person having been cheated, with whose consent the offence could have been compounded, does not make out a ground for quashing of the criminal proceedings. (Para 39)

**Application allowed.** (E-14)

**List of Cases cited:**

Pravat Chandra Mohanty Vs St. of Odisha, (2021) 3 SCC 529

(Delivered by Hon'ble Subhash Vidyarthi, J.)

1. Heard Shri Purnendu Chakravarty, the learned counsel for the revisionists and Shri Anurag Kumar Singh, the learned counsel for the opposite party- Central Bureau of Investigation, New Delhi.

2. Learned counsel for the respondent has filed counter affidavits and the revisionists have filed rejoinder affidavits in both the cases, which are taken on record.

3. Criminal Revision no. 478 of 2025 has been filed under Section 397/401 Cr.P.C., challenging the validity of an order dated 04.04.2025 passed by the Special Judge, Prevention of Corruption Act, CBI, Court No.4, Lucknow in Criminal Case No.1600002/2014 arising out of RC-AC1-2007A0002 under Section 120-B IPC read with Section 420 IPC and 13(2), 13(1)(d) of the Prevention of Corruption Act, 1988, Police Station- CBI/ACB, Lucknow, whereby the trial Court has rejected the petitioners' application for their discharge.

4. Criminal Revision no. 479 of 2025 has been filed under Section 397/401 Cr.P.C., challenging the validity of an order dated 05.04.2025 passed by the Special Judge, Prevention of Corruption Act, CBI, Court No.4, Lucknow in Criminal Case No.1600003/2014 arising out of RC-AC1-2008A0003 under Section 120-B IPC read with Section 420 IPC and 13(2), 13(1)(d) of the Prevention of Corruption Act, 1988, Police Station- CBI/ACB, Lucknow, whereby the trial Court has rejected the petitioners' application for their discharge.

5. Briefly stated, facts of the giving rise to Criminal Revision No. 478 of 2025 are that CBI had lodged the aforesaid FIR

on 23.02.2007 against (i) unknown officials of NPCC Ltd. (National Project Construction Company Limited) Delhi and Faridabad, (ii) M/s UCC, 29, Pitambar Nagar, Unnao, U.P. and (iii) others unknown, stating that a source information had been received about corruption in construction of Adwa-Meja link Channel, Bansagar Canal Project in Unnao Region, U.P. which revealed that National Projects Construction Company Limited (which will hereinafter be referred to as 'NPCC') is a public sector Company under the administrative control of Ministry of Water Resources, Government of India. It is primarily responsible to carry out construction of civil works and canal systems etc. On 27.05.2005, the Irrigation Department of Government of U.P. had awarded a contract to NPCC for construction of the aforesaid canal at a cost of Rs.14,60,62,604/-. Certain officials of NPCC entered into a criminal conspiracy with a private construction company namely, M/s Unnao Construction Company, Unnao, U.P. (which will hereinafter be referred to as 'UCC') and they sublet the contract to UCC for Rs.13.82 crores. UCC further sublet the contract to another private Company namely, M/s Sat Sai Earth Works, New Delhi for Rs.7.16 crores i.e. almost half the amount of contract value of NPCC and thereby caused huge wrongful gain to M/s UCC and corresponding loss to the Public Exchequer.

6. The FIR further states that the Unit Officer, NPCC, Kanpur conducted a site inspection on 23.04.2005 and submitted the rates for excavation work ranging from Rs.300/- to Rs.340/- per cubic meter for preparation of a bid to be submitted by NPCC to the Irrigation Department of Government of U.P. NPCC invited limited

tenders on 21.04.2005 from eight firms, including UCC, for pre-tender tie-up for the said work. Out of the eight firms, only UCC submitted its tender on 27.04.2005 quoting rates ranging from 97.5 per cubic meter to 266 per cubic meter for excavation work.

7. A note recommending a profit margin of 5.3% against the total cost of the work, as quoted by UCC, was processed by the Officers of NPCC and was approved by the CMD of NPCC on 02.05.2005. Accordingly, the bid of UCC for Rs.13,82,38,248/- was approved by NPCC on 06.05.2005. NPCC submitted its bid at Rs.14,60,52,604/- by adding a profit margin of 5.3% to the rates quoted by UCC, which was accepted. A Memorandum of understanding was signed between the Government of U.P. and NPCC which inter alia provided that the contract shall not be sublet. However, the NPCC awarded the work completely to UCC for an amount of Rs.13,82,38,248/- on 01.06.2005. UCC in turn sublet the work to M/s Sat Sai Earth Work for an amount of Rs.7.16 crores.

8. The FIR also states that UCC is quite a new firm which was registered with NPCC only on 19.04.2005, on limited offer basis. Even the earnest money was not paid fully to NPCC. Although UCC had claimed that it has 10 years experience in the field of canal and water resources works, it was registered with Employees Provident Fund Organization only on 15.04.2005. NPCC has registered UCC without verification of its credentials and capability as per the rules. It is also alleged that UCC was registered with NPCC for canal and water resources works worth upto Rs.5 Crores only and it was not qualified for the contract. Thus, the contract which the

Government awarded to NPCC at Rs.14,60,52,604/-, was sublet to UCC for Rs.13,82,38,248/- which was in turn sublet to M/s Sat Sai Earth Works for Rs.7.16 Crores. By submitting inflated estimates for the project work to Government of U.P. and getting the contract at inflated rates and, thereafter, subletting it to a private firm which further sublet it to another firm at almost half the rate, the officials of NPCC, in furtherance of a criminal conspiracy with UCC and other persons, abused their official position, cheated the Government, obtained pecuniary advantages for themselves and others and they caused the corresponding loss to the Public Exchequer.

9. After investigation, the CBI has submitted a charge-sheet on 23.12.2009 against seven persons, including the revisionists.

10. It is stated in the charge-sheet that it was conspired that Irrigation Department, Government of U.P. would award the work to NPCC and NPCC would pass it on to UCC through pre-tender tie-up to be made by way of limited tender process, which would be so manipulated as to ensure that the work was eventually awarded to UCC. Pre-tender tie-up is an arrangement vide which NPCC invites limited tenders from its registered agencies and executes MoU with the lowest bidder and then submits its own rates to the client after loading its percentage margin over the rates of the tied-up agency and on getting the work from the client, passes it on to the tied-up agency.

11. The charge-sheet states that Shri Rajender Singh was the Zonal Manager, North Zone, NPCC and he had recommended the proposal on 03.05.2005

for accepting the single offer of UCC. He had created a false impression of urgency for submission of rates by mentioning that the rates were to be submitted to the Irrigation Department by 05.05.2005 whereas there was no such communication from the Irrigation Department. The proposal was then forwarded by P.K. Bhargawa, AGM to CMD, NPCC on 03.05.2005 itself. P.K. Bhargawa has mentioned that decision regarding margin of NPCC may be taken so that the same could be loaded on quotation for submitting the tender to the Irrigation Department. Thus, by misrepresenting the facts, the Officers of NPCC obtained approval of the CMD and the CMD approved the proposal on 06.05.2005. On 06.05.2005 itself, Rajender Singh sent rates of NPCC to the Chief Engineer, Bansagar Project, Irrigation Department, Government of U.P.

12. The charge-sheet further mentions that (i) Praveen Pratap Singh, (ii) Akhilesh Bahadur Singh (revisionists), (iii) Bal Kishan. (iv) Rajender Singh, (v) Sunil Gupta, (vi) R.C. Sharma and (vii) Anil Vijay violated the relevant rules and guidelines in pursuance of the criminal conspiracy and thereby awarded the work to UCC although it was not eligible to execute the work. If the work was awarded through open tender, there would have been competition of rates resulting into better rates to the Irrigation Department. If NPCC Ltd. had awarded the work in pre-tender tie-up through proper tender process, they would have got better rates and thereby ensured a higher margin for NPCC Ltd. Thus, by the above discussed acts of omission and commission, the accused persons have caused the wrongful pecuniary advantage to the UCC and corresponding loss to the Public Exchequer.

13. While rejecting the application for discharge, the trial court has held in the order dated 04.04.2025 that there is ample evidence available on record to indicate that UCC was constituted immediately before allotment of the work and it had contacted M/s Sat Sai Earth Works Pvt. Ltd. for the work, which shows that the accused persons were confident that they will be allotted works worth crores of Rupees. The accused persons had no license or clearance from the Pollution Control Board. Although the accused persons claimed that M/s Sat Sai Earth Works Pvt. Ltd. was engaged merely for providing equipment and manpower, the prosecution claims that the contract had been sublet on half the consideration. There is ample evidence available on record for making out a case for framing charges against the accused persons under Section 120-B IPC read with Section 420 IPC read with Section 13(2) and 13(1)(d) of the Prevention of Corruption Act, 1988 and accordingly, it rejected the application for discharge.

14. The facts giving rise to Criminal Revision No. 479 of 202 are that CBI had lodged the aforesaid RC-AC1-2008A0003 under Section 120-B IPC read with Section 420 IPC and 13(2), 13(1)(d) of the Prevention of Corruption Act, 1988, Police Station- CBI/ACB, Lucknow on 30-04-2008 against (i) unknown officials of NPCC Ltd. (National Project Construction Company Limited) Delhi and Faridabad, (ii) M/s UCC, 29, Pitambar Nagar, Unnao, U.P. and (iii) M/s Uma Shankar Sharma, Old Nirmal School, Civil Lines, Unnao, U.P. and (iv) others unknown, stating on 30.08.2005, the Irrigation Department of Government of U.P. had awarded three different works for the construction of Meza-Zirgo-Link-Channel at the costs of

Rs. 31,81,52,777/-, Rs. 4,12,87,922/- and Rs. 3,62,72,370/- respectively to NPCC. Certain officials of NPCC entered into a criminal conspiracy with UCC and M/s Uma Shankar Sharma, Unnao, a proprietorship firm and others in pursuance of which, they abused their official position and awarded contracts to them at exorbitant rates. One of these projects was awarded to UCC for Rs. 28,20,05,378.50/- and two smaller works were awarded to M/s Uma Shankar Sharma, Unnao for Rs. 3,83,78,597.80/- and Rs. 3,36,76,105.71/- . M/s UCC Unnao further sublet the work to Sri Sat Sai Earthworks Pvt. Ltd. for Rs. 14,05,28,334.60/- i.e. almost half the amount of contract value of NPCC and thereby caused huge wrongful gain to M/s UCC and M/s Uma Shankar Sharma, Unnao and corresponding loss to the Public Exchequer.

15. After investigation, the CBI has submitted a charge-sheet on 23.12.2009 against seven persons, including the revisionists substantially leveling charges which are similar to the charge-sheet which is the subject matter of Criminal Revision No. 478 of 2025. An application for discharge was filed on similar grounds and it has been rejected by a similar order dated 05.04.2025 passed by the trial Court.

16. The learned Counsel for the revisionists has advanced submissions in support of Criminal Revision No. 478 of 2025 and he has submitted that the same grounds and questions are involved in Criminal Revision No. 479 of 2025 also. Therefore, both the revisions are being decided by this common judgment.

17. While assailing the validity of the both aforesaid charge-sheets, Sri. Purnendu Chakravarty, the learned counsel for the

revisionists has submitted that a bare perusal of the charge-sheet indicates that the necessary approvals were granted by the Competent Authorities for award of contract to UCC. The charge that if the tender had been awarded through open tender process, NPCC would have got better rates, is merely speculative. He has submitted that the charge is not precise as it does not mention the rates at which the work could have been done through open tender process and the corresponding loss occasioned to the Government.

18. The contract was awarded to UCC on 01.06.2005. Much before it, on 02.05.2005, NPCC had entered into a Memorandum of Understanding with UCC inter alia stating that NPCC had decided to participate in the tender for the work of excavation of canals of Meja Link Channel and in the event NPCC succeeds in getting the work, it would award the same to UCC at the rates quoted by UCC in their offer letter dated 27.04.2005 on back to back basis after proportionate reduction to the extent NPCC may have to reduce their rates in consultation with M/s UCC to bag this work and on the terms and conditions contained in the original document issued to NPCC Ltd. by the client. EMD for the offer will be arranged by the UCC and will be deposited with NPCC. EMD shall be refunded to UCC in case works are not allotted to NPCC Ltd. The MoU was to remain valid till the award of work to NPCC. The MoU further stated that all terms and conditions agreed between the client and NPCC shall be binding upon UCC on back to back basis. In case of requirement, UCC will take the equipment/machinery of NPCC alongwith the operators on hire at the prevailing hire charges of the Corporation if separable by NPCC Ltd.

19. On 04.07.2005, an "Agreement for work" was executed between NPCC and UCC wherein it is recorded that NPCC had accepted the MoU issued by the client (Irrigation Department) and had issued a letter of award dated 01.06.2005 on back to back basis and UCC had agreed and confirmed their unconditional acceptance to NPCC Ltd. One of the conditions of the agreement was that UCC shall engage sufficient construction plant and equipment at the site by hiring/purchasing from market although it shall not sublet the works allotted to them without NPCC's prior written consent.

20. The learned counsel for the revisionists has drawn attention of the Court towards a letter dated 01.06.2005 written by UCC to M/s Sat Sai Earth Works Pvt. Ltd. whereby a work order for construction of Adwa-Meja Link Channel was issued to M/s Sat Sai Earth Works. It is recorded therein that the sub-contractor will arrange all necessary equipment, materials and man power required to carry out the work. On 06.06.2005, M/s Sat Sai Earth Works Ltd. had issued a letter to UCC whereby the former offered its equipment on hire basis for excavation at Adwa-Meja Link Channel.

21. The learned counsel for the revisionists has submitted that the aforesaid agreement makes it manifest that UCC had not sublet the contract and it had merely engaged a contractor for supplying man power and equipment. He has further submitted that the contract awarded by NPCC contained an arbitration clause and in case any of the terms and conditions of the contract was violated, it would merely be a case of breach of contract, for which a civil remedy would lie before the Arbitrator and no criminal proceedings can be initiated in this regard.

22. Even before the award of Contract, NPCC and UCC had entered into a Memorandum of Understanding dated 02.05.2005 for excavation of Adwa-Meja Link Channel wherein it was agreed that in the event of NPCC Ltd. being successful in getting the work, it will award the same to UCC on back to back basis. All terms and conditions between the client and NPCC Ltd. shall be binding on UCC on back to back basis. In case of requirement, UCC will take the equipment/ machinery of NPCC alongwith operators on hire at the prevailing hire charges of the Corporation. UCC shall engage sufficient construction plant and equipment at site as per NIT either from their own stock or by hiring/purchasing from the market.

23. On 04.07.2005, NPCC entered into an agreement for work with UCC on back to back basis which is nothing but subletting the entire contract.

24. Condition No.22 of the aforesaid agreement dated 04.07.2005 provides that "all terms and conditions agreed between the client and NPCC Ltd. shall be binding to M/s UCC on back to back basis. Condition No.27 provides that "UCC shall engage sufficient construction plant and equipment at site as per NIT either from their own stock or by hiring/purchasing from market". Condition No.31 provides that "UCC shall not sublet the works allotted to them without NPCC's prior written consent".

25. On 01.06.2005, UCC issued a work order to M/s Sat Sai Earth Works Pvt. Ltd. which begins with the words "With reference to your above mentioned offer and subsequent discussion, we are pleased to place order for construction of Adwa-Meja Link Channel from 2.300 Km to

9.000 Km which has been awarded to us by NPCC vide reference No.NZ/CONT/404 dated 01.06.2005 on the rates offered by you and noted below. "

26. A bare perusal of the aforesaid writing in the letter issued by UCC indicates that UCC had awarded the work allotted by NPCC to M/s Sat Sai Earth Works Pvt. Ltd., and it had not merely entered into a contract for hiring manpower and machinery. The agreement provided that all equipment, material and manpower were to be arranged by UCC. The following Clauses of this agreement are relevant to take note of: -

*"29. Running payment shall be made to the sub contractor for the contractor on the following basis –*

i)	<i>For the quantity executed up to 25% of the total quantity of earth work in each Km length</i>	<i>65% of agreement rate</i>
ii)	<i>For the quantity executed up to 50% of the total quantity of earth work in each Km length</i>	<i>75% of agreement rate</i>
iii)	<i>For the quantity executed up to 90% of the total quantity of earth work in each Km length.</i>	<i>90% of agreement rate</i>
iv)	<i>When executed quantity exceeds 90% of the total quantity to be executed in Km reach</i>	<i>95% of agreement rate</i>

30. *The Sub- Contractor will have to complete the work within a period of 6 months in all respects to the entire satisfaction of NPCC authorities. (As mentioned in para 25 above).*

31. *to ensure the timely completion of works, strictly according to construction schedule the pre-determined liquidated damages shall be imposed for delay at every km. stone as specified in construction schedule @ Rs. 10.000 per day for each intermediate km stone and @ 20.000 per day for final completion of work subject to maximum delay of 25 days amounting Rs 3.00 lacs.*

32. *Incentives shall be payable to the sub-contractor for early completion at every km stone as specified in construction schedule @ Rs. 10.000 per day for each intermediate km. stone and @ Rs. 20.000 per day for final completion of work subject to maximum of Rs. 3.00 lacs.*

33. *The Sub-contractor shall execute the works as per drawings, specifications, and/or alterations as directed in writing by NPCC authorities."*

27. A bare perusal of the aforesaid conditions makes it manifest that UCC had agreed to pay to M/s Sat Sai Earth Works Pvt. Ltd. for the work done and not for the manpower and equipment supplied by it. Thus, the submission of the learned counsel for the revisionists that UCC had not sublet the contract, has no merit and the same is turned down.

28. The second submission of the learned counsel for the revisionists is the amount of losses has not been quantified and the charge is merely speculative. When it is apparent from the material available on record that the Government had awarded the contract to NPCC for Rs.14,60,62,604/-, NPCC sublet the contract to UCC for Rs.13.82 crores and

UCC further sublet the contract to Sat Sai Earth Works Rs.7.16 crores i.e. almost half the amount of contract value of NPCC and the contract has been awarded without following the usual process of inviting tenders so as to ensure availability of best rates, prima facie a case of causing wrongful loss to the Public Exchequer is made out which needs to be tried by the trial Court.

29. The learned counsel of the revisionists has submitted that no "person" has been cheated in the present case and that is why, no person has come forward to lodge any F.I.R. The F.I.R. has been lodged by the CBI on its own. As per the learned Counsel for the revisionist, without any person having lodged any FIR alleging that he has been cheated by the revisionist, the revisionist cannot be prosecuted for the offence of cheating.

30. Cheating has been defined in Section 415 IPC, as follows: -

**"415. Cheating.**—Whoever, by deceiving any person, fraudulently or dishonestly induces the person so deceived to deliver any property to any person, or to consent that any person shall retain any property, or intentionally induces the person so deceived to do or omit to do anything which he would not do or omit if he were not so deceived, and which act or omission causes or is likely to cause damage or harm to that person in body, mind, reputation or property, is said to "cheat".

*Explanation.*—A dishonest concealment of facts is a deception within the meaning of this section.

*Illustrations*

\* \* \*

31. The word person is defined in Section 11 of the Penal Code as follows: -

**“11. “Person”.**—*The word “person” includes any Company or Association or body of persons, whether incorporated or not.”*

32. Definition of the word ‘person’ given in Section 11 of the Penal Code is wide enough to include any association or body of persons, whether incorporated or not. It would certainly include within its ambit the State Government, which is a body of persons. If the accused persons have deceived the Government by fraudulently or dishonestly inducing it to enter into a contract with NPCC, which contract was first sub-let to UCC and thereafter it was further sub-let to M/s Sat Sai Earth Works at almost half of the contract value and thereby an excessive amount was paid to NPCC, which act has caused financial loss to the Government, the accused persons have committed the offence of cheating. If any person was involved in the criminal conspiracy to commit the offence of cheating, he is liable to be prosecuted. Therefore, I find no force in the aforesaid submission of the learned Counsel for the revisionist.

33. The learned Counsel for the revisionist has next submitted that the offence of cheating is a compoundable offence under Section 320 Cr.P.C. In the present case no “person” has come forward to lodge the FIR and the CBI has filed the FIR on its own. In case the revisionist wants to get the offence compounded, he would not be able to do so in absence of the person cheated having come forward to lodge a complaint. Therefore, the revisionist deserves to be discharged.

34. The statutory provision for compounding is contained in Section 320 Cr.P.C., the relevant part whereof is being reproduced below: -

**320. Compounding of offences.**—(1) *The offences punishable under the sections of the Indian Penal Code (45 of 1860) specified in the first two columns of the Table next following may be compounded by the persons mentioned in the third column of that Table:—*

TABLE

<i>Offence</i>	<i>Section of the Indian Penal Code applicable</i>	<i>Person by whom offence may be compounded</i>
<i>1</i>	<i>2</i>	<i>3</i>
<i>***</i>	<i>***</i>	<i>***</i>
<i>Cheating</i>	<i>417</i>	<i>The person cheated</i>
<i>Cheating by personation</i>	<i>419</i>	<i>Ditto (The person cheated)</i>
<i>***</i>	<i>***</i>	<i>***</i>

(2) *The offences punishable under the sections of the Indian Penal Code (45 of 1860) specified in the first two columns of the Table next following may, with the permission of the Court before which any prosecution for such offence is pending, be compounded by the persons mentioned in the third column of that Table:—*

TABLE

<i>Offence</i>	<i>Section of the Indian Penal Code applicable</i>	<i>Person by whom offence may be compounded</i>
<i>***</i>	<i>***</i>	<i>***</i>
<i>Cheating a person whose interest the offender was bound, either by law or by legal</i>	<i>418</i>	<i>The person cheated</i>

<i>contract, to protect</i>		
<i>Cheating and dishonestly inducing delivery of property or the making, alteration or destruction of a valuable security</i>	420	<i>The person cheated</i>
***	***	***

(3) *When an offence is compoundable under this section, the abetment of such offence or an attempt to commit such offence (when such attempt is itself an offence) or where the accused is liable under Sections 34 or 149 of the Indian Penal Code (45 of 1860) may be compounded in like manner.*

(4)(a) *When the person who would otherwise be competent to compound an offence under this section is under the age of eighteen years or is an idiot or a lunatic, any person competent to contract on his behalf may, with the permission of the Court, compound such offence.*

(b) *When the person who would otherwise be competent to compound an offence under this section is dead, the legal representative, as defined in the Code of Civil Procedure, 1908 (5 of 1908), of such person may, with the consent of the Court, compound such offence.*

(5) *When the accused has been committed for trial or when he has been convicted and an appeal is pending, no composition for the offence shall be allowed without the leave of the Court to which he is committed, or, as the case may be, before which the appeal is to be heard.*

(6) *A High Court or Court of Session acting in the exercise of its powers of revision under Section 401 may allow any person to compound any offence which such person is competent to compound under this section.*

(7) *No offence shall be compounded if the accused is, by reason of a previous conviction, liable either to enhanced punishment or to a punishment of a different kind for such offence.*

(8) *The composition of an offence under this section shall have the effect of an acquittal of the accused with whom the offence has been compounded.*

(9) *No offence shall be compounded except as provided by this section."*

35. Although the offence punishable under Sections 417 IPC, which carries a sentence of imprisonment of either description for a term which may extend to three years, or with fine, or with both, and the offence punishable under Section 419 IPC, which carries a sentence of imprisonment of either description for a term which may extend to three years, or with fine, may be compounded by the person cheated, the offence punishable under Section 420 I.P.C., which carries a larger sentence of imprisonment of either description for a term which may extend to seven years and (not or) fine, may only be compounded by the person cheated, with the permission of the Court.

36. Further, Sub-section (3) of Section 320 provides that when an offence is compoundable under this section, the abetment of such offence or an attempt to commit such offence (when such attempt is itself an offence) or where the accused is liable under Sections 34 or 149 of the Indian Penal Code (45 of 1860) may be

compounded in the like manner but there is no provision that the offence of criminal conspiracy punishable under Section 120-B I.P.C. to commit any compoundable offence will also be compoundable.

37. The revisionist has been charged for commission of the offence of criminal conspiracy for committing the offence punishable under Section 420 I.P.C. The revisionist has also been charged for commission of offences under Sections 13(2) and 13(1)(d) of the Prevention of Corruption Act, 1988, which offences are also non-compoundable offences. Therefore, the aforesaid submission of the learned Counsel for the revisionist is misconceived.

38. Moreover, even compounding of the compoundable offences is not an indefeasible right and it can only be compounded by the person cheated with the leave of the Court. In **Pravat Chandra Mohanty v. State of Odisha**: (2021) 3 SCC 529, the Hon'ble Supreme Court held that: -

*“30. The grant of leave as contemplated by sub-section (5) of Section 320 is not automatic nor it has to be mechanical on receipt of request by the appellant which may be agreed by the victim. The statutory requirement makes it a clear duty of the court to look into the nature of the offence and the evidence and to satisfy itself whether permission should be or should not be granted. The administration of criminal justice requires prosecution of all offenders by the State.*

*31. The prosecution by the State is the policy of law because all the offences are against the society. The offenders have to be brought to the courts*

*and punished for their offences to maintain peace and order in the society. It is the duty of the prosecution to ensure that no offender goes scot-free without being punished for an offence. It is also the settled principle of law that innocent should not be punished.*

*32. The question arises as to while granting leave of the court for composition of offence, what is the guiding factor for the court to grant or refuse the leave for composition of offence. The nature of offence, and its effect on society are relevant considerations while granting leave by the court of compounding the offence. The offences which affect the public in general and create fear in the public in general are serious offences, nature of which offence may be relevant consideration for the court to grant or refuse the leave...”*

39. When the offences under Section 120-B I.P.C. and Sections 13(2) and 13(1)(d) of the Prevention of Corruption Act, 1988 are not compoundable offences, the alleged lack of opportunity of compounding for want of any natural person having been cheated, with whose consent the offence could have been compounded, does not make out a ground for quashing of the criminal proceedings.

40. In view of the foregoing discussion, this Court is of the considered view that there is no merit in any of the submissions made by the learned counsel for the revisionists.

41. Both the revisions, i.e. Criminal Revision No. 478 of 2025 and Criminal Revision No. 479 of 2025, lack merit and the same are hereby **dismissed**.