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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

CNR No. DLHC010006992026

+ **W.P.(CRL) 131/2026**

PREETI JOLLY

.....Petitioner

Through: Mr. Hemant Baisla, Ms. Pratima Saini, Mr. Hemant Kumar Nirranjan, Ms. Neha Yadav, Advs.

Versus

THE STATE NCT OF DELHI AND ORS

.....Respondent

Through: Mr. Rahul Tyagi, SC with Ms. Priya Rai, Mr. Pawan Kumar, Mr. Sangeet Sibou, Mr. Aniket Kumar, Mr. Priyansh Raj Singh, Advs. SI Hitesh Bhardwaj, PS Crime Branch.

Respondent Nos. 2 and 3 in person.

CORAM:

HON'BLE MR. JUSTICE PRATEEK JALAN

ORDER

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25.08.2026

1. The present petition has been filed under Article 226 of the Constitution of India read with Section 528 of the Bharatiya Nagarik Suraksha Sanhita, 2023 ["BNSS"] (corresponding to Section 482 of the Code of Criminal Procedure, 1973 ["CrPC"]), seeking quashing of FIR No. 17/2025 dated 17.01.2025, registered under Section 318(4) of the Bharatiya Nyaya Sanhita, 2023, at Police Station Crime Branch, Delhi, alongwith all consequential proceedings emanating therefrom, on the ground that the disputes between the parties have since been amicably settled.



2. The petitioner is present in person and has been identified by her learned counsel as well as by the Investigating Officer. Respondent Nos. 2 and 3 are also present in person and have been duly identified by the Investigating Officer.

3. The allegations in the FIR, in substance, are that the complainant came into contact with the accused in 2020 and, pursuant to her representations regarding investment in her e-commerce/business activities and facilitating vendor codes with entities such as Naaptol and India Today, made various payments to her between May and August 2024. It is alleged that the accused represented that a company and GST registration were required for obtaining such vendor codes, pursuant to which the complainant's brother incorporated M/s Fortune Heights and obtained GST registration, following which further payments were made to the accused. However, the promised vendor codes and purchase orders allegedly did not materialise and certain invoices furnished by the accused were found suspicious, leading the complainant to seek repayment. The FIR further alleges that the accused issued three cheques towards repayment, which were dishonoured for insufficiency of funds, and that she thereafter avoided the complainant's requests for repayment and allegedly threatened him and his family.

4. During the pendency of the investigation, the parties have amicably resolved their disputes, as recorded in the Compromise Deed dated 22.08.2025. In terms of the settlement, the petitioner has paid a sum of Rs. 9,00,000/- to respondent Nos. 2 and 3, which amount has already been received by them. The settlement has also resulted in resolution of the various proceedings between the parties, including those arising under



the Negotiable Instruments Act, 1881. It is further noted that the allegations do not pertain to any forgery of any public document, or any document submitted to a public authority.

5. Learned counsel for the parties also confirm that the settlement has been entered into voluntarily and without any coercion or undue pressure.

6. In light of the aforesaid, the petitioner seeks quashing of the impugned FIR. Respondent Nos. 2 and 3 confirm that they do not have any objection to quashing of the FIR in its entirety.

7. The Supreme Court has consistently held that, in appropriate cases, the High Court may, in exercise of its inherent jurisdiction under Section 482 of the CrPC [corresponding to Section 528 of the BNSS], quash criminal proceedings even in respect of non-compoundable offences where the parties have amicably settled their disputes, particularly where such settlement does not adversely affect any overriding public interest. In this regard, reference may be made to the judgment of the Supreme Court in *Gian Singh v. State of Punjab and Anr.*¹, wherein the Court held as follows:

“58. Where the High Court quashes a criminal proceeding having regard to the fact that the dispute between the offender and the victim has been settled although the offences are not compoundable, it does so as in its opinion, continuation of criminal proceedings will be an exercise in futility and justice in the case demands that the dispute between the parties is put to an end and peace is restored; securing the ends of justice being the ultimate guiding factor. No doubt, crimes are acts which have harmful effect on the public and consist in wrongdoing that seriously endangers and threatens the well-being of the society and it is not safe to leave the crime-doer only because he and the victim have settled the dispute amicably or that the victim has been paid compensation, yet certain crimes have been made compoundable in law, with or without the permission of the court. In

¹ (2012) 10 SCC 303.



respect of serious offences like murder, rape, dacoity, etc., or other offences of mental depravity under IPC or offences of moral turpitude under special statutes, like the Prevention of Corruption Act or the offences committed by public servants while working in that capacity, the settlement between the offender and the victim can have no legal sanction at all. However, certain offences which overwhelmingly and predominantly bear civil flavour having arisen out of civil, mercantile, commercial, financial, partnership or such like transactions or the offences arising out of matrimony, particularly relating to dowry, etc. or the family dispute, **where the wrong is basically to the victim and the offender and the victim have settled all disputes between them amicably, irrespective of the fact that such offences have not been made compoundable, the High Court may within the framework of its inherent power, quash the criminal proceeding or criminal complaint or FIR if it is satisfied that on the face of such settlement, there is hardly any likelihood of the offender being convicted and by not quashing the criminal proceedings, justice shall be casualty and ends of justice shall be defeated.** The above list is illustrative and not exhaustive. Each case will depend on its own facts and no hard-and-fast category can be prescribed.”²

Further, in *Narinder Singh and Ors. v. State of Punjab and Anr.*³, the Supreme Court has also laid down guidelines for High Courts while accepting settlement deeds between parties and quashing the proceedings. The relevant observations in the said decision read as under:

“29. In view of the aforesaid discussion, we sum up and lay down the following principles by which the High Court would be guided in giving adequate treatment to the settlement between the parties and exercising its power under Section 482 of the Code while accepting the settlement and quashing the proceedings or refusing to accept the settlement with direction to continue with the criminal proceedings:

29.1. Power conferred under Section 482 of the Code is to be distinguished from the power which lies in the Court to compound the offences under Section 320 of the Code. No doubt, under Section 482 of the Code, the High Court has inherent power to quash the criminal proceedings even in those cases which are not compoundable, where the parties have settled the matter between themselves. However, this power is to be exercised sparingly and with caution.

29.2. When the parties have reached the settlement and on that basis

² Emphasis supplied.

³ (2014) 6 SCC 466.



petition for quashing the criminal proceedings is filed, the guiding factor in such cases would be to secure:

(i) ends of justice, or

(ii) to prevent abuse of the process of any court.

While exercising the power the High Court is to form an opinion on either of the aforesaid two objectives.

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 statute 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 compromise between the victim and the offender.

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 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.”⁴

8. The present case, when examined in the context of the nature of the allegations and the subsequent developments, essentially arises out of a private commercial and financial dispute between the parties. The gravamen of the allegations is the alleged failure to honour the business arrangement between the parties, resulting in a claim for repayment of the amounts advanced and the subsequent dishonour of cheques issued towards such repayment. The underlying dispute has since been amicably resolved, with the agreed settlement amount having been paid and the connected proceedings under the Negotiable Instruments Act, 1881, also having been brought to an end. The dispute, therefore, bears a

⁴ Emphasis supplied.



predominantly civil and monetary character, notwithstanding the criminal proceedings initiated in respect thereof.

9. Significantly, the allegations do not involve any forgery of a public document or of a document submitted to a public authority, nor do they disclose circumstances indicating an offence having any substantial or overriding impact upon society at large. In these circumstances, particularly when the parties have voluntarily entered into and acted upon the settlement and the complainant no longer seeks to pursue the matter, continuation of the criminal proceedings would not serve any meaningful public interest. The cumulative effect of the private and essentially civil nature of the dispute, its complete resolution between the parties, and the absence of any overriding public interest militates against continuation of the prosecution. This, therefore, renders the present case an appropriate one for exercise of the inherent jurisdiction of this Court under Section 528 of the BNSS.

10. Having regard to the above discussion, the petition is allowed, and FIR No. 17/2025 dated 17.01.2025, registered under Section 318(4) of BNS, at Police Station Crime Branch, Delhi, alongwith all consequential proceedings arising therefrom, is hereby quashed.

11. The parties shall remain bound by the terms of the settlement.

12. The petition, alongwith any pending application, accordingly, stands disposed of.

13. Bail bonds, if any, stand discharged.

PRATEEK JALAN, J

AUGUST 25, 2026/‘B’/SD/