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

CNR No. DLHC010690622025

+ **CRL.M.C. 6608/2025 & CRL.M.A. 27829/2025**

MANISH AGGARWAL

.....Petitioner

Through: Mr. Avinash Trivedi, Mr. Anurag Kaushik, Mr. Rahul Aggarwal and Mr. Aryan Sangwan, Advocate alongwith Petitioner in Person.

versus

THE STATE NCT OF DELHI AND ANR

.....Respondent

Through: Mr. Tarang Srivastava, APP
SI Ankit Tomar, PS Kotwali.
Ms. Sunita Arora, Advocate
(DHCLSC) for R3.

CORAM:

HON'BLE MR. JUSTICE PRATEEK JALAN

ORDER

% **18.09.2026**

CRL.M.A. 27829/2025 (for exemption)

Exemption allowed, subject to all just exceptions.

The application stands disposed of.

CRL.M.C. 6608/2025

1. By way of the present petition under Section 528 of the Bharatiya Nagarik Suraksha Sanhita, 2023 ["BNSS"] (corresponding to Section 482 of the Code of Criminal Procedure, 1973 ["CrPC"]), the petitioner seeks quashing of FIR No. 585/2020, dated 27.10.2020, registered at Police Station Kotwali, District North, Delhi, under Sections 285/304A of the Indian Penal Code, 1860 ["IPC"], and proceedings emanating therefrom,



on the ground of settlement.

2. The impugned FIR was registered pursuant to a PCR call, whereby the caller reported an incident of a short circuit at a shop [First Floor of Shop No. 374, New Lajpat Rai Market, Chandni Chowk, Delhi], which resulted in a fire. The incident led to the death of two persons, namely, Jatinder Khosla and Muzammil Khan.

3. During the course of the investigation, it was found that the petitioner was using the shop, which had caught fire, as a godown. The deceased were present on the 3rd Floor of Shop No. 374, New Lajpat Rai Market, Chandni Chowk, Delhi, which had been rented to one Saurabh Gupta, and died as a result of asphyxia caused by smoke inhalation.

4. Upon completion of the investigation, a chargesheet was filed against the petitioner herein. The chargesheet also records that Prem Prakash Arora, the owner of the building, had passed away, and that the proceedings against him therefore stood abated.

5. Respondent No. 2 is the wife and legal heir of one of the deceased victims [Jatinder Khosla]. By order dated 17.09.2025, the petitioner was directed to implead the legal representative of the second victim [Muzammil Khan], as respondent No. 3. Pursuant thereto, an amended memo of parties has been placed on record.

6. Mr. Tarang Srivastava, learned Additional Public Prosecutor, submits that there are no other legal heirs.

7. The petitioner is present in Court and has been identified by his learned counsel as well as the Investigating Officer ["IO"]. Respondent No. 3 is also present in Court, and has been identified by the IO as well as her learned counsel.



8. The order dated 17.09.2025 dealt with the case of respondent No. 2, as follows:

“4. Ms. Inderpal Kaur, legal heir of victim late Jatinder Khosla appears through video conferencing and states that she has no objection if the present FIR is quashed, on being adequately compensated as agreed.

5. The learned counsel for the petitioner has handed over a demand draft bearing no. 056984 dated 15.09.2025, drawn on by Punjab National Bank, Gandhi Nagar, Delhi for the amount of ₹1.17 lakhs to the learned counsel appearing on behalf of respondent no. 2.”

However, respondent No. 2 has not been represented thereafter.

9. As far as respondent No. 3 is concerned, the petitioner, Saurabh Gupta, and respondent No. 3 entered into a Memorandum of Understanding dated 01.11.2021. The settlement records that the petitioner and Saurabh Gupta had paid a sum of Rs. 65,000/- between 13.04.2021 and 07.09.2021, and a further sum of Rs. 4,50,000/- was paid to her.

10. By order dated 12.08.2026, Ms. Sunita Arora, learned counsel, was requested to interact with respondent No. 3 and ensure that she was satisfied with the terms of the settlement. Pursuant thereto, Ms. Arora submits that she has interacted with respondent No. 3, who has confirmed receipt of the settlement amount of Rs. 5,15,000/- and expressed her satisfaction with the terms thereof.

11. In view of the aforesaid, the parties seek quashing of the impugned FIR and consequential proceedings emanating therefrom.

12. The Supreme Court has clearly held that even in the case of non-compoundable offences, the Court may take into account all the facts and circumstances and quash the proceedings in appropriate cases on the



ground of a compromise. In *Gian Singh v. State of Punjab & Anr.*¹, 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 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 & Ors. v. State of Punjab & Anr.*³, the Supreme Court has also laid down guidelines for High Courts while

¹ (2012) 10 SCC 303.

² Emphasis supplied.

³ (2014) 6 SCC 466.



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 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

13. The Supreme Court in *State of Madhya Pradesh v. Laxmi Narayan and Others*⁵, held that the High Court must examine the nature of the offence, the role attributed to the accused, the material collected during investigation, and whether the offence is one which has such a grave societal impact that it transcends the personal domain of the parties. The Supreme Court has cautioned that Courts must not adopt a mechanical approach merely because a particular penal section is invoked; the substance of the allegations and evidentiary material must be assessed.

14. This Court has, in a catena of decisions, also delineated the circumstances in which such power may be invoked, even in cases arising under Section 304A of IPC. In *Babu Khan and Anr. v. State and Ors.*,⁶ this Court observed as follows:

“20. In Jacob Mathew v. State of Punjab, (2005) 6 SCC 1, the Supreme Court had explained that for a negligent act to constitute an offence, under Section 304A of the IPC, the same should be gross negligence and an element of mens rea must be shown to exist. The Court had further explained that the degree of negligence which is punishable under Section 304A of the IPC should be of a high degree. The Court had observed as under:—

“48. We sum up our conclusions as under:

...(5) The jurisprudential concept of negligence differs in civil and criminal law. What may be negligence in civil law may not necessarily be negligence in criminal law. For negligence to amount to an offence, the element of mens rea must be shown to exist. For an act to amount to criminal negligence, the degree of negligence should be much higher i.e. gross or of a very high degree. Negligence which is neither gross nor of a higher degree

⁴ Emphasis supplied.

⁵ (2019) 5 SCC 688, paragraph 15.5.

⁶ Babu Khan v. State, 2019 SCC OnLine Del 10007 [hereinafter “Babu Khan”].



may provide a ground for action in civil law but cannot form the basis for prosecution.

(6) The word 'gross' has not been used in Section 304A of IPC, yet it is settled that in criminal law negligence or recklessness, to be so held, must be of such a high degree as to be 'gross'. The expression 'rash or negligent act' as occurring in Section 304A of the IPC has to be read as qualified by the word 'grossly'..."

21. Thus, while evaluating whether a proceeding relating to an alleged offence, under Section 304A of the IPC, be quashed on the basis of a settlement between the accused and the victim, it would also be necessary to consider whether it is probable that the facts presented would constitute gross negligence and an element of mens rea, which is likely to secure a conviction."

The Court specifically rejected the submission that, an earlier judgment in *Bhajan Lal Sharma v. State (Govt. of NCT of Delhi)*⁷ operates as a bar to the adoption of such a course⁸.

15. A coordinate Bench of this Court, in *Sunil Malhotra v. State (NCT of Delhi)*⁹, undertook a comprehensive examination of precedents on the said issue and concluded that proceedings arising out of an offence under Section 304A of IPC are amenable to quashing, including in cases where a settlement has been entered into with the legal heirs of the deceased. The Court reiterated the well-settled principle that criminal liability for negligence under Section 304A of IPC is attracted only where the negligence is of a gross nature, to be determined on an assessment of the facts and circumstances of each case.

16. Applying the principles enunciated above, the material placed on record *prima facie* indicates that the incident was accidental in nature, and cannot be attributed to any intentional or grossly negligent act on the

⁷ 2016 SCC OnLine Del 4234.

⁸ *Babu Khan*, paragraph 8.

⁹ 2023 SCC OnLine Del 7365.



part of the petitioner. No material has been brought to the notice of this Court which would, *prima facie*, disclose such a degree of rashness or negligence as would satisfy the threshold of “*gross negligence*” so as to necessitate continuation of criminal proceedings under Section 304A of IPC, despite settlement. Furthermore, the material on record does not indicate any specific overt act, deliberate omission, or conscious negligence to the petitioner. There is no material suggesting prior complaints, knowledge of imminent danger, or wilful disregard of safety obligations. The prosecution case rests essentially on an inference of negligence arising out of the occurrence itself. The facts, thus, do not make out an act of gross negligence attributable to the petitioner.

17. The Court must also consider whether the possibility of conviction is remote. In the present case, in the absence of material demonstrating specific negligence attributable to the petitioner, and in light of the categorical stand of the legal heirs of the deceased victims that they do not allege fault or seek prosecution, the likelihood of the prosecution successfully establishing criminal negligence beyond reasonable doubt, appears bleak. Furthermore, the parties have also confirmed before this Court that the settlement was arrived at voluntarily. Continuation of proceedings in such circumstances would not advance the cause of justice.

18. As noted above, the settlement amounts have also been received by respondent Nos. 2 and 3. There is, therefore, no impediment in granting the relief sought.

19. Having regard to all the aforesaid facts and circumstances, I am of the view that it is appropriate to quash the impugned FIR. Accordingly,



the petition is allowed, and FIR No. 585/2020, dated 27.10.2020, registered at Police Station Kotwali, District North, Delhi, alongwith all consequential proceedings emanating therefrom, is quashed.

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

21. The Court records its appreciation for the assistance rendered by Ms. Arora.

22. The petition is disposed of with in terms of the above.

PRATEEK JALAN, J

SEPTEMBER 18, 2026

'pv'/SM/