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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
+ **W.P.(CRL) 878/2024 & CRL.M.A. 8320/2024**
SH. RAKESH KALIA & ORS.

.....Petitioner

Through: Mr. Vipin Gupta, Adv.

versus

THE STATE GOVT. OF NCT OF DELHI AND ANR.

.....Respondent

Through: Mr. Amol Sinha, ASC with Mr.
Kshitiz Garg, Mr. Ashvini Kumar, Advs.
SI Sunit, PS Jagat Puri

CORAM:

HON'BLE MR. JUSTICE JASMEET SINGH

ORDER

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29.11.2024

1. This is a petition filed under Article 226 read with section 482 Code of Criminal Procedure, 1973 seeking quashing of the FIR No. 135/2024, dated 14.02.2024, registered at P.S. Jagat Puri under Sections 420/120B/34 of IPC, 1860 and all consequential proceedings emanating therefrom, if any.
2. As per the FIR, it is stated that the respondent No.2 and the petitioners executed an Agreement to Sell on 12.03.2023 for sale of property bearing No. 12, Killa No. 26, situated in the Abadi of Chandu Park, in the area of Village Khureji Khas, Illqua Shahdara, Delhi-110051 for a total sale consideration of Rs 1,57,00,000/-.
3. The respondent No.2 paid a sum of Rs 41 lakhs to the petitioners as earnest money and the balance was to be paid at the time of execution of the Sale Deed, however, the deal between the parties could not fructify.
4. Subsequently, the petitioners filed a suit for injunction and the respondent No.2 filed a criminal complaint against the petitioners.



5. During the pendency of the proceedings, the parties have arrived at a settlement before the Delhi Mediation Centre, Karkardooma Courts, Delhi on 02.07.2024 wherein the petitioners have agreed to pay a sum of Rs. 47 lakhs to the respondent No.2 towards full and final settlement of all the dues and claims and the respondent No.2 will cooperate in quashing of the FIR No. 135/2024.

6. Hence, the present petition.

7. The petitioners i.e. Mr. Rakesh Kalia (petitioner no. 1), Mr. Rajesh Kalia (petitioner no. 2), Mr. Harshan Kalia (petitioner no. 3) and Mrs. Seema Sharma (petitioner no. 4) are present and have been identified by their counsel, namely, Mr. Vipin Gupta, Adv.

8. The respondent No.2 i.e. Mr. Raj Kumar is also present and has been identified by SI Sunit, P.S. Jagat Puri.

9. Admittedly, the amount of Rs. 47 lakhs has been paid by the petitioners to respondent no. 2 towards full and final settlement of all the claims.

10. However, respondent no.2 states that there are still some amounts which are due and payable by the petitioners.

11. I am unable to accept the said contention as in terms of para 13 of the settlement agreement dated 02.07.2024, both the parties have entered into the aforesaid settlement out of their own free will, volition and without any threat, force, undue influence or coercion before the Delhi Mediation Centre, Karkardooma Courts, Delhi and the settlement agreement is also properly signed and verified. In this regard, para 13 of the settlement agreement reads as under:

“13. Free Consent of the parties



The parties, unequivocally declare that they have executed this agreement voluntarily, after fully understanding and appreciating the contents, scope, and effect thereof, as well as the consequences of the breach thereof along with the legal position explained hereinabove. They further declare that they are signing this agreement voluntarily after examining all probabilities and implications thereof and without any kind of force, pressure, undue influence, misrepresentation, or mistake (both of law and fact), in any form, whatsoever, from any quarter. They undertake that they shall abide by and be bound by the agreed terms/stipulations of this settlement agreement”

12. The courts have time and again held that a mediation settlement, once voluntarily agreed upon and duly signed by the parties, is binding and the parties cannot rescind the terms of the agreement. The settlement agreement represents the mutual consensus of the parties, achieved through a facilitated negotiation process. Courts have consistently upheld such settlements as final and conclusive, provided they are free from coercion, fraud, or misrepresentation.

13. In this regard, reliance is placed upon ***Jaibir and Ors. vs State and Anr.*** 2007 SCC OnLine Del 518, wherein this Court *inter alia* held as under:

“9....The settlement was arrived at during mediation proceedings. The Legislature has amended Section 89 of the Code of Civil Procedure in the year 2002. There is an all round attempt by the Legislature and Judiciary, as well as the Executive, to promote the settlement of disputes through the process of Mediation. Therefore, once disputes between the parties have been settled by the process of mediation, it would be in the public interest as well to attach importance to such a process and treat the settlement as a solemn settlement. Otherwise, the movement of mediation may itself suffer if the



parties are given to understand that even after they agree for settlement, one of the parties can still back out.”

14. It is also pointed out that the settlement agreement dated 02.07.2024 was also filed in the Court of learned Civil Judge, Karkardooma Court, Delhi, where the suit filed by the petitioners was pending.

15. Admittedly, in the present case, the parties had agreed to an amount of Rs 47 lakhs payable by the petitioners to respondent no. 2, towards full and final settlement of all the disputes subsisting between the parties. In this regard, the operative portion of the settlement agreement dated 02.07.2024 reads as under:

“9...

(i.) It is agreed between the parties that Plaintiffs shall jointly pay an amount of Rs. 47,00,000/- (Rupees Forty Seven Lakhs only) to the Defendants as full and final settlement of the instant case and in the connected matters.”

16. The said plea of some amounts being due from the same transaction does not seem to be plausible and *bonafide*, when the parties have already settled their matter and respondent no. 2 has already received the amount towards full and final settlement of all the claims. There are no allegations that the settlement agreement was entered into between the parties under coercion or undue influence. Hence, the settlement agreement is lawful and binding upon the parties.

17. For the reasons noted above, I am convinced that quashing of such proceedings on account of compromise would bring about peace and would secure the ends of justice. This court does not see any fruitful purpose if criminal proceedings are permitted to be prosecuted any further. It is a fit



case for quashing. In this view of the matter, there is no reason to continue the proceedings.

18. In this view of the matter, FIR No. 135/2024, dated 14.02.2024, registered at P.S. Jagat Puri under Sections 420/120B/34 of IPC, 1860 and all consequential proceedings emanating therefrom, if any are hereby quashed.

19. The petition is disposed of accordingly.

JASMEET SINGH, J

NOVEMBER 29, 2024 / (MS)

[Click here to check corrigendum, if any](#)