



2025:DHC:11974



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

% ***Date of Decision: December 22, 2025***

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+ CRL.M.C. 2424/2020& CRL. M.A. 22392/2025

PRIYA SRIVASTVA AND OTHERSPetitioners

Through: Mr. Sanjeev Sagar, Senior Advocate with Mr. Kunal Sharma, Mr. Shubhendu Bhattacharya, Ms. Rishika Goyal and Mr. Imran Khan, Advocates.

versus

STATE OF NCT OF DELHI
AND ANOTHER

.....Respondents

Through: Mr. Ritesh Kumar Bahri, APP for the State with Ms. Divya Yadav, Advocate.
SI Vishvendra Singh, PS Mayur Vihar.

14

+ CONT.CAS(C) 1306/2023
VARIJA BAJAJ & ANR.

.....Petitioners

Through: Mr. Vikas Arora and Ms. Radhika Arora, Advocates.

versus

M/S ASSOTECH LTD. & ORS.

.....Respondents

Through: Mr. Sanjeev Sagar, Senior Advocate with Mr. Kunal Sharma, Mr. Shubhendu Bhattacharya, Ms. Rishika Goyal, Ms. Nazia Parveen and Mr. Imran Khan,

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Advocates.

16

+ CONT.CAS(C) 1877/2023

MRS VARIJA BAJAJ & ANR.

.....Petitioners

Through: Mr. Vikas Arora and Ms.
Radhika Arora, Advocates.

versus

M/S ASSOTECH LTD THROUGH DIRECTORS

SANJEEV SRIVASTAVA & ORS.

.....Respondents

Through: Mr. Sanjeev Sagar, Senior
Advocate with Mr. Kunal
Sharma, Mr. Shubhendu
Bhattacharya, Ms. Rishika
Goyal, Ms. Nazia Parveen
and Mr. Imran Khan,
Advocates.

CORAM:

HON'BLE MR. JUSTICE AMIT MAHAJAN

AMIT MAHAJAN, J. (Oral)

1. CRL.M.C. 2424/2020 is filed seeking quashing of FIR No. 156/2019 dated 10.05.2019, registered at Police Station Mayur Vihar Phase-I, for offences under Sections 420/406/409/506/120B/34 of the Indian Penal Code, 1860 ('IPC'), and all proceedings arising therefrom.

2. Briefly stated, it is alleged that the complainant had made investments towards purchase of flats at one of the projects of Assotech Moonshine Urban Developers Pvt. Ltd. in which the petitioners are directors. It is alleged that the respondents had made an investment of ₹65,00,000/- and ₹1,28,40,000/- respectively with

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a provision of buy back of the said flats in March, 2013. It is alleged that the said buy back scheme was secured by way of post-dated cheques and the complainant was assured that if there is any delay, the complainant would be paid an interest of 3% per month. It is alleged that the petitioners failed to provide return on investment or buy back the said flat in terms of their agreement. Thereafter, the complainant had filed a complaint and FIR No. 156/2009 was registered at Police Station Mayur Vihar for the offences punishable under Sections 420/406/409/506/120B/34 of the IPC against Assotech Moonshine Urban Developers Pvt. Ltd. and its Directors.

3. Thereafter, the petitioners filed the present quashing petition, after which this Court *vide* order dated 26.07.2021 had referred the parties for mediation. Pursuant thereto, the parties had arrived at a settlement *vide* Settlement Agreement dated 20.04.2022 out of their own free will and without any pressure, coercion, threat or force. The same was recorded by this Court in order dated 17.11.2022.

4. By order dated 05.09.2023 this Court recorded the submission of the learned counsel for the petitioner, on instructions, stating that the petitioners would make the entire payment as per the settlement agreement within 2 months from the order.

5. By order dated 15.09.2023 this Court extended the time period mentioned in the order dated 05.09.2023 further for 2 months.

6. The respondents filed CONT.CAS(C) 1306/2023 under Sections 2(b)/12 of the Contempt of Courts Acts for wilful



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disobedience of the order dated 17.11.2022 passed in CRL.M.C. 2424/2020.

7. The respondents filed CONT.CAS(C) 1877/2023 under Sections 2(b)/12 of the Contempt of Courts Act for wilful disobedience of the order dated 15.09.2023 passed in CRL.M.C. 2424/2020.

8. This Court *vide* order dated 12.08.2025 recorded that an amount of approximately ₹2 crores of the principal amount as agreed by settlement dated 20.04.2022 was still left unpaid. This Court granted one last opportunity to pay the entire balance amount with an interest of 6% per annum.

9. It is stated that the petitioners have now paid the entire principal amount in terms of the settlement dated 20.04.2022 however the interest amount of ₹85,00,000/- has still not been paid.

10. The learned counsel for the petitioners submits that the petitioner has paid the principal amount as agreed by the parties in settlement dated 20.04.2022 and the interest amount of ₹85,00,000/- will be paid within a period of three months.

11. The learned counsel for the respondents states that the respondents have received the entire principal settlement amount in terms of settlement dated 20.04.2022.

12. Offences under Sections 420/406 of the IPC are compoundable whereas offences under Sections 409/506/120B of the IPC are non-compoundable.

13. It is well settled that the High Court while exercising its powers under Section 528 of the Bharatiya Nagarik Suraksha





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Sanhita, 2023 ('BNSS') (erstwhile Section 482 of the Code of Criminal Procedure, 1973) can quash offences which are non-compoundable on the ground that there is a compromise between the accused and the complainant. The Hon'ble Apex Court has laid down parameters and guidelines for High Court while accepting settlement and quashing the proceedings. In the case of **Narinder Singh & Ors. v. State of Punjab & Anr. : (2014) 6 SCC 466**, the Hon'ble Supreme Court had observed 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



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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.”

(emphasis supplied)

14. Similarly, in the case of ***Parbatbhai Aahir & Ors. v. State of Gujarat & Anr.:(2017) 9 SCC 641***, the Hon’ble Supreme Court had observed as under :-

“16. The broad principles which emerge from the precedents on the subject, may be summarised in the following propositions:

16.1. Section 482 preserves the inherent powers of the High Court to prevent an abuse of the process of any court or to secure the ends of justice. The provision does not confer new powers. It only recognises and preserves powers which inhere in the High Court.

16.2. The invocation of the jurisdiction of the High Court to quash a first information report or a criminal proceeding on the ground that a settlement has been arrived at between the offender and the victim is not the same as the invocation of jurisdiction for the purpose of compounding an offence. While compounding an offence, the power of the court is governed by the provisions of Section 320 of the Code of Criminal Procedure, 1973. The power to quash under Section 482 is attracted even if the offence is non-compoundable.



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16.3. In forming an opinion whether a criminal proceeding or complaint should be quashed in exercise of its jurisdiction under Section 482, the High Court must evaluate whether the ends of justice would justify the exercise of the inherent power.

16.4. While the inherent power of the High Court has a wide ambit and plenitude it has to be exercised (i) to secure the ends of justice, or (ii) to prevent an abuse of the process of any court.

16.5. The decision as to whether a complaint or first information report should be quashed on the ground that the offender and victim have settled the dispute, revolves ultimately on the facts and circumstances of each case and no exhaustive elaboration of principles can be formulated.

*16.6. In the exercise of the power under Section 482 and while dealing with a plea that the dispute has been settled, the High Court must have due regard to the nature and gravity of the offence. **Heinous and serious offences involving mental depravity or offences such as murder, rape and dacoity cannot appropriately be quashed though the victim or the family of the victim have settled the dispute. Such offences are, truly speaking, not private in nature but have a serious impact upon society. The decision to continue with the trial in such cases is founded on the overriding element of public interest in punishing persons for serious offences.***

16.7. As distinguished from serious offences, there may be criminal cases which have an overwhelming or predominant element of a civil dispute. They stand on a distinct footing insofar as the exercise of the inherent power to quash is concerned.

16.8. Criminal cases involving offences which arise from commercial, financial, mercantile, partnership or similar transactions with an essentially civil flavour may in appropriate situations fall for quashing where parties have settled the dispute.

16.9. In such a case, the High Court may quash the criminal proceeding if in view of the compromise between the disputants, the possibility of a conviction is remote and the continuation of a criminal proceeding would cause oppression and prejudice; and

16.10. There is yet an exception to the principle set out in propositions 16.8. and 16.9. above. Economic offences involving



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the financial and economic well-being of the State have implications which lie beyond the domain of a mere dispute between private disputants. The High Court would be justified in declining to quash where the offender is involved in an activity akin to a financial or economic fraud or misdemeanour. The consequences of the act complained of upon the financial or economic system will weigh in the balance.”

(emphasis supplied)

15. Keeping in view the nature of dispute and that the parties have amicably entered into a settlement, this Court feels that no useful purpose would be served by keeping the dispute alive and continuance of the proceedings would amount to abuse of the process of Court. I am of the opinion that this is a fit case to exercise discretionary jurisdiction under Section 528 of the BNSS.

16. In view of the above, FIR No. 156/2019 and all consequential proceedings arising therefrom are quashed.

17. The Respondents are, however, directed to pay a sum of ₹85,00,000/- to the complainant(s) within a period of three months from date.

18. It is made clear that if the money is not paid, the complainant(s) is at liberty to seek contempt.

19. The petitions stand disposed of with the aforesaid observations. Pending application(s) also stands disposed of.

20. A copy of this order be placed in all the matters.

AMIT MAHAJAN, J

DECEMBER 22, 2025/DU

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