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

+ CRL.M.C. 70/2025, CRL.M.A. 399/2025 (Exemption) & CRL.M.A. 5231/2025 (preponement of date of hearing)
HANS KUMAR JAIN AND ANRPetitioners

Through: Mr. Murari Tiwari, Mr. Rahul Kumar,
Advocates

versus

STATE (NCT OF DELHI) AND ANRRespondents

Through: Mr. Hemant Mehla, APP for the State
with SI Yogender Singh, DIU/N-East
Mr. Sudhir Naagar, Ms. Rajshree
Singh, Mr. Piyush Aggarwal,
Advocates for R-2

CORAM:

HON'BLE MR. JUSTICE SANJEEV NARULA

ORDER

% **07.04.2025**

1. The present petition filed under Section 528 of the Bharatiya Nagarik Suraksha Sanhita, 2023¹ (erstwhile Section 482 of the Code of Criminal Procedure, 1973²) seeks quashing of FIR No. 62/2018³ registered under Sections 420/34 of the Indian Penal Code, 1860⁴ at P.S. Jyoti Nagar and all other proceedings emanating therefrom. In the said FIR, a chargesheet has been filed and the Petitioners have been charged under Sections 420/468/471/120B/34 of IPC.
2. The impugned FIR has been registered on a complaint made by Respondent No. 2 wherein he has stated that he is the trustee and secretary of Mahendra Kumar Jain Educational Trust, a public charitable trust. He

¹ "BNSS"

² "Cr.P.C."

³ "the impugned FIR"



alleged that Petitioners had siphoned off and misappropriated approximately INR 1 Crore from the funds of the Trust. The Petitioners misused their position as trustees and the diverted the donations of the Trust to their own or their relatives' bank accounts. Additionally, the Petitioners forged account statements of the Trust and have misappropriated the same for their wrongful gain. Moreover, even after the removal of the Petitioners from the post of trustees, they prepared fabricated minutes of meetings of the Boar of Trustees, removing the Complainant from the Trust and have tried to introduce other trustees as well.

3. The present petition is filed on the ground that the matter is amicably settled between the parties on their own free will, without any coercion, pressure or undue influence and a Memorandum of Understanding dated 23rd December, 2024 has been executed by the Petitioners and Respondent No. 2. As per the terms of the settlement, Respondent No. 2 has agreed to withdraw all proceedings pending before various Courts.

4. On 28th March, 2025, the statement of Respondent No. 2 was recorded before the Joint Registrar and after verification of all critical aspects, the Joint Registrar passed the following order:

“Today, statement of respondent no. 2 (the complainant, who lodged the FIR) and all other persons who are signatory to the MOU/settlement has been recorded to ascertain the veracity and the genuineness of the parties entering into settlement.

FIR No. 62/2018, Under Section 420/468/471/120-B/34 IPC, was registered at PS Jyoti Nagar, Delhi at the instance of respondent no. 2 (Ankur Jain). Respondent no. 2 is the son in law of sister of the petitioner no. 1. The charge sheet has been filed in this case and the case is at the stage of appearance of parties.

⁴ “IPC”



Now, Respondent no. 2 and all other abovementioned signatories to the Settlement/MOU state that they have voluntarily without any pressure or coercion from anyone and with the intervention of friends and colleagues and after obtaining due legal advice entered into MOU/settlement deed executed on 23.12.2024 and have settled all their issues, disputes and grievances with the petitioners. The MOU is on record as Annexure D at page 44 to 47 bearing their signatures.

They have voluntarily and amicably resolved all their issues and disputes with the petitioners. They shall remain bound by all the terms and conditions of the settlement. They are fully aware of the consequences which may ensue if the terms of the settlement are not abided with.

They have no objections, if the FIR No. 62/2018, Under Section 420/468/471/120-B/34 IPC, registered at PS Jyoti Nagar, Delhi and all proceedings emanating there from are quashed against the petitioners.

It is stated by all that all their issues and disputes stands settled/resolved in terms of above referred MOU. Accordingly, in terms of compliance of the settlement, they do not wish to pursue the abovesaid FIR registered by Respondent no. 2 against the petitioners.

Respondent no. 2 has given affidavit of no objection for quashing of the present FIR which is on record at page no. 48-49 of the petition bearing his signatures. Other signatories to the MOU stated that their statement recorded today be considered as their NOG for quashing of the abovesaid FIR.

They undertakes not to institute any other civil or criminal proceedings against the petitioners arising out of the facts and circumstances leading to the registration of the abovesaid FIR.

Respondent no. 2 has been identified by his counsel.

This pre verified report along with the petition may be placed before the Hon'ble Court on 07th April, 2025 alongwith the statements recorded today."

5. In light of the foregoing, counsel for the parties jointly prayed for the quashing of the impugned FIR. Respondent No. 2, who is present before this



Court, confirms his statement made to the Court and gives no objection to the quashing of the impugned FIR. An affidavit to this effect is also on record.

6. The Court has considered the afore-noted facts. Notably, offence under Sections 468, 471 and 120B of IPC are non-compoundable while Section 420 of IPC is compoundable with the permission of the Court.

7. It is well-established that the High Courts, in exercise of their powers under Section 582 of BNSS (formerly 482 of Cr.P.C.), can compound offences which are non-compoundable on the ground that there is a compromise between the accused and the complainant. In **Narinder Singh & Ors. v. State of Punjab & Anr.**,⁵ the Supreme Court 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 petition for quashing the criminal proceedings is filed, the guiding factor in such cases would be to secure:

⁵ (2014) 6 SCC 466



- (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.”

[Emphasis Supplied]

8. Similarly, in the case of **Parbatbhai Aahir & Ors. v. State of Gujarat & Anr.**,⁶ the 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

⁶ (2017) 9 SCC 641



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.

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 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]

9. Considering the nature of dispute and the fact that the parties have amicably entered into a settlement, this Court is of the opinion that the present case is fit to exercise jurisdiction under Section 582 of BNSS as no purpose would be served by keeping the dispute alive and continuance of the proceedings would amount to abuse of the process of Court.

10. Since the State machinery has been put to motion and the fact that a chargesheet has been filed and charges have been framed, ends of justice would be served if the Petitioner is put to cost.

11. In view of the above, the impugned FIR No. 62/2018, and all proceedings emanating therefrom, are hereby quashed, subject to payment of cost of INR 5,000/- with the Delhi Police Welfare Fund, by both the Petitioners.

12. The proof of deposit be placed on record within a period of 15 days from today.

13. With the above directions, the present petition is disposed of.

SANJEEV NARULA, J

APRIL 7, 2025/ab