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

+ **W.P.(CRL) 604/2025 & CRL.M.A. 5618/2025**

GULSHAN ARORA

.....Petitioner

Through: Mr. Deepak Yadav, Advocate with
Petitioner in person

versus

STATE GOVT. OF NCT OF DELHI AND ANR.Respondents

Through: Mr. Sanjay Lao, Standing Counsel for
the State with SI Randeep, PS North
Rohini
Respondent No. 2 in person

CORAM:

HON'BLE MR. JUSTICE SANJEEV NARULA

ORDER

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08.08.2025

1. The present petition filed under Section 528 of the Bharatiya Nagarik Suraksha Sanhita, 2023¹ (formerly Section 482 of the Code of Criminal Procedure, 1973²) seeks quashing of FIR No. 159/2022³ registered under Sections 420, 467, 468 and 471 of the Indian Penal Code, 1860⁴, at P.S. North Rohini and all proceedings emanating therefrom.

2. Briefly, the case of the prosecution is as follows:

2.1. The Petitioner and Respondent No. 2 (the Complainant) are brothers. The Petitioner lives in the property bearing No. A-3/289, Sector 2, Rohini with their parents. The said property was owned by their mother. It is

¹ "BNSS"

² "Cr.P.C."

³ "the impugned FIR"



alleged that the Petitioner misused documents relating to the Complainant's LIC money-back policy (taken in 1997) and PPF account with SBI, Saraswati Vihar Branch (opened in 2001), both of which were kept at their mother's residence. Upon inquiring about the maturity proceeds of the LIC policy, the Complainant was informed that the amount of INR 95,263/- had already been transferred, on the basis of an application dated 10th January, 2019, to SBI account No. xxxxxx812 at Sector-8, Rohini branch. The Complainant claims he never held such an account.

2.2 Subsequent inquiry revealed that the said account had been opened on 26th July, 2016 in the joint names of the Petitioner as the first holder and the Complainant as the second holder, allegedly without the Complainant's consent, and that INR 3,24,966.84 had also been credited in this bank account in 2016, from which two FDRs of INR 1,50,000/- each were made in the names of Nikita Arora and Hitesh Arora. The Complainant further discovered that his PPF account had been closed on 3rd May, 2016 without his authorisation, and the proceeds of INR 3,24,966.84 were deposited into the joint account.

2.3. It is further alleged that Gulshan Arora, with the assistance of Hitesh Arora and Nikita Arora, forged the Complainant's signatures to open the joint account, provided its details to LIC for transferring the maturity amount, and diverted the funds, including through FDRs and transfer of INR 1,00,000/- to a Punjab National Bank account on 13th September, 2019. When confronted, the Petitioner allegedly threatened the Complainant with dire consequences.

3. The parties state that, with the intervention of common friends,

⁴ "IPC"



colleagues and other respectable members of society, Respondent No. 2 has amicably resolved the dispute with the Petitioner and has decided not to pursue the present FIR against him. Pursuant to this settlement, a Memorandum of Understanding⁵ dated 31st January, 2025, was executed between the Petitioner and Respondent No. 2. As per its terms, Respondent No. 2 has mutually resolved all disputes and differences with the Petitioner and has agreed to voluntarily give his no objection to the quashing of the subject FIR.

4. During the course of the present proceedings, the statement of Respondent No. 2 was recorded before the Joint Registrar of this Court on 4th August, 2025, wherein he confirmed that the Petitioner has returned the money taken by him stated that he does not wish to pursue the impugned FIR and has no objection if the same is quashed.

5. In view of the settlement, Respondent No. 2, who has appeared before the Court and is identified by the Investigating Officer, confirms that he does not wish to pursue the FIR proceedings. He has confirmed that his decision to settle the matter is voluntary and made without any undue influence or coercion.

6. In light of the amicable resolution between the parties, the Petitioner seeks quashing of the subject FIR and all proceedings arising therefrom.

7. The Court has considered the submissions of the parties. While the offence under Sections 467, 468 and 471 of IPC are non-compoundable, Section 420 of IPC is compoundable, with the permission of the Court.

8. It is well settled that in the exercise of its inherent powers under Section 482 CrPC (now Section 528 BNSS), the Court may, in appropriate

⁵ “MoU”



cases, quash proceedings in respect of non-compoundable offences if the parties have reached a genuine settlement and no overarching public interest is adversely affected.

9. The Supreme Court in ***Gian Singh v. State of Punjab & Anr.***⁶ has held as follows:

“11. As discussed above, offence punishable under Section 186/332/353 of the IPC are non-compoundable being of serious nature, however, if the Court feels that continuation of criminal proceedings will be an exercise in futility and justice in this case demands that the dispute between the parties is put to an end and peace is restored, it can order for quashing of the FIR or criminal proceedings as it is the duty of the Court to prevent continuation of unnecessary judicial process.

12. In view of the law discussed above, considering the Settlement arrived at between the parties and the statements of respondent no.1 & 2, I am of the considered opinion that this matter deserves to be given a quietus as continuance of proceedings arising out of the FIR in question would be an an exercise in futility.”

[Emphasis Supplied]

10. Further, in ***Narinder Singh & Ors. v. State of Punjab & Anr.***,⁷ the Supreme Court held as follows:

“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.

⁶ (2012) 10 SCC 303

⁷ (2014) 6 SCC 466



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.”

[Emphasis Supplied]

11. The Supreme Court has consistently held that in cases where the complainant has entered into a voluntary and *bona fide* settlement, and is no longer inclined to support the prosecution, the prospect of securing a conviction becomes exceedingly remote. In such circumstances, continuing the prosecution may not only prove futile, but would also serve no worthwhile public interest. The Complainant in the present case has categorically expressed his unwillingness to pursue the matter further and has confirmed the settlement as voluntary and devoid of any coercion. Given this background, the continuation of criminal proceedings would amount to an empty formality, adding to the burden of the justice system and



consuming public resources unnecessarily. Having regard to the totality of circumstances, and in view of the legal principles laid down by the Supreme Court, this Court finds the present case to be an appropriate one for exercise of jurisdiction under Section 482 of the Cr.P.C. to secure the ends of justice.

12. However, since the State machinery has been set into motion, justice would be served if the Petitioner is subjected to cost.

13. In view of the foregoing, the present petition is allowed and the impugned FIR No. 159/2022 and all proceedings emanating therefrom are hereby quashed, subject to payment of a cost of INR 10,000/- by the Petitioner to the Delhi Police Welfare Fund, within a period of three weeks from today.

14. Upon receipt of payment, the Investigating Officer shall release the FD seized in the present case.

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

16. Accordingly, the petition is disposed of along with pending application(s).

SANJEEV NARULA, J

AUGUST 8, 2025/ab