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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
+ **CRL.M.C. 1393/2025**

NEWTECH PROMOTERS AND DEVELOPERS PVT
LTD AND OTHERS & ORS.Petitioners

Through: Mr. Vikas Arora &
Mr. Abhay Sachan, Advs.
with P-1,2,3 & 5 in person
and P-4 (through VC)

versus

CENTRAL BUREAU OF INVESTIGATION
& ANR.Respondents

Through: Mr. Atul Guleria, SPP, CBI
with Mr. Aryan Prakash,
Adv. for CBI
SI Shivani, PS- Khajuri
Khas
Mr. Nishant Awana & Ms.
Nitya Sharma, Advs. for R2
with Mr. Vaibav Yadav,
Chief Manager, Bank of
Maharashtra

CORAM:
HON'BLE MR. JUSTICE AMIT MAHAJAN

ORDER
16.04.2025

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CRL.M.A. 6202/2025 (for exemption)

1. Exemptions allowed, subject to all just exceptions.
2. The application stands disposed of.

CRL.M.C. 1393/2025 & CRL.M.A. 6201/2025 (for stay)

3. The present petition is filed seeking quashing of RC No. RC/DST/2021/A/0003/CBI/STB/DLI dated 06.04.2021, for offences under Sections 120B read with 420/468 of the Indian Penal Code, 1860 ('IPC') and Sections 13(2) read with 13(1)(d) of the Prevention of Corruption Act, 1988, registered by Central

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Bureau of Investigation (CBI) including all consequential proceedings arising therefrom.

4. It is alleged that the company, namely, M/s Newtech Promoters and Developers Pvt. Ltd. had defrauded Bank of Maharashtra to the tune of ₹48.84 crores by dishonestly and fraudulently diverting the funds of the Bank, obtained in the form of term loan, to related parties and directors themselves and the same was corroborated during the forensic audit conducted by the Bank of Maharashtra. The said incident led to the registration of the aforementioned FIR.

5. The learned counsel for the petitioner submits that the dispute was commercial in nature and the bank has settled the same and has accepted the entire settlement amount.

6. He submits that the complainant bank has also issued a No Due Certificate dated 07.05.2024 and the Statement of Authorised Representative of the Bank was recorded by the learned Joint Registrar on 03.04.2025.

7. Though, initially the FIR was registered under Sections 120B/420, IPC read with Sections 13(2), 13(1)(D) of PC Act, however, the chargesheet was filed only against the petitioners for offences under Sections 120B/420 of IPC.

8. It is undisputed that CBI has not able to find any evidence in regards to corruption by the public person.

9. The present petition is filed on the ground that the matter is amicably settled between the parties by way of a Memorandum of Understanding dated 26.12.2023, on their own free will, without any fear, force, coercion, or undue influence.

10. Offences under Sections 420/120B, IPC are compoundable in nature and the complainant bank has also received the entire settlement amount.

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11. The learned counsel for complainant bank states that the dispute has been settled and he has no objection if the FIR, including all proceedings arising therefrom are quashed.

12. Offence under Section 420 of the IPC is compoundable whereas offences under Section 120-B of the IPC is non-compoundable.

13. It is well settled that the High Court while exercising its powers under Section 482 of the Code of Criminal Procedure, 1973 ('CrPC') can compound offences which are non-compoundable under the Code 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.

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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)

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

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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.

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

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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)

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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 482 of the CrPC.

16. However, keeping in mind the fact that chargesheet has been filed in the present case and the State machinery has been put to motion, ends of justice would be served if the petitioner is put to cost.

17. In view of the above, RC No. RC/DST/ 2021/A/ 0003/CBI/ STB/DLI and all consequential proceedings arising therefrom are quashed, subject to payment of cost of ₹50,000/- by the petitioner, out of which, ₹25,000/- to be deposited with the Delhi Police Welfare Society and ₹25,000/- with Delhi High Court Bar Association, within a period of eight weeks from date.

18. Let the proof of deposit of cost be submitted with the concerned IO/SHO.

19. The present petition is allowed in the aforesaid terms.

AMIT MAHAJAN, J

APRIL 16, 2025

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