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

+ CRL.M.C. 3900/2025

SHRI AVINASH KUMAR VASISHT & ORS.Petitioners

Through: Petitioners are present through VC
Mr. M.A. Niyazi, Ms. Anamika Ghai
Niyazi, Ms. Kirti Bhardwaj, Ms.
Nehmat Sethi, Mr. Arquam Ali & Mr.
Mani Shankar Tripathi, Advocates

versus

STATE (NCT OF DELHI) & ANR.Respondents

Through: Mr. Hitesh Vali, APP for the State
with SI Manisha, PS Punjabi Bagh.
Mr. Sunil Goel, Ms.Varsha, Ms.
Dimple Aggarwal & Mr. Himanshu
Goel, Advs. along with R-2 in person.

**CORAM:
HON'BLE MR. JUSTICE RAVINDER DUDEJA**

ORDER
20.08.2025

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1. This is a petition under Section 528 BNSS, seeking the quashing of FIR No. 0835/2023, registered under Section 406/420/467/468/471 & 120-B IPC and all the proceedings emanating therefrom on the basis of settlement between the parties.

2. As per allegations in the FIR, in the month of February 2023, one Shiv Niwas Vashisht represented to the complainant that an agricultural land measuring 19 Bighas and 5 Biswas, situated in the Revenue Estate of Village Devrala, Delhi was in the ownership and possession of the



petitioners and that they want to sell the aforesaid property. He represented himself as having the express and implied authority to sell the aforesaid land on behalf of the petitioners, claiming himself to be related to the owners and acting on their instructions.

3. The sale consideration agreed was Rs. 6,61,71,875/-. On 20.02.2023, complainant paid Rs. 13 lakhs to Shiv Niwas and the Receipt cum Bayana Agreement was executed, acknowledging the part payment.

4. On 20.04.2023, Shiv Niwas returned with a claim that a registered power of attorney dated 10.04.2023 had been executed by petitioners No. 2 & 3 in favour of their father Avinash Kumar Vahisht (petitioner No. 1), empowering him to execute the sale deed. Shiv Niwas demanded payment through two cheques of Rs. 25 lakhs each and an additional Rs. 1 crore in cash, for which, he promised to deliver bayana documents.

5. Complainant arranged a second stamp paper because the previous one dated 20.04.2023 was stated to be misplaced by petitioner No. 1. On 16.05.2023, Shiv Niwas provided a bayana agreement and five payment receipts, allegedly signed by petitioner No. 1 and collected Rs. 1 crore cash. In total, the complainant had paid Rs. 1.65 crores.

6. When the complainant followed up to complete the sale, petitioner No. 1 and Shiv Niwas denied executing any such agreement or receiving cash payments, alleging that the earlier documents were either forged or not acknowledged. On 14.09.2023, petitioner No. 1 sent a different bayana agreement using the same stamp paper dated 20.04.2023 with altered terms claiming that only Rs. 50 lakhs was received and the sale value was Rs. 10.02 crores instead of Rs. 6.61 crores.



7. Upon further inquiry, the complainant discovered that Shiv Niwas Vashisht had used the same *modus operandi* to cheat another person Gopal Singh.

8. Charge sheet has since been filed under Section 406/420/467/468/471/120-B IPC against Shiv Niwas Vashisht. As per status report filed by the police in the absence of sufficient incriminating evidence, petitioners have not been charge-sheeted and the name of Avinash Kumar Vashisht (Petitioner no. 1) has been placed in Column No. 12.

9. It has been submitted that during the pendency of the civil and criminal proceedings, petitioners and respondent No. 2 Mr. Jitin Garg have entered into an amicable settlement and a Memorandum of Understanding dated 19.05.2025 has been executed, resolving all the disputes and in terms of the settlement, petitioners have agreed to refund Rs. 35 lakhs towards full and final settlement and respondent No. 2 has consented to the quashing of the FIR and has withdrawn the civil suit for specific performance CS(OS) No. 509/2024 vide order dated 23.05.2025. The copy of the Memorandum of Understanding dated 19.05.2025 has been annexed as Annexure P-7.

10. Parties have entered their appearance through VC. They have been identified by their respective Advocates as well as IO SI Manish, PS Punjabi Bagh.

11. Respondent No. 2 confirms that the matter has been amicably settled with the petitioners voluntarily and without any fear, force or coercion. He confirms that he has received a cheque bearing No. 173200 dated 23.05.2025 for a sum of Rs. 35 lakhs from the petitioners and has no objection if FIR No. 835/2023 is quashed against the petitioners. Petitioners have assured that the cheque on presentation would be honoured and for any



reason if the same is not honoured because of validity or any other reason, they would transfer the amount of Rs. 35 lakhs in the account of respondent No. 2 through RTGS.

12. Learned counsel for the petitioner submits that there are no claims or disputes left between the petitioners and respondent No. 2 and that the disputes between the petitioners and respondent No. 2 are of private nature and as they have been amicably settled, the FIR dated 24.11.2023 against the petitioners is liable to be quashed.

13. Learned APP submits that it is a case of partial quashing of FIR, inasmuch as, there is one more accused namely Shiv Niwas, who has been charge-sheeted and facing trial. He further submits that only petitioner No. 1 has been kept in Column No. 12 of the charge sheet and the names of petitioners No. 2 & 3 have not been mentioned in Column No. 12. He further submits that in view of amicable settlement between the petitioners and complainant, State has no objection if FIR bearing No. 835/2023 is quashed qua the petitioners.

14. Learned counsel for the petitioners submits that the partial quashing of the FIR qua the present petitioners, is permissible. In support of such submissions, he places reliance on the decision of the Supreme Court in the case of ***Lovely Salhotra & Anr. Vs. State (2018) 12 Supreme Court Cases 391***, wherein, the Apex Court observed that it cannot be held that the FIR cannot be quashed in part where no offence was made out against the accused who sought the quashing of the FIR. The relevant paras of the decision are extracted below:-

“3. We have taken into account the facts of the matter in question as it appears to us that no cognizable offence is made out against the appellants herein, The High Court was wrong in holding that FIR cannot be quashed in part and it ought to



have appreciated the fact that the appellants herein cannot be allowed to suffer on the basis of the complaint filed by Respondent no. 2 herein only on the ground that the investigation against co-accused is still pending. It is pertinent to note that the learned Magistrate has opined that no offence is made out against Co-accused 2, 3, 4 and 6 prima facie. According to us, the FIR in question filed against the appellants herein by Respondent 2 is only an afterthought with the sole intention to pressurize the appellants not to prosecute their criminal complaint filed by them under section 138 of the Negotiable Instruments Act, 1881.

4. Accordingly, we find that the order so passed by the High Court is not sustainable in the eye of the law and deserves to be set aside. Accordingly, we set aside the said order of the High Court and quash the FIR qua the appellants herein. The appeal is allowed in the aforesaid terms.”

15. Thus, in view of the aforesaid, decision of the Apex Court, partial quashing of FIR is permissible.

16. Admittedly, in the final report, none of the petitioners have been sent to court for trial. In the absence of any sufficient incriminating evidence, petitioners have not been charge-sheeted and the name of petitioner No. 1 has merely been kept in Column No. 12 of the charge sheet.

16. In ***Gian Singh vs State of Punjab (2012) 10 SCC 303***, Hon’ble Supreme Court has recognized the need of amicable resolution of disputes by observing as under:-

"61. In other words, the High Court must consider whether it would be unfair or contrary to the interest of justice to continue with the criminal proceedings or continuation of criminal proceedings would tantamount to abuse of process of law despite settlement and compromise between the victim and the wrongdoer and whether to secure the ends of justice, it is appropriate that criminal case is put to an end and if the answer to the above question(s) is in the affirmative, the High Court shall be well within its jurisdiction to quash the criminal proceedings."

17. Further, it has been observed in ***Narinder Singh v. State of Punjab, (2014) 6 SCC 466*** that:

"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 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.”

18. Considering the totality of facts and circumstances of the case, in particular the fact that petitioners have not been charge-sheeted and only petitioner No. 1 has been kept in Column No. 12 and the parties have come to an amicable settlement of their own freewill without fear, force and coercion, they should be given an opportunity to lead their lives peacefully. No purpose will be served in continuing with FIR No. 835/2023, dated 24.11.2023, registered at PS Punjabi Bagh, under Sections 406/420/467/468/471 & 120-B IPC qua the petitioners.

19. Hence, in the interest of justice, petition is allowed and FIR No.



835/2023, dated 24.11.2023, registered at PS Punjabi Bagh, under Sections 406/420/467/468/471 & 120-B IPC is partially quashed only qua the present petitioners subject to encashment of cheque of Rs. 35 lakhs/transfer of Rs. 35 lakhs in the account of respondent No. 2.

20. Petition is allowed and disposed of accordingly.
21. Pending application (s), if any, also stand disposed of.

RAVINDER DUDEJA, J.

AUGUST 20, 2025

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