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\* **IN THE HIGH COURT OF DELHI AT NEW DELHI**  
+ **CRL.M.C. 4111/2025 & CRL.M.A. 17844/2025**  
**MOHINDER PAL AND ORS** .....Petitioners

Through: Mr. Pankaj Kapoor, Mr. Lalit Behl,  
Mr. Nikhil Bahri and Mr. Aniket  
Arora, Advocates with Petitioners.  
versus

**STATE NCT OF DELHI AND ORS** .....Respondents  
Through: Mr. Ashneet Singh, APP for R-1.  
IO/SI Rajkumar, P.S. Connaught  
Place.  
Mr. R.P.S. Sirohi, Advocate for R-2  
to R-5 with R-2 to 5.

**CORAM:**  
**HON'BLE MR. JUSTICE SANJEEV NARULA**

% **ORDER**  
**17.07.2025**

1. The present petition under Section 528 of the Bharatiya Nagarik Suraksha Sanhita, 2023<sup>1</sup> (earlier Section 482 of the Code of Criminal Procedure, 1973<sup>2</sup>) seeks quashing of FIR No. 35/2020 dated 25<sup>th</sup> June, 2020 under Sections 420/467/468/471/34 of the Indian Penal Code, 1860<sup>3</sup>, registered at P.S. Connaught Place and all proceedings emanating therefrom.
2. Briefly stated, the case of the prosecution is that the Complainant (now deceased), an illiterate man and 22% partner in *M/s Oriental Fruit Mart*, alleged that Petitioner No. 1, his cousin and co-partner, deceitfully

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<sup>1</sup> "BNSS"

<sup>2</sup> "Cr.P.C."

<sup>3</sup> "IPC"



obtained his signatures on blank and stamp papers under false pretences. These were used to fabricate a Retirement Deed dated 31<sup>st</sup> March, 2006, falsely showing that the Complainant had exited the firm in return for INR 6,00,000/-, an amount which was never received by the Complainant. It is further alleged that Petitioner No. 1, without the mandatory consent of other partners as required by the original 2001 partnership deed, inducted his sons, Petitioner Nos. 2 and 3, as partners. When the Complainant objected, he was allegedly threatened with false cases and physical harm. The Complainant later filed a civil suit, wherein Petitioner No. 1 produced the forged deed, prompting registration of the impugned FIR under Sections 420/467/468/471/34 of the IPC.

3. The parties state that they belong to the same family and with the intervention of common friends, colleagues and other respectable members of society, Respondent No. 2 to 5 have amicably resolved the dispute with the Petitioners and have decided not to pursue the present FIR against them. Pursuant to this settlement, a Memorandum of Understanding<sup>4</sup> dated 7<sup>th</sup> February, 2025, was executed between the Petitioners and Respondent No. 2 to 5.

4. A copy of the MoU has been placed on record and perused by the Court. As per its terms, Respondent No. 2 to 5 have mutually resolved all their disputes and differences with the Petitioner and gave no objection to the quashing of the impugned FIR. Further, the Petitioners have agreed to pay a total sum of INR 25,00,000/- to Respondent No. 2 to 5 as full and final settlement amount.

5. In view of the settlement, Respondent No. 2 to 5, who appear in



person and are identified by their counsel, unequivocally state that they do not wish to pursue the FIR. They confirm that their decision to settle the matter is voluntary and made without any undue influence or coercion. They further confirm the receipt of the INR 10,00,000/- out of the total settlement amount from the Petitioner. Additionally, in accordance with the settlement, the Petitioners have handed over the balance amount by way of a Demand Draft<sup>5</sup> bearing no. 743409 amounting to INR 5,00,000/- and two Post Dated Cheques<sup>6</sup> bearing no. 000007 and 000006 respectively, amounting to INR 5,00,000/- each to Respondent No. 2 during the proceedings. Copies of the said DD and the two PDCs have been handed over across the Board and are taken on record.

6. The Court has considered the submissions of the parties. While the offences under Sections 467/468/471 of IPC are non-compoundable, Sections 420 of IPC is compoundable in certain cases. 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 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. The Supreme Court in *Gian Singh v. State of Punjab & Anr.*<sup>7</sup> 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*

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<sup>4</sup> “MoU”

<sup>5</sup> “DD”

<sup>6</sup> “PDC”

<sup>7</sup> (2012) 10 SCC 303



***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]

7. Further, in ***Narinder Singh & Ors. v. State of Punjab & Anr.***,<sup>8</sup> 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.

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

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<sup>8</sup> (2014) 6 SCC 466



*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. Although the offences under Sections 467/467/471 of the IPC cannot be treated as strictly ‘*in personam*’, and they touch upon public concerns rather than being confined to individual grievances, the Court must also account for the practical realities of securing a conviction in the present case. 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. Respondent No. 2 to 5, in the present case have categorically expressed their unwillingness to pursue the matter further and have 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.

9. In view of the foregoing, the present petition is allowed and FIR No. 0035/2020 under Sections 420/467/468/471/34 of the IPC registered at P.S.



Connaught Place and all proceedings emanating therefrom are hereby quashed

10. However, given that the state machinery was put to use, the ends of justice will be served if the Petitioners are put to certain cost. Accordingly, the Petitioners are directed to deposit a sum of INR 5,000/- each with the Delhi Police Welfare Fund. Proof of payment to be furnished to the concerned SHO.

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

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

**SANJEEV NARULA, J**

**JULY 17, 2025**

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