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

+ **W.P.(CRL) 4039/2024**

KRISHNA KANT YADAV & ORS.Petitioners

Through: **Mr. Alok Sinha and Mr. Aakash Saini, Advocates with P-1 (through VC)**

versus

**THE STATE GOVT. OF NCT OF DELHI
& ANR.**

.....Respondents

Through: **Mr. Yasir Rauf Ansari, ASC (Crl.) for State with Mr. Alok Sharma, Ms. Jyotsna Pandit and Mr. Mohit Raj Nagar Advocates
WSI Suman Lata, DIU/SW
R-2 (through VC)**

**CORAM:
HON'BLE MS. JUSTICE MANMEET PRITAM SINGH ARORA**

**ORDER
12.03.2025**

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1. The Petition has been filed on behalf of the Petitioner under Article read with Section 528 of Bharatiya Nagarik Suraksha Sanhita, 2023 ('BNSS') seeking quashing of FIR No. 156/2018 dated 01.06.2018 registered at Police Station (PS) Palam Village under Sections 420/34 of the Indian Penal Code, 1860 (IPC) on the basis of the Memorandum of Understanding (MoU) dated 21.12.2024.
2. This order is being passed in continuation of the order dated 04.02.2025.
3. Learned counsel for the Petitioner states that the initially parties had



entered into a settlement dated 12.07.2018 before the Mediation Centre, Dwarka District Courts. He states that the disputes arose out of a financial transaction pertaining to the business.

4. He states that the disputes between the parties arose from business transaction with respect to supply of tiles. He states that there were disputes between the parties with respect to condition of the tiles delivered and the same led to filing of the present FIR. He states that the issues have now been amicably resolved.

5. He states that as per the terms of the settlement dated 12.07.2018, the Petitioners have undertaken to withdraw the five (5) criminal complaint cases filed under Section 138 of Negotiable Instruments Act, 1881. He states that the Petitioners have duly withdrawn the said complaints.

6. He states that Respondent No. 2/complainant had filed the subject FIR No. 156/2018 and he as well had undertaken to assist the Petitioner and have the same quashed. He states that since the settlement deed dated 12.07.2018 was not performed, the parties entered into a further MoU dated 21.12.2024 for recording the settlement afresh.

7. The Respondent No. 2/complainant who has joined the proceedings through video conferencing is identified by the Investigating Officer (IO). He confirms the execution of the MOU dated 21.12.2024. He states that a copy of the said MOU has been handed over to the IO. He confirms having executed the affidavit dated 21.12.2024 in support of the MoU enclosed therewith. He states that he has no objection to the subject FIR No. 156/2018 being quashed in view of the settlement arrived at between the parties.

8. A copy of the MOU dated 21.12.2024 has been handed over across the bar for perusal. It encloses the affidavit of Respondent No. 2.



9. Learned ASC is directed to have the said MoU dated 21.12.2024 e-filed during the course of the day.

10. This Court has heard the learned counsel for the parties and peruse the record.

11. The nature of dispute forming subject matter of the subject FIR is a commercial transaction between the parties, which dispute have now been amicably resolved between the parties. In this regard it would be relevant to refer to the judgment passed in **Parbatbhai Aahir v. State of Gujarat**¹ wherein the Supreme Court has laid down broad principles for High Courts exercising jurisdiction under Section 482 for quashing proceedings on the ground of settlement. The relevant extract reads 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;

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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 in so far 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...”

(‘Emphasis Supplied’)

¹ (2017) 9 SCC 641



12. Keeping in view the aforesaid principle and commercial nature of the dispute and the fact that the parties have amicably settled the dispute and considering the chances of conviction of the Petitioners being remote and bleak, this Court is, therefore, of the view that there is no purpose continuing with proceedings of the present FIR qua the Petitioner, as it would be misuse of the process of the Court and an unnecessary burden on the State exchequer. Further this Court is also of the considered opinion that it is a fit case to exercise discretionary jurisdiction under Section 528 of the Bharatiya Nagarik Suraksha Sanhita, 2023 (BNSS).

13. It is directed that parties shall abide by the terms of settlement.

14. Accordingly, the petition is allowed. Consequently, the FIR No. 156/2018 dated 01.06.2018 registered at P.S Palam Village under Sections 420/34 of the IPC along with proceedings emanating therefrom are quashed.

15. The I.O. is directed to communicate the copy of this order to the Trial Court and have the same placed on record.

16. Accordingly, the petition is disposed of along with all pending applications.

17. The digitally signed copy of this order, duly uploaded on the official website of the Delhi High Court, www.delhihighcourt.nic.in, shall be treated as a certified copy of the order for the purpose of ensuring compliance. No physical copy of order shall be insisted by any authority/entity or litigant.

MANMEET PRITAM SINGH ARORA, J

MARCH 12, 2025/msh/AKT

Click here to check corrigendum, if any