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

+ CRL.M.C. 1162/2025, CRL.M.A. 5206-5207/2025

MANMOHAN

.....Petitioner

Through: Dr. Vikas Sharma, Advocate.

versus

STATE OF NCT OF DELHI & ANR.

.....Respondents

Through: Mr. Mukesh Kumar, APP for State
with Mr. Rakesh Kumar, SI and
Mr. Kishan Chand, SI, PS-Dwarka
South.

CORAM:

HON'BLE MR. JUSTICE SANJEEV NARULA

ORDER

31.07.2025

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1. The present petition 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. 339/2018³ registered under Sections 420/406/468/471 of the Indian Penal Code, 1860⁴, at P.S. Dwarka (South) and all proceedings emanating therefrom. In the said proceedings, chargesheet has been filed against the Petitioner under the aforesaid provisions.

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

2.1. Respondent No. 2 (the Complainant) alleges that in 2015, the

¹ "BNSS"

² "Cr.P.C."

³ "the impugned FIR"

⁴ "IPC"



Petitioner approached him with an offer to purchase a shop/ATM space in an upcoming commercial project, allegedly representing that the investment would yield high returns. Relying on these representations, Respondent No. 2 agreed to purchase a shop admeasuring 140 sq.ft. (Shop No. G-12, Ground Floor) for a total consideration of ₹20,16,000/-, and made a booking by paying 10% of the Basic Sale Price (₹2,01,600/-) *via* cheque dated 30th November, 2015. He was issued an Expression of Interest acknowledgment and a receipt, followed by a welcome letter and payment plan.

2.2. A demand letter dated 23rd December, 2015 was received by Respondent No. 2, pursuant to which he deposited the next instalment of ₹2,01,600/- *via* NEFT on 10th February, 2016. He claims that, at the time of initial booking, he was informed that foundation work had commenced, which influenced his decision to invest. However, upon subsequent site visits, he found that the construction had not progressed and only trench-digging activity was ongoing.

2.3. Respondent No. 2 alleges that no further demands were raised by the Petitioner and that he repeatedly received evasive responses when he enquired about the status of the project. He claims that calls to the agent and company remained unanswered, the project site showed no progress, and the company's office appeared to be non-functional.

2.4. He further alleges that despite several efforts made until August, 2017, he was unable to obtain any information regarding the construction or refund, and now believes that the Petitioner dishonestly induced him to invest under false pretences.

2.5. On the basis of the aforesaid complaint, the impugned FIR was registered.



3. The parties state that, with the intervention of common friends, 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, the Petitioner and Respondent No. 2 executed a Settlement Agreement dated 22nd February, 2019 before the Mediation Centre, Dwarka Courts, New Delhi. As per its terms, Respondent No. 2 has mutually resolved all disputes and differences with the Petitioner and has agreed to voluntarily give her no objection to the quashing of the subject FIR. In furtherance of the settlement, the Petitioner agreed to pay a total sum of ₹5,00,000/- to Respondent No. 2 as final settlement amount.

4. Respondent No. 2, who has appeared before the Court *via* video conferencing and is identified by the Investigating Officer, states that he does not wish to pursue the impugned FIR. He has further acknowledges the receipt of the full and final settlement amount from the Petitioner.

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

6. The Court has considered the submissions of the parties. While the offences under Sections 471 and 468 of IPC is non-compoundable, Sections 420 and 406 of IPC are compoundable with the permission of the Court.

7. It is well-settled that in the exercise of its inherent powers under Section 482 Cr.P.C (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.*⁵ 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]

8. Further, in *Narinder Singh & Ors. v. State of Punjab & Anr.*,⁶ 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.

⁵ (2012) 10 SCC 303

⁶ (2014) 6 SCC 466



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]

9. 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.



10. However, since the State machinery has been set into motion and chargesheet has been filed, justice would be served if the Petitioner is put to cost.

11. In view of the foregoing, the present petition is allowed and the impugned FIR No. 339/2018 as well as all consequential proceedings arising therefrom are hereby quashed, subject to payment of cost of ₹5,000/- with the Delhi Police Welfare Fund.

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

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

SANJEEV NARULA, J

JULY 31, 2025

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