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

+ **CRL.M.C. 1926/2026**

SH IRVINDER PAL SINGH

.....Petitioner

Through: Mr. Amit Sharma and Mr. Akshay
Vaid, Advocates alongwith
petitioner.

versus

STATE GNCT OF DELHI & ANR.

.....Respondents

Through: Mr. Yudhvir Singh Chauhan, APP.
R2 in person (VC).

CORAM:

HON'BLE MR. JUSTICE PRATEEK JALAN

ORDER

% **17.03.2026**

CRL.M.A. 7932/2026 (for exemption)

Exemption allowed, subject to all just exceptions.

The application stands disposed of.

CRL.M.C. 1926/2026

1. The petitioner has filed this petition under Section 528 of the Bharatiya Nagarik Suraksha Sanhita, 2023 ["BNSS"] (corresponding to Section 482 of the Code of Criminal Procedure, 1973 ["CrPC"]) seeking quashing of FIR No. 62/2022 dated 02.02.2022, registered at Police Station Dwarka South, New Delhi, under Sections 420/34 of the Indian Penal Code, 1860 ["IPC"], and consequential proceedings emanating therefrom, on the ground of settlement.

2. Issue notice. Mr. Yudhvir Singh Chauhan, learned Additional Public Prosecutor, accepts notice on behalf of the State. Respondent No.



2 – complainant, appears in person through video conference, and accepts notice. He states that he does not wish to avail the assistance of counsel.

3. The impugned FIR was registered at the instance of respondent No.2, who is stated to be a Colonel in the Indian Army, against the petitioner herein. The allegations, as emerging therefrom, are that, in 2012, the petitioner approached respondent No. 2, representing himself to be the Director of Shri Vallabh Co-operative Group Housing Society Limited [“Society”], and stated that the Society was in the final stages of allocation of land and would thereafter construct flats thereupon. It is alleged that the petitioner informed respondent No. 2 that membership of the Society was offered only to reputed government servants and Army officers, and that each member would be allotted a 3 BHK flat by the end of 2015, at approximately one-third of the prevailing market price. Pursuant to the aforesaid representations, respondent No. 2 paid a sum of Rs. 10,000/- to the petitioner towards membership of the Society. Thereafter, two other Army officers also became members of the Society. The petitioner then requested respondent No. 2 to deposit a token amount of Rs. 3,00,000/- towards the flat, and also to collect similar amounts from the said two officers. Accordingly, respondent No.2 handed over a total sum of Rs. 9,00,000/- to the petitioner. Despite the lapse of the stipulated period, the petitioner neither offered possession/allotment of the flats nor returned the aforesaid amounts.

4. The parties have since amicably resolved their disputes, as recorded in Memoranda of Understanding dated 24.01.2023 and 23.03.2023. In light of the aforesaid, they seek quashing of the impugned FIR.



5. The petitioner is present in Court, and has been identified by his learned counsel, as well as by the Investigating Officer. Respondent No. 2 is present through video conference, and has been identified by the Investigating Officer.

6. The Memorandum of Understanding dated 24.01.2023 records that, during the course of investigation, the petitioner undertook to repay the aforesaid amount, and repaid a sum of Rs. 3,50,000/- on 23.01.2023. The balance amount of Rs. 5,50,000/- was agreed to be paid in two tranches. The said settlement is stated to have been duly implemented, as recorded in a subsequent Memorandum of Understanding dated 23.03.2023.

7. The parties confirm that the settlement has been entered into voluntarily, and without any coercion or undue pressure.

8. The Supreme Court has clearly held that, in certain circumstances, the High Courts, in exercise of their powers under Section 482 of the CrPC [corresponding to Section 528 of the BNSS], can quash criminal proceedings, even with respect to non-compoundable offences, on the ground that there is a compromise between the accused and the complainant, especially when no overarching public interest is adversely affected.

9. The Supreme Court, in *Gian Singh v. State of Punjab and Anr.* [(2012) 10 SCC 303], held as follows:

“58. Where the High Court quashes a criminal proceeding having regard to the fact that the dispute between the offender and the victim has been settled although the offences are not compoundable, it does so as in its opinion, continuation of criminal proceedings will be an exercise in futility and justice in the case demands that the dispute between the parties is put to an end and peace is restored; securing the ends of justice being the ultimate guiding factor. No doubt, crimes are acts which have harmful effect on the public and consist in



wrongdoing that seriously endangers and threatens the well-being of the society and it is not safe to leave the crime-doer only because he and the victim have settled the dispute amicably or that the victim has been paid compensation, yet certain crimes have been made compoundable in law, with or without the permission of the court. In respect of serious offences like murder, rape, dacoity, etc., or other offences of mental depravity under IPC or offences of moral turpitude under special statutes, like the Prevention of Corruption Act or the offences committed by public servants while working in that capacity, the settlement between the offender and the victim can have no legal sanction at all. However, certain offences which overwhelmingly and predominantly bear civil flavour having arisen out of civil, mercantile, commercial, financial, partnership or such like transactions or the offences arising out of matrimony, particularly relating to dowry, etc. or the family dispute, **where the wrong is basically to the victim and the offender and the victim have settled all disputes between them amicably, irrespective of the fact that such offences have not been made compoundable, the High Court may within the framework of its inherent power, quash the criminal proceeding or criminal complaint or FIR if it is satisfied that on the face of such settlement, there is hardly any likelihood of the offender being convicted and by not quashing the criminal proceedings, justice shall be casualty and ends of justice shall be defeated.** The above list is illustrative and not exhaustive. Each case will depend on its own facts and no hard-and-fast category can be prescribed.”

[Emphasis supplied.]

Further, in *Narinder Singh and Ors. v. State of Punjab and Anr.* [(2014) 6 SCC 466], the Supreme Court has also laid down guidelines for High Courts while accepting settlement deeds between parties and quashing the proceedings. The relevant observations in the said decision read 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.

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.]

10. The present case arises out of a commercial transaction pertaining to the sale of property, which has since been settled between the parties for a monetary consideration. The dispute does not involve any element of public interest or heinous criminality. This, in my view, is a fit case in which the inherent powers of this Court may be exercised to quash the FIR in question. As respondent No. 2 has affirmed the voluntary nature of the settlement, it is also unlikely that further proceedings would result in any conviction. Continuation of criminal proceedings pursuant to the impugned FIR would, therefore, be an unnecessary diversion of judicial



resources.

11. As noted above, the terms of the settlement have been duly implemented. There is, therefore, no impediment to the grant of the relief sought.

12. Having regard to the above discussion, the petition is allowed, and FIR No. 62/2022 dated 02.02.2022, registered at Police Station Dwarka South, New Delhi, under Sections 420/34 of the IPC, alongwith all consequential proceedings arising therefrom, is hereby quashed.

13. The petition stands disposed of.

PRATEEK JALAN, J

MARCH 17, 2026
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