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

+ **W.P.(CRL) 871/2025**

SOUTH INDIAN BANK LTD

.....Petitioner

Through: Mr. Madhav Khurana, Sr. Advocate
with Mr. Sohom Sarkar, Ms. Asees
Kaur and Ms. Kashvi Bansal,
Advocates.

versus

STATE OF NCT OF DELHI & ANR.

.....Respondents

Through: Mr. Amol Sinha, ASC for the State.
SI Pritosh Rathee.

Mr. Sanjay Khanna, Ms. Pragya
Bhushan, Ms. Vilakshana Dayma and
Ms. A. Kumari, Advocates for R-2.

CORAM:

HON'BLE MR. JUSTICE ANUP JAIRAM BHAMBHANI

ORDER

% **21.01.2026**

CRL.M.A. 2103/2026

By way of the present *joint* application filed under section 528 of the Bharatiya Nagarik Suraksha Sanhita 2023, the petitioner and respondent No.2 seek quashing of FIR No.0140/2024 dated 16.12.2024 registered under sections 420/120B of the Indian Penal Code, 1860 ('IPC') at P.S.: Economic Offences Wing in view of their settlement comprised in Memorandum of Understanding ('MoU') dated 20.12.2025.

2. The application is premised on MoU dated 20.12.2025, whereby the petitioner and respondent No.2 have resolved the matter amicably.
3. The application is supported by affidavit of No Objection dated 20.12.2025 filed by respondent No.2/complainant, on whose complaint, the subject FIR was registered.



4. The contesting parties are present in court. Their credentials have been verified and they have also been identified by their respective counsel.
5. The genesis of the matter is a proceeding filed by the petitioner bank before the learned Debt Recovery Tribunal, New Delhi ('DRT'); in the course of which proceedings, the property offered by respondent No.2 (borrower) was auctioned by the petitioner bank; and the allegation of respondent No.2 was that the petitioner bank had auctioned the property at a depressed valuation, which is disputed by the petitioner.
6. The auction process was subsequently cancelled by the learned DRT; and respondent No.2 has availed a one-time settlement offer from the petitioner bank for closing all disputes between the parties.
7. Learned counsel is present on behalf of respondent No.2; and confirms what has been stated in his affidavit of no objection.
8. Mr. Amol Sinha, learned ASC confirms that the State has no objection to the subject FIR being quashed.
9. In the circumstances, in line with the law laid down by the Supreme Court in ***Gian Singh vs. State of Punjab & Anr.*** reported as (2012) 10 SCC 303 as also in ***Narinder Singh & Ors. vs. State of Punjab & Anr.*** reported as (2014) 6 SCC 466, this court sees no reason why the subject FIR and all proceedings emanating therefrom should not be quashed. This court is of the view that in light of the settlement between the contesting parties, continuing with the subject FIR and all subsequent proceedings would be an exercise in futility and would not be conducive to peace and harmony between the parties.



10. Accordingly, FIR No.0140/2024 dated 16.12.2024 registered under sections 420/120B IPC at P.S.: Economic Offences Wing is quashed. All proceedings arising therefrom also stand closed.
11. It is further clarified, that the quashing of the FIR against the petitioner bank shall imply the *closure of all proceedings* against any officers/officials whose names appear in the subject FIR in relation to the subject matter of the present proceedings.
12. The present application is accordingly disposed-of in the above terms.

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13. In view of the aforesaid, the present petition is disposed-of as infructuous.
14. Pending applications, if any, also stand disposed-of.

ANUP JAIRAM BHAMBHANI, J

JANUARY 21, 2026

V.Rawat