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

+ CRL.M.C. 2741/2026 & CRL.M.A. 11173/2026

RAVINDER SINGH BHANDARI AND ORS.Petitioner

Through: Mr. Jaspreet Singh Rai & Ms.
Jaanvi Jolly, Advocates.

versus

STATE NCT OF DELHI AND ORS.Respondent

Through: Mr. Tarang Srivastava, APP.
Mr. Manish Shukla, Adv. for R-2
alongwith AR of R-2.
Mr. Himanshu Sethi & Ms.
Aishwarya Chhabra, Advocates for
R-3.

CORAM:

HON'BLE MR. JUSTICE PRATEEK JALAN

ORDER

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06.05.2026

1. The petitioners have 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. 109/2010 dated 23.07.2010, registered under Sections 408/420/468/471/120B of the Indian Penal Code, 1860, ["IPC"] at Police Station Economic Offences Wing, District Crime and Railway, and all consequential proceedings emanating therefrom, on the ground of settlement.

2. Issue notice. Mr. Tarang Srivastava, learned Additional Public Prosecutor, accepts notice on behalf of the State. Mr. Manish Shukla, learned counsel, accepts notice on behalf of respondent No. 2-



complainant, and Mr. Himanshu Sethi, learned counsel, accepts notice on behalf of respondent No. 3. The concerned Investigating Officer is not present in Court today.

3. The impugned FIR was registered at the instance of respondent No. 2, Bennett Coleman & Co. Ltd., against the petitioners, on the basis of allegations that certain employees and vendors of the Company had conspired to create fictitious vendors, generate forged and fabricated invoices, fraudulently process purchase orders, and thereby dishonestly induce the Company to release payments for goods and services which were never supplied, resulting in alleged misappropriation of company funds between the years 2006 and 2009.

4. Upon completion of the investigation, a chargesheet was filed on 23.12.2015 against the petitioners and respondent No. 3 - Sanklap Srivastava. Though respondent No. 3 was initially not named in the FIR, he was later added in the course of the investigation since the investigating agency alleged that, being the Administrative Head of respondent No. 2 company, no purchase orders could be processed without his approval and that several alleged fake purchase orders bore his signatures.

5. The parties have since settled their disputes under the aegis of *Samadhan*, Delhi High Court Mediation and Conciliation Centre, by way of Settlement Agreement dated 18.02.2026. The settlement records that the petitioners will pay a sum of Rs. 27,00,000/- to respondent No. 2 towards full and final settlement of all claims. Respondent No. 2 confirmed that it has no surviving claims against respondent No. 3 and does not wish to continue proceedings against him, and respondent No. 3



was expressly stated to have no liability towards respondent No. 2.

6. In light of the aforesaid, the parties seek quashing of the impugned FIR.

7. The parties are present in Court and are identified by their counsel, respectively.

8. Learned counsel for the parties also confirm that the settlement has been entered into voluntarily and without any coercion or undue pressure.

9. The Supreme Court has clearly held that, in certain circumstances, the High Courts, in exercise of their powers under Section 528 of the BNSS [corresponding to Section 482 of the CrPC], 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. Reference in this connection can be made to the judgment in *Gian Singh v. State of Punjab and Anr.*¹, which 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

¹ (2012) 10 SCC 303.



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.

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61. The position that emerges from the above discussion can be summarised thus: the power of the High Court in quashing a criminal proceeding or FIR or complaint in exercise of its inherent jurisdiction is distinct and different from the power given to a criminal court for compounding the offences under Section 320 of the Code. Inherent power is of wide plenitude with no statutory limitation but it has to be exercised in accord with the guideline engrafted in such power viz. : (i) to secure the ends of justice, or (ii) to prevent abuse of the process of any court. In what cases power to quash the criminal proceeding or complaint or FIR may be exercised where the offender and the victim have settled their dispute would depend on the facts and circumstances of each case and no category can be prescribed. However, before exercise of such power, the High Court must have due regard to the nature and gravity of the crime. Heinous and serious offences of mental depravity or offences like murder, rape, dacoity, etc. cannot be fittingly quashed even though the victim or victim's family and the offender have settled the dispute. Such offences are not private in nature and have a serious impact on society. Similarly, any compromise between the victim and the offender in relation to the offences under special statutes like the Prevention of Corruption Act or the offences committed by public servants while working in that capacity, etc.; cannot provide for any basis for quashing criminal proceedings involving such offences. But the criminal cases having overwhelmingly and predominately civil flavour stand on a different footing for the purposes of quashing, particularly the offences arising from commercial, financial, mercantile, civil, partnership or such like transactions or the offences arising out of matrimony relating to dowry, etc. or the family disputes where the wrong is basically private or personal in



nature and the parties have resolved their entire dispute. In this category of cases, the High Court may quash the criminal proceedings if in its view, because of the compromise between the offender and the victim, the possibility of conviction is remote and bleak and continuation of the criminal case would put the accused to great oppression and prejudice and extreme injustice would be caused to him by not quashing the criminal case despite full and complete settlement and compromise with the victim. In other words, the High Court must consider whether it would be unfair or contrary to the interest of justice to continue with the criminal proceeding or continuation of the criminal proceeding would tantamount to abuse of process of law despite settlement and compromise between the victim and the wrongdoer and whether to secure the ends of justice, it is appropriate that the criminal case is put to an end and if the answer to the above question(s) is in the affirmative, the High Court shall be well within its jurisdiction to quash the criminal proceeding”²

Further, in *Narinder Singh and Ors. v. State of Punjab and Anr.*³, 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

² Emphasis supplied.

³ (2014) 6 SCC 466.



(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.”⁴

10. The present case emanates from alleged financial irregularities pertaining to the processing of purchase orders, invoices and vendor payments within respondent No. 2-Company, which disputes have since been amicably resolved between the parties under the Settlement Agreement dated 18.02.2026. Although the impugned FIR invokes offences under Sections 408/420/468/471/120B IPC, the dispute, in substance, bears a predominantly commercial and financial character arising out of transactions *inter se* the parties, without any overriding element of public interest or grave criminality warranting continuation of the criminal proceedings. The authorised representative of respondent No. 2 has unequivocally affirmed the voluntary nature of the settlement and has stated that respondent No. 2 has no surviving claims against the

⁴ Emphasis supplied.



petitioners or respondent No. 3. In these circumstances, this Court is of the view that it would be appropriate to exercise its inherent jurisdiction under Section 528 of the BNSS, particularly when the possibility of a successful prosecution appears remote in view of the comprehensive settlement arrived at between the parties. Continuation of the criminal proceedings pursuant to the impugned FIR would therefore serve no useful purpose and would amount to an unnecessary burden on judicial resources, thereby defeating the ends of justice.

11. The settlement contemplates payment of Rs. 27,00,000/-. The authorised representative of respondent No. 2 confirms that respondent No. 2 has received Rs. 20,50,000/- from the petitioners. The balance amount of Rs. 6,50,000/- has been handed over in Court today. 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. 109/2010 dated 23.07.2010, registered at P.S. Economic Offences Wing, District Crime and Railway, under Sections 408/420/468/471/120B of the IPC, alongwith all consequential proceedings arising therefrom, is hereby quashed.

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

14. The petition, alongwith the pending application, accordingly, stands disposed of.

PRATEEK JALAN, J

MAY 6, 2026

“pv/JM”/