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

+ **CRL.M.C. 3941/2026**

**SHAFIUDDIN AND ORS**

.....Petitioners

Through: Mr. Anubhav Agrawal, Mr. Mohd. Daniyal, Mr. Tauseef Parvez, Mr. Gaurav Patel, Ms. Prachi Gupta, Mr. Mateen Chauhan, and Ms. Ritika Tiwary, Advocates

versus

**STATE OF NCT OF DELHI AND ANR.**

.....Respondents

Through: Mr. Naresh Kumar Chahar, APP for the State with SI Prinyanka Rana, P.S. Daryaganj.  
Mr. Shipinder Singh Sobti, Advocate for R-2.

**CORAM:**

**HON'BLE DR. JUSTICE SWARANA KANTA SHARMA**

**ORDER**

**18.05.2026**

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1. By way of the present petition, the petitioners seek quashing of the FIR bearing No. 495/2021, registered at Police Station Darya Ganj, Delhi, for the commission of offences punishable under Section 420 of the Indian Penal Code, 1860 (hereafter 'IPC') and all consequent proceedings emanating therefrom on the basis of settlement arrived at between the parties.
2. Issue notice. The learned APP accepts notice on behalf of the State.
3. All the petitioners and Authorised Representative of respondent no. 2



are present before this Court and have been identified by their counsel and Investigating Officer (IO) concerned, Police Station Darya Ganj, Delhi.

4. Brief facts of the case are that on 18.10.2021, the petitioner no. 1 had approached respondent no. 2 for transfer of his existing gold loan availed from M/s Muthoot Fincorp Ltd. against gold ornaments weighing 799.5 grams and had assured that upon redemption, the said ornaments would be deposited with respondent no.2 as security. On 21.10.2021, relying upon the said representations, respondent no. 2 had sanctioned and had disbursed a loan of Rs. 25,69,000/- to petitioner no.1, who utilized the same towards closure of his loan account with M/s Muthoot Fincorp Ltd. However, despite assurances, petitioner no.1 had failed to deposit the redeemed gold ornaments with respondent no.2. On 22.10.2021, upon enquiry, respondent No. 2 came to know that the petitioner no.1 had already redeemed the gold ornaments from M/s Muthoot Fincorp Ltd. and thereafter absconded. Subsequently, the present FIR was registered against the petitioners under the relevant section of law. It is stated that the parties have now amicably settled their dispute *vide* Mediation Settlement Agreement dated 30.04.2026.

5. On a query made by this Court, Authorised Representative of respondent no. 2 who has been identified by the IO, has categorically stated that the entire amount has been repaid by the petitioners, therefore, he has no objection if the present FIR is quashed.

6. In view of the above, that the parties have amicably resolved their differences out of their own free will, and without any coercion, no useful purpose will be served by continuing the proceedings, rather the same would create further acrimony between them. It would thus be in interest of justice to quash the abovementioned FIR and the proceedings pursuant thereto.



There is no legal impediment in quashing the FIR in question.

7. Accordingly, FIR bearing No. 495/2021, registered at Police Station Darya Ganj, Delhi, for the commission of offences punishable under Section 420 of IPC and all consequential proceedings emanating therefrom are quashed.

8. The petition stands disposed of.

9. The order be uploaded on the website forthwith.

**DR. SWARANA KANTA SHARMA, J**

**MAY 18, 2026/zp/r**