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

\# **CNR No. DLHC010315442026**

\+ CRL.M.C. 5076/2026

MANAV SINGH@ MURARI SINGH AND ANR. .....Petitioners

Through: Mr. Gaurav Kr. Sharma and Mr. Avadh N., Advocates.

versus

STATE (N.C.T OF DELHI) & ANR. .....Respondents

Through: Mr. Yudhvir Singh Chauhan, APP for State with Mr. Narendra Kumar, Advocate.
Mr. Rajeev Sharma, Advocate for R-2.

CORAM:
HON'BLE MR. JUSTICE SANJEEV NARULA

O R D E R

% 27.10.2026

1. This petition under Section 528 of the Bharatiya Nagarik Suraksha Sanhita, 2023[1] seeks quashing of FIR No. 40/2008 dated 16th February, 2008, registered at P.S. New Usmanpur under Sections 420/468/471/120B/34 of the Indian Penal Code, 1860[2], and all consequential proceedings emanating therefrom.

2. The prosecution case, as set out in the FIR, is that the Petitioners approached Respondent No. 2, Tarun Jain, representing that they were

[1] "BNSS"
[2] "IPC"

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employed with OBC Bank and could arrange a loan for him. On the basis of these representations, Respondent No. 2 allegedly handed over three cheques, bearing Nos. 265233, 265241 and 265135, for amounts of ₹15,000/-, ₹25,000/- and ₹7,000/-, respectively. It is alleged that the Petitioners did not arrange the loan and instead encashed the cheques by forging the signatures and inserting their account details thereon, thereby withdrawing a total sum of ₹47,000/-. Upon completion of the investigation, a chargesheet was filed against the Petitioners. The Trial Court framed charges under Sections 420/468/471 read with Section 120B IPC. The prosecution evidence, including the testimony of Respondent No. 2, has since been recorded and the matter is stated to be at the stage of recording the statements of the accused.

3. During the pendency of the proceedings, the parties have amicably resolved their disputes. In this regard, a Settlement Deed dated 14th July, 2026 has been executed between the Petitioners and Respondent No. 2. In terms thereof, the parties have agreed to settle the dispute for a total amount of ₹3,00,000/-, payable in two instalments of ₹1,50,000/- each. The Petitioners have already paid the first instalment of ₹1,50,000/- to Respondent No. 2, besides an amount of ₹20,000/- towards litigation expenses. The balance amount of ₹1,50,000/- is being paid to Respondent No. 2 today through electronic transfer.

4. Respondent No. 2 has been duly identified by the Investigating Officer. He has also filed an affidavit expressing his no-objection to the quashing of the subject FIR and the proceedings emanating therefrom. He confirms having received the entire settlement amount of ₹3,00,000/- and affirms that the dispute has been amicably settled between the parties. He

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states that he has no objection to the criminal proceedings being brought to an end.

5. The Court has considered the submissions advanced on behalf of the parties. Of the offences alleged, the offence under Section 420 IPC is compoundable with the permission of the Court under Section 320(2) of the Code of Criminal Procedure, 1973. However, the offences punishable under Sections 468 and 471 IPC are non-compoundable in nature. The offence of criminal conspiracy under Section 120B IPC, insofar as it relates to the commission of the aforesaid non-compoundable offences.

6. It is well settled that the power of the High Court under Section 482 of the Code of Criminal Procedure, 1973 [corresponding to Section 528 BNSS] to quash criminal proceedings is distinct from the power of compounding under Section 320 CrPC. This power may be exercised even in cases involving non-compoundable offences where the parties have settled the matter. However, the power is to be exercised sparingly and with caution. The guiding considerations are whether such exercise would secure the ends of justice or prevent abuse of the process of the Court. While exercising this power, the Court must have due regard to the nature and gravity of the offence and the circumstances of the case. In ***Narinder Singh & Ors. v. State of Punjab & Anr.***[3], priate cases, the Court may quash the proceedings where, having regard to the settlement, the possibility of conviction is remote and bleak and continuation of the criminal proceedings would serve no useful purpose.

7. In the present case, the allegations arise out of a private financial transaction between the Petitioners and Respondent No. 2, involving an

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alleged amount of ₹47,000/-. The parties have amicably resolved their dispute for a total settlement amount of ₹3,00,000/-, which stands paid in full, in addition to ₹20,000/- towards litigation expenses. Respondent No. 2 has unequivocally affirmed the settlement and expressed his no-objection to the quashing of the proceedings.

8. The Respondent No. 2 has categorically expressed his unwillingness to pursue the matter further and has confirmed that the settlement has been arrived at voluntarily and without any pressure or coercion. In these circumstances, continuation of the criminal proceedings would amount to an empty formality, adding to the burden of the justice system and consuming public resources unnecessarily.

9. Having regard to the totality of the 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 528 of BNSS to secure the ends of justice.

10. In view of the foregoing, the present petition is allowed and FIR No. 40/2008 dated 16th February, 2008, registered at P.S. New Usmanpur under Sections 420/468/471/120B/34 of the IPC, and all consequential proceedings emanating therefrom, are hereby quashed.

11. However, since the State machinery was set in motion on account of the subject FIR, it is appropriate to impose costs on the Petitioners. Accordingly, each of the Petitioners are directed to deposit INR 5,000/- with the Delhi Police Welfare Fund, within a period of four weeks from today. Proof of payment be deposited with the concerned IO within two weeks thereafter.

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[3] (2014) 6 SCC 466

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12. The parties shall abide by the terms of settlement.

13. The petition is disposed of in the above terms.

SANJEEV NARULA, J

OCTOBER 27, 2026/*hc*

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