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

Date of Decision: 27.10.2026

\# **CNR No.DLHC010510372026**

\+ **CRL.M.C. 7968/2026, CRL.M.A.33291/2026**

KRISHAN AGGARWAL & ORS. .....Petitioners

Through: Mr. P. S. Singhal, Mr. Rakshit Gupta and Mr. Aaditya Singh Rajawat, Advocates.

versus

STATE OF NCT OF DELHI AND ANR .....Respondents

Through: Ms. Priyanka Dalal, APP for the State.
Mr. Soutik Banerjee and Mr. Pankaj Gupta, Advocates for R-2 along with R-2 in person.
SI Kapil Beniwal, PS Punjabi Bagh.

CORAM:
HON'BLE MR. JUSTICE SACHIN DATTA

SACHIN DATTA, J. (ORAL)

1. The present petition filed under Section 528 of the Bharatiya Nagarik Suraksha Sanhita (BNSS), 2023 seeks quashing of FIR No.44/2023 dated 21.01.2023 registered at P.S. Punjabi Bagh under Section 387 of the Indian Penal Code (IPC), 1860 and all consequential proceedings emanating therefrom.

2. The present petition is founded on a settlement agreement dated 28.09.2026 between the petitioners and the respondent no.2. The same reads as under:-

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By:CHINU LUTHRA
Signing Date:29.10.2026
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SETTLEMENT AGREEMENT

This Settlement Agreement is executed at New Delhi on this 28th day of September, 2026.

BY AND BETWEEN

1. **Krishan Aggarwal**, S/o Sh. Din Dayal Aggarwal, R/o H. No. 53-54, Suvidha Kunj, Pitampura, Delhi–110034;
2. **Pankaj Aggarwal**, S/o Sh. Din Dayal Aggarwal, R/o H. No. 53-54, Suvidha Kunj, Pitampura, Delhi–110034;
3. **Din Dayal Aggarwal**, S/o Sh. Ram Pratap Aggarwal, R/o H. No. 53-54, Suvidha Kunj, Pitampura, Delhi–110034;

*Hereinafter collectively referred to as the **'First Party'**, which expression shall, unless repugnant to the context, include their respective heirs, legal representatives, successors and assigns;*

AND

Ajay Kumar Gupta, S/o Sh. Jai Kishan Gupta, R/o 23/72, West Punjabi Bagh, New Delhi–110026;

*Hereinafter referred to as the **'Second Party'**, which expression shall, unless repugnant to the context, include his heirs, legal representatives, successors and assigns.*

The First Party and the Second Party are hereinafter collectively referred to as the *'Parties'*.

RECITALS:

A. That the First Party and the Second Party have been known to each other for many years.

B. That, over a period of time, certain misunderstandings and differences arose between the Parties on account whereof the present dispute came to be initiated and ultimately resulted in the registration of FIR No. 44/2023 dated 21.01.2023 at Police Station Punjabi Bagh, Delhi, under Sections 387/120-B of the Indian Penal Code, 1860 by the Second Party against the First Party.

C. That during the pendency of the aforesaid proceedings, the Parties, with the intervention and sincere efforts of their common friends, family members and well-wishers, have amicably resolved all their

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disputes, differences and grievances arising out of and/or relating to the subject matter of the aforesaid FIR and the proceedings emanating therefrom.

D. That the Parties, upon mutual discussions and deliberations and with a view to restoring peace, harmony and cordial relations, have voluntarily agreed to settle the matter and to give a complete and final quietus to all disputes forming the subject matter of the aforesaid criminal proceedings.

E. That the Parties have entered into the present Settlement Agreement voluntarily, consciously and out of their own free will and volition, without any force, coercion, undue influence, threat, pressure, misrepresentation, fraud or inducement of any nature whatsoever.

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL PROMISES, REPRESENTATIONS AND UNDERTAKINGS CONTAINED HEREIN, THE PARTIES HEREBY AGREE AS FOLLOWS:

1. That the Parties hereby confirm and declare that they have amicably resolved and finally settled all their inter se disputes, differences and grievances arising out of and/or relating to the subject matter of FIR No. 44/2023 dated 21.01.2023, P.S. Punjabi Bagh, Delhi, and all proceedings emanating therefrom. The Parties state that the settlement has been arrived at with the intervention and assistance of their family members, common friends and well-wishers, with the mutual objective of restoring peace and cordial relations between the Parties.

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II. That the Second Party hereby unequivocally confirms that, pursuant to the settlement arrived at between the Parties, he has no surviving claim, grievance, complaint, objection, demand or dispute of any nature whatsoever against the First Party in respect of the allegations and subject matter forming part of the aforesaid FIR and the proceedings arising therefrom. The Second Party further confirms that he does not wish to pursue the criminal proceedings against the First Party any further.

III. That in view of the settlement arrived at between the Parties, First Party No. 2, namely Pankaj Aggarwal, shall take all necessary and appropriate steps for withdrawal of Crl. Rev. P. No. 275/2026, pending before the Court of the Learned ASJ-02, West District, Tis Hazari Courts, New Delhi, preferred against the order dated 09.04.2026 passed by the Learned Trial Court. First Party No. 2 undertakes to make an appropriate statement before the concerned Court seeking withdrawal of the aforesaid Revision Petition and shall not pursue or prosecute the same thereafter after the quashing of this present FIR.

IV. That the First Party shall approach the Hon'ble High Court of Delhi at New Delhi immediately after the execution of the present Settlement Agreement, by filing an appropriate petition seeking quashing of FIR No. 44/2023 dated 21.01.2023, registered at Police Station Punjabi Bagh, Delhi, under Sections 387/120-B IPC, along with the Police Report/Charge-sheet and all consequential proceedings arising therefrom.

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V. That the Second Party hereby gives his free, voluntary and unequivocal consent to the quashing of FIR No. 44/2023 dated 21.01.2023 registered at Police Station Punjabi Bagh, Delhi under Sections 387/120-B IPC, and all consequential proceedings arising therefrom, along with the Police Report/Charge-sheet dated 06.03.2025 including Criminal Case No. 3009/2025 titled *'State v. Krishan Aggarwal & Ors.'*, pending before the court of Ms. Shazadi Halima Sadiya, JMFC-01, West District, Tis Hazari Courts, New Delhi and Crl. Rev. P. No. 275/2026 before the Learned ASJ-02, West District, Tis Hazari Courts, New Delhi, insofar as the First Party is concerned.

VI. That the Second Party specifically undertakes that, upon the petition seeking quashing of the aforesaid FIR being taken up before the Hon'ble High Court of Delhi at New Delhi, he shall appear before the Hon'ble Court on the date fixed by the Hon'ble Court or on such date as his personal presence may be required or directed, and shall cooperate in the disposal of the said proceedings in terms of the present settlement.

VII. That the Second Party shall, upon his appearance before the Hon'ble High Court of Delhi, make a voluntary and unequivocal statement confirming the execution and genuineness of the present Settlement Agreement and stating that the same has been entered into by him voluntarily and of his own free will, without any force, coercion, undue influence, threat, pressure, fraud, misrepresentation or inducement of any nature whatsoever.

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VIII. That the Second Party agrees to execute and furnish an appropriate affidavit in support of the petition seeking quashing of FIR No. 44/2023 dated 21.01.2023, registered at Police Station Punjabi Bagh, Delhi, under Sections 387/120-B IPC, along with all consequential proceedings arising therefrom along with the Police Report/Charge-sheet dated 06.03.2025 including Criminal Case No. 3009/2025 titled *'State v. Krishan Aggarwal & Ors.'*, pending before the court of Ms. Shazadi Halima Sadiya, JMFC-01, West District, Tis Hazari Courts, New Delhi, which affidavit shall be filed on record as part of the Quashing petition which is to be filed before the Hon'ble High Court of Delhi.

IX. That the Second Party undertakes that he shall not oppose, contest or otherwise obstruct the proceedings initiated by the First Party before the Hon'ble High Court of Delhi seeking quashing of the aforesaid FIR on the basis of the present settlement and shall extend all reasonable cooperation as may be required for giving effect to the present settlement.

X. That the Second Party further undertakes that, in respect of the same facts, allegations and cause of action forming the subject matter of FIR No. 44/2023, he shall not hereafter initiate or pursue any fresh complaint or criminal proceeding against the First Party, subject to such rights or remedies as may not lawfully be waived or contracted out of.

XI. That the Parties undertake to extend all necessary and reasonable cooperation to each other and to execute such further documents,

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affidavits, statements, applications or other writings as may be reasonably required for giving effect to the present settlement and for bringing the proceedings arising out of the aforesaid FIR to their logical conclusion in accordance with law.

XII. That the execution of the present Settlement Agreement shall not be construed as an admission by any of the Parties of any guilt, culpability or liability in respect of the allegations contained in the aforesaid FIR, and the settlement is being entered into solely with a view to amicably resolving the disputes and bringing the pending litigation to an end.

XIII. That the Parties hereby agree that the present Settlement Agreement shall constitute a full and final settlement of their disputes relating to the subject matter of the aforesaid FIR, and upon the terms contained herein being acted upon, the Parties shall treat the matter as finally resolved and shall maintain peace, harmony and cordial relations with each other.

XIV. That the present Settlement Agreement shall be final and binding upon the Parties and, to the extent permissible in law, upon their respective heirs, legal representatives, successors and permitted assigns.

XV. That the present Agreement constitutes the complete and entire understanding between the Parties with respect to the settlement of the disputes forming the subject matter hereof and supersedes all prior oral discussions, negotiations, communications or understandings between the Parties concerning the same.

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XVI. This Agreement is executed in two (2) originals, with one original being retained by each party hereto.

XVII. That any dispute relating to the interpretation or implementation of the present Settlement Agreement shall be subject to the jurisdiction of the competent Courts at Delhi.

IN WITNESS WHEREOF:

The Parties have voluntarily executed the present Settlement Agreement at New Delhi on the day, month and year first hereinabove mentioned, after having understood the contents and legal consequences thereof.

3. The aforesaid FIR was registered on the basis of a complaint filed by the respondent no. 2, pursuant to an order passed under Section 156(3) of the Cr.P.C. As noticed, the said FIR came to be registered under Section 387 of the IPC. The FIR alleges that the petitioners, who have known Respondent No. 2 and his family members for the last 17-18 years and had an occasion to work together, demanded approximately Rs. 10 crores from him and his three brothers.

4. It was alleged in the FIR that on 27.07.2022, an extortion letter was received by one of the employees of the respondent no. 2. The letter, purportedly addressed by one Mr. Ramesh Kumar to the respondent no. 2 demanded Rs.10 crores and threatened the respondent no.2 and his brothers with false cases if the said demand was not met.

5. The police report/chargesheet was thereafter filed under Section 387 IPC against the petitioner no.1 alone, whereas the petitioner nos.2 and 3 were placed in Column No.12.

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6. However, thereafter *vide* order dated 09.04.2026, the learned trial Court, on a protest petition filed by the respondent no.2, directed further investigation and summoned the petitioner nos.2 and 3 as accused. The said order has been assailed by the petitioner no. 2 in revisional proceedings before the learned trial court.

7. It is submitted by the learned counsel for the petitioners and by the respondent no.2, who appears in person, that by way of the aforesaid settlement agreement dated 28.09.2026, the parties have settled the matter and they have no surviving claim or grievance against each other.

8. The respondent no.2, who is present in Court, submits that he has consented to the quashing of the subject FIR and all consequential proceedings emanating therefrom. He submits that the same has been done with a view to put a quietus to the matter and without any undue influence or coercion. The respondent no.2 and the petitioners have been duly identified by the Investigating Officer, who is also present in Court.

9. Ordinarily, an accusation of extortion cannot be treated as a private dispute. This Court is conscious that it must guard against the closure of such matters by way of a private settlement, particularly, where the threat alleged was of implication in false cases. However, having heard the petitioners and the respondent no.2 and, having examined the record, I am of the view that the present case is one where inherent powers can be exercised by this Court for quashing of the aforesaid FIR in view of the following circumstances:

i. The allegations arise out of the concerned relationship between two families who have had the occasion to work together;

ii. The alleged demand was never met, no money or property was

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delivered and no act of violence is alleged;

iii. The letter was addressed to the complainant, who set the law in motion and he affirms that the settlement is voluntary and that no consideration has passed; and

iv. The trial in the matter has still not commenced. The complainant and the family members are unwilling to support the prosecution, and subjecting the parties to a protracted trial would be an exercise in futility.

10. It is important to refer to the following observations of the Supreme Court in ***Narinder Singh v. State of Punjab***, (2014) 6 SCC 466:

> *27. At this juncture, we would also like to add that the timing of settlement would also play a crucial role. If the settlement is arrived at immediately after the alleged commission of the offence when the matter is still under investigation, the High Court may be somewhat liberal in accepting the settlement and quashing the proceedings/investigation. Of course, it would be after looking into the attendant circumstances as narrated in the previous paragraph. Likewise, when challan is submitted but the charge has not been framed, the High Court may exercise its discretionary jurisdiction. However, at this stage, as mentioned above, since the report of the IO under Section 173 CrPC is also placed before the Court it would become the bounden duty of the Court to go into the said report and the evidence collected, particularly the medical evidence relating to injury, etc. sustained by the victim. This aspect, however, would be examined along with another important consideration, namely, in view of settlement between the parties, whether it would be unfair or contrary to interest of justice to continue with the criminal proceedings and whether possibility of conviction is remote and bleak. If the Court finds the answer to this question in affirmative, then also such a case would be a fit case for the High Court to give its stamp of approval to the compromise arrived at between the parties, inasmuch as in such cases no useful purpose would be served in carrying out the criminal proceedings which in all likelihood would end in acquittal, in any case.*

11. Considering the circumstances, the present petition is allowed; accordingly, FIR No.44/2023 dated 21.01.2023 registered at P.S. Punjabi Bagh under Sections 387 of the IPC, 1860 and all consequential

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proceedings emanating therefrom, are quashed.

12. The petition is disposed of in the above terms. Pending application also stands disposed of.

SACHIN DATTA, J

OCTOBER 27, 2026/r

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