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

+ **CRL.M.C. 6424/2025 & CRL.M.A. 27119/2025**

NAUSHAD MALIK

.....Petitioner

Through: Mr. Dalip Kumar Santoshi,
Advocate.

versus

THE STATE OF NCT OF DELHI & ANR.

.....Respondents

Through: Mr. Hitesh Vali, APP with Mr.
Samar Pratap, Advocate
SI Shiv Dayal Kumar.
Ms. Priyanka Kaushik, Advocate
for R-2.

CORAM:

HON'BLE MR. JUSTICE PRATEEK JALAN

ORDER

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27.02.2026

1. The petitioners have approached this Court seeking quashing of FIR No. 341/2023 dated 07.05.2023, registered under Sections 285/304A of the Indian Penal Code, 1860 ["IPC"] at Police Station Dayal Pur, District North East, New Delhi, on the ground that the parties have entered into a settlement.
2. The FIR came to be registered on receipt of information that on 06.05.2023, a fire had broken out in the basement of a showroom situated at E-8, Chand Bagh, near Bhajan Pura Petrol Pump, Delhi. The fire caused damage to goods and property, including approximately 10-11 vehicles. The Fire Service was immediately called for and brought the



fire under control at around 2:30-3:00 PM. During the course of investigation, the dead body of a woman was discovered at the site. The body was sent to GTB Hospital for post-mortem examination, where she was identified by her husband, Govinda s/o Sompal, who is arrayed as respondent No. 2 herein. He stated that his wife had been working in the premises where the fire had occurred.

3. Upon completion of the investigation, a chargesheet was filed, and in addition to the earlier invoked provisions, Section 337 IPC was also added.

4. The present petition for quashing has been filed on the basis of a Memorandum of Understanding dated 28.07.2025 executed between the employer [petitioner herein] and the husband of the deceased [respondent No. 2 herein]. In terms of the said settlement, the petitioner agreed to pay a total sum of Rs. 3,00,000/- to respondent No. 2 towards full and final settlement. Out of this amount, Rs. 1,00,000/- was paid on 28.07.2025 by Demand Draft No. 513398, while the balance sum of Rs. 2,00,000/- remained payable.

5. *Vide* order dated 11.09.2025, this Court observed that the compensation offered to respondent No.2 appeared to be inadequate. Mr. Dalip Kumar Santoshi, learned counsel for the petitioner, sought time to obtain instructions to ensure that appropriate compensation was also secured for the minor children of the deceased. Consequently, by order dated 15.10.2025, the petitioner was directed to produce demand drafts of Rs. 2,00,000/- each in favour of the two minor children.

6. Thereafter, on 04.02.2026, Mr. Hitesh Vali, learned Additional Public Prosecutor, submitted that the settlement had been entered into



only between the petitioner and the husband of the deceased [respondent No. 2], whereas the deceased was also survived by her parents. In view of this submission, Mr. Santoshi was directed to take instructions regarding the possibility of enhancement of the compensation amount.

7. Further to the order dated 04.02.2026, Mr. Vali states that the parents of the deceased were not traceable. Mr. Santoshi further submits that the petitioner had already paid Rs. 1,00,000/- to the husband of the deceased and had now prepared demand drafts of Rs. 3,20,000/- each in the names of the two minor children, which shall mature upon their attaining the age of 18 years. The husband of the deceased stated, both on his own behalf and on behalf of the minor children, that he was satisfied with the aforesaid settlement terms.

8. In light of the aforesaid, the parties seek quashing of the FIR.

9. Although the offence under Section 304-A IPC is non-compoundable, it is well settled that the High Courts, in exercise of their inherent jurisdiction under Section 482 of the CrPC (corresponding to Section 528 of the BNSS), may quash criminal proceedings, even in respect of non-compoundable offences, where the parties have amicably settled their disputes, provided that no overriding public interest is adversely affected.

10. The Supreme Court, in *Gian Singh v. State of Punjab and Anr.*¹, 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

¹ (2012) 10 SCC 303.



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 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.”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

² Emphasis supplied.

³ (2014) 6 SCC 466.



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

(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

11. The non-compoundable nature of Section 304A of the IPC, thus, does not, *ipso facto*, operate as an absolute bar to the exercise of this Court’s inherent jurisdiction to quash criminal proceedings. This Court has, in a catena of decisions, delineated the circumstances in which such power may be invoked even in cases arising under the said provision. In

⁴ Emphasis supplied.



*Babu Khan and Anr. v. State and Ors.*⁵, after advertng to the aforesaid decisions of the Supreme Court, this Court observed as follows:

“20. In Jacob Mathew v. State of Punjab, (2005) 6 SCC 1, the Supreme Court had explained that for a negligent act to constitute an offence, under Section 304A of the IPC, the same should be gross negligence and an element of mens rea must be shown to exist. The Court had further explained that the degree of negligence which is punishable under Section 304A of the IPC should be of a high degree. The Court had observed as under:—

“48. We sum up our conclusions as under:

...(5) The jurisprudential concept of negligence differs in civil and criminal law. What may be negligence in civil law may not necessarily be negligence in criminal law. For negligence to amount to an offence, the element of mens rea must be shown to exist. For an act to amount to criminal negligence, the degree of negligence should be much higher i.e. gross or of a very high degree. Negligence which is neither gross nor of a higher degree may provide a ground for action in civil law but cannot form the basis for prosecution.

(6) The word ‘gross’ has not been used in Section 304A of IPC, yet it is settled that in criminal law negligence or recklessness, to be so held, must be of such a high degree as to be ‘gross’. The expression ‘rash or negligent act’ as occurring in Section 304A of the IPC has to be read as qualified by the word ‘grossly’...

21. Thus, while evaluating whether a proceeding relating to an alleged offence, under Section 304A of the IPC, be quashed on the basis of a settlement between the accused and the victim, it would also be necessary to consider whether it is probable that the facts presented would constitute gross negligence and an element of mens rea, which is likely to secure a conviction.”

The Court specifically rejected the submission that, an earlier judgment in *Bhajan Lal Sharma v. State (Govt. of NCT of Delhi)*⁶ operates as a bar to the adoption of such a course⁷.

12. A coordinate Bench of this Court, in *Sunil Malhotra v. State (NCT*

⁵ 2019 SCC OnLine Del 10007 [hereinafter, “*Babu Khan*”].

⁶ 2019 SCC OnLine Del 4234.

⁷ *Babu Khan*, paragraph 8.



of Delhi)⁸, undertook a comprehensive examination of precedents on the said issue and concluded that proceedings arising out of an offence under Section 304A IPC are amenable to quashing, including in cases where a settlement has been entered into with the legal heirs of the deceased. The Court reiterated the well-settled principle that criminal liability for negligence under Section 304A IPC is attracted only where the negligence is of a gross nature, to be determined on an assessment of the facts and circumstances of each case.

13. Applying the principles enunciated above, the material placed on record *prima facie* indicates that the incident was accidental in nature and not attributable to any intentional or grossly negligent act. No reckless or culpable act is attributable to the petitioner so as to warrant continuation of the criminal proceedings. Respondent No.2 has also affirmed before this Court that the settlement has been entered into voluntarily and without any coercion or undue influence. Having regard to the unequivocal stand taken by respondent No.2 that he does not wish to pursue the criminal proceedings, the possibility of the prosecution establishing criminal negligence beyond reasonable doubt appears remote and unlikely. In these circumstances, permitting the criminal proceedings to continue would not advance the ends of justice.

14. Having regard to the above discussion, the petition is allowed, and FIR No. 341/2023 dated 07.05.2023, registered under Section 285/304A IPC, at Police Station Dayal Pur, District North East, New Delhi, alongwith all consequential proceedings emanating therefrom, is hereby quashed.

⁸ 2023 SCC OnLine Del 7365.



15. The parties shall remain bound by the terms of the settlement.
16. The petition stands disposed of.

PRATEEK JALAN, J

FEBRUARY 27, 2026

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