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

\# **CNR No. DLHC010786402025**

\+ CRL.M.C. 7281/2025 & CRL.M.A. 30562/2025

ASHOK JAIN .....Petitioner

Through: Mr. Hemant Kakkar, Adv with petitioner (in person)

versus

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

Through: Mr. Aman Usman, APP with Insp. Sanjay Singh, P.S. EOW, Mandir Marg, New Delhi

Mr. Sumit Wadhwa, Mr. Akshay Bhardwaj, Advs for R-2/Complainant

CORAM:
HON'BLE MS. JUSTICE MANMEET PRITAM SINGH ARORA

O R D E R

% 09.10.2026

1. The present petition has been filed under Section 528 of the Bhartiya Nagarik Suraksha Sanhita, 2023 [‘BNSS’] seeking quashing of proceedings against the Petitioner in respect of FIR No. 15/2012 dated 23.02.2012 [‘subject FIR’] under Sections 103 and 104 Trade Marks Act, 1999 and under Section 63 of the Copyright Act, 1957 registered at Police Station: Economic Offence Wing [‘EOW’], Delhi and subsequent proceedings emanating therefrom.

2. Petitioner is present in Court and has been identified by his counsel as

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well as the Investigation Officer ['I.O.']. Respondent no. 2 is a corporate entity and is represented through its counsel, who also signed the settlement agreement.

3. It is stated in the petition that the Respondent No. 2 learnt about the counterfeiting of its goods (car speakers) sold under its registered trademark 'PIONEER' in the year 2012. Thereafter, Respondent No. 2 filed a complaint and consequently the subject FIR was registered.

3.1 It is stated that after the registration of the subject FIR, on 09.04.2012 raid was conducted, after which the Petitioner was arrested and later released on bail. It is stated that in June 2016, the investigation concluded and the chargesheet was filed.

3.2 It is stated that during the pendency of the proceedings, the Petitioner and Respondent No. 2 have amicably settled the matter and disputes vide a Memorandum of Understanding ['MoU'] executed in March, 2025.

4. Mr. Hemant Kakkar, learned counsel for the Petitioner states that in terms of the said MoU, Petitioner has agreed to pay a sum of Rs. 1 lakh to Respondent No. 2 as full and final settlement of all claims. He states that Respondent No. 2 has agreed to the quashing of the subject FIR in terms of the said MoU.

5. Mr. Sumit Wadhwa, learned counsel appearing for Respondent no. 2 states that the affidavit of No Objection of the Respondent no. 2 executed by Mr. Puran Lal Banga is filed at internal page no. 16 of the petition

5.1 He confirms that the said affidavit of No Objection has been executed

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by the representative of Respondent No. 2.

6. Mr. Aman Usman, learned Additional Public Prosecutor ['APP'] counsel appears for the State.

6.1. He states that there were 3 accused against which chargesheet has been filed. He states that the matter is pending before the Trial Court at miscellaneous stage, as one of the accused i.e., A1 has been declared as a proclaimed offender ['P.O.'] while the other accused i.e., A3 is appearing before the Trial Court.

6.2. He states that, however, allegations against the Petitioner herein who is accused no. 2 (A2), is independent of the allegations against accused nos. 1 and 3.

6.3. He submits that State has no objection to quashing of the subject FIR *qua* the Petitioner i.e., A2, in view of the MoU executed between the Petitioner and Respondent no. 2.

7. Learned counsel appearing for respondent no. 2 clarifies that it has learnt that accused no.1. i.e., A1 may have expired and this information has been shared with the Investigating Officer for verification. He states however the relief sought in the present petition may be granted.

8. Learned counsel for the parties state that the MoU was entered voluntarily by the parties, of their own free will, and without any coercion, undue influence or pressure.

9. In view of the aforesaid facts and MoU, the parties are seeking

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quashing of the subject FIR.

10. This Court has heard the learned counsel for the parties and perused the record.

11. The Supreme Court has consistently held that the High Court, in exercise of its inherent jurisdiction under Section 528 of the BNSS, is empowered to quash criminal proceedings, including those involving non-compoundable offences, on the basis of a settlement arrived at between the inter-se parties. When the dispute is predominantly private in nature and does not involve any overriding societal or public interest, quashing the proceedings would serve the ends of justice and prevent the abuse of the process of law. In this regard, the Court finds it apposite to refer to the judgement of **Narinder Singh & Ors v. State of Punjab & Anr**.[1] wherein, the Supreme Court has laid down guidelines for High Courts while accepting settlement deeds between parties and quashing the proceedings. The relevant observations in the said decision reads 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:
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> 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

[1] (2014) 6 SCC 466

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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."

(Emphasis supplied)

12. In the present case, the criminal proceedings arise out of a commercial dispute, which has since been resolved by the MoU. Respondent no. 2 has unequivocally affirmed that the MoU was executed voluntarily, without any coercion or undue influence. The Petitioner, through the MoU, has also

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acknowledged the proprietary rights and copyright of the Respondent No. 2 in the mark 'PIONEER'. He has also given an undertaking to not engage, either directly or indirectly, in any activity which involves or deal in counterfeiting products bearing the registered mark 'PIONEER' of the Respondent No. 2. Therefore, it is a classic case of a criminal proceeding with a predominant element of commercial dispute, and this Court is of the considered opinion that it is a fit case to exercise discretionary jurisdiction under Section 528 BNSS.

13. Having regard to the principles laid down by the Supreme Court, this Court is of the view that the possibility of the proceedings culminating in a conviction is remote. Consequently, permitting the prosecution to continue would serve no useful purpose and would merely result in an unnecessary expenditure of judicial time and public resources.

14. In view of the submissions of the Petitioner and Respondent No. 2 recorded in this order, the fact that terms of the MoU thus stands fully satisfied, in the considered opinion of this Court there remains no impediment to the grant of the relief sought.

15. Accordingly, the petition is allowed. Consequently, the subject FIR, the chargesheet along with all consequential proceedings arising therefrom qua the Petitioner (i.e., accused no. 2) and Respondent No. 2 is hereby quashed. The proceeding qua remaining accused no. 1 and accused no. 3 shall continue in accordance with law.

16. The Petitioner and Respondent No. 2 shall remain bound by the MoU dated March, 2025.

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17. This Court has been apprised by counsel for the Respondent No. 2 that during the course of the subject FIR proceedings, the pirated/counterfeited goods containing the mark 'PIONEER', which were found in the custody of the Petitioner were seized and are lying with the Police in Malkhana.

18. Accordingly, Police is directed to destroy the said seized goods containing the mark 'PIONEER' in the presence of the learned counsel for Respondent No. 2 on 30.10.2026 at 04:00 P.M. The compliance report, in this regard, to be filed before the Trial Court.

19. The petition stands allowed. Pending application, if any, is disposed of as infructuous.

20. The digitally signed copy of this order, duly uploaded on the official website of the Delhi High Court, www.delhihighcourt.nic.in, shall be treated as a certified copy of the order for the purpose of ensuring compliance. No physical copy of order shall be insisted by any authority/entity or litigant.

MANMEET PRITAM SINGH ARORA, J

OCTOBER 9, 2026/mt/IB

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