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* IN THE HIGH COURT OF DELHI AT NEW DELHI

% *Reserved on: 08th December, 2025*

Pronounced on: 10th March, 2026

+ **CRL.M.C. 3209/2021, CRL.M.A. 19790/2021, CRL.M.A. 20065/2021, CRL.M.A. 20137/2021, CRL.M.A. 4576/2023, CRL.M.A. 14867/2023 & CRL.M.A. 14831/2024**

SHAIENDRA BHADAURIA

S/o Sh. Ram Singh Bhadauria

R/o H.No.C-8, PachmiMarg,

Vasant Vihar,

New Delhi.

.....Petitioner

Through: Mr. Sandeep Sharma, Senior Advocate with Mohammad Shahid, Mr. Deepak Kunwar, Mr. Anis Ahmad, Mr. Adeeb Ahmad and Ms. Aafreen Anis, Advocates.

versus

1. **THE STATE NCT OF DELHI**

Through Standing Counsel

2. **NEETU SANAN**

W/o Sh. Gautam Sanan

R/o S-492, Grater Kailash-1,

New Delhi.

.....Respondents

Through: Mr. Shoaib Haider, APP.
Mr Deepak Kunwar, Mr Anis Ahmad, Mr Adeeb Ahmad and Ms Aafreen Anis, Advocates for R-2.

+ **CONT.CAS(C) 809/2024**

NEETU SANAN

W/o Mr. Gautam Sanan



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R/o H.No.S-492, Greater Kailash, Part-I,
New Delhi-110048.

.....Petitioner

Through: Mr. Sandeep Sharma, Senior
Advocate with Mohammad Shahid,
Mr. Deepak Kunwar, Mr. Anis
Ahmad, Mr. Adeeb Ahmad and Ms.
Aafreen Anis, Advocates.

versus

SHAIENDRA BHADURIA

S/o Sh. Ram Singh Bhaduria

R/o H.No. C-8, Paschim Marg, Vasant Vihar,
New Delhi.

.....Respondent

Through:

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CONT.CAS(C) 696/2025

NEETU SANAN

W/o Mr. Gautam Sanan

R/o H.No. S-492, Greater Kailash, Part-I,
New Delhi-110048.

.....Petitioner

Through: Mr. Deepak Kunwar, Mr. Anis
Ahmad, Mr. Adeeb Ahmad and Ms.
Aafreen Anis, Advocates.

versus

SHAIENDRA BHADURIA

S/o Sh. Ram Singh Bhaduria

R/o H.No. C-8, Paschim Marg, Vasant Vihar,
New Delhi.

.....Respondent

Through:

CORAM:

HON'BLE MS. JUSTICE NEENA BANSAL KRISHNA

J U D G M E N T



NEENA BANSAL KRISHNA, J.

1. The aforesaid three Petitions are decided together as they arise from the same set of facts and proceedings.
2. The ***brief facts*** are that the **Complainant/Respondent No.2, Neetu Sanan** and her husband, Gautam Sanan entered into an Agreement to Sell dated 20.06.2019 with Shailendra Bhadauria (*Accused/Petitioner*) for purchase of property bearing No.W-23, Sector-11, Noida, U.P for a total sale consideration of Rs.7,85,00,000/-. The Respondent No.2/Neetu Sanan paid Rs.52 lakhs as the Booking amount and also made an advance payment of Rs.1,49,00,000/-, vide Cheque dated 28.06.2019. A total sum of Rs.2 Crores was paid to the Petitioner/Shailendra Bhadauria till 29.06.2019, with a condition that the balance amount of Rs.5,85,00,000/- shall be paid by the Respondent No.2 to the Petitioner, at the time of execution and registration of the Final Transfer Deed, within 120 days from 18.06.2019. However, according to the Complainant, the Petitioner neither handed over the Possession of the Suit property nor did he refund the money to her. It was stated that the Petitioner had dishonest intention from the beginning and had cheated her.
3. A Complaint under Section 200 of the Code of Criminal Procedure, 1973 (*hereinafter referred to as "Cr.P.C"*) along with Application under Section 156(3) Cr.P.C., was filed by the Respondent in the Court of learned M.M., who vide Order dated 27.11.2021, allowed the Application under Section 156(3) Cr.P.C. and directed the registration of FIR. This Order was challenged vide **Revision Petition No.CR/322/21** before the learned ASJ,



who upheld the Order of the learned M.M and dismissed the Revision Petition.

4. Thereafter, the Petitioner/Accused has filed the present Petition for quashing of the Order of the learned ASJ dated 07.12.2021, whereby the Order of the learned M.M dated 27.11.2021 directing registration of the FIR, has been upheld.

5. The **grounds for challenge** are that the Status Report had been filed by the Investigating Agency stating that *it was a purely civil transaction* between the Petitioner and Respondent No.2, despite which the directions have been issued for registration of FIR. Furthermore, information about existing mortgage of the property with Union Bank of India, was withheld with an intent to cheat.

6. The Petitioner has asserted that the factum of the property being mortgaged with Union Bank of India, was clearly stated in the Agreement to Sell and there was no mis-representation at any stage.

7. The Petitioner further claimed that despite repeated requests by him to the Respondent No.2 to complete the transaction, no heed was paid to his request. Respondent No.2 was thus, unable to pay back the loan amount to Union Bank of India. Consequently, the Bank auctioned the property on 15.10.2020, causing huge financial loss to the Petitioner. It is claimed that the Orders of the learned M.M and learned ASJ, are unjust and arbitrary which have been made in haste.

8. The dispute is *purely civil in nature* and not a single Notice was given by the Respondent, to complete the transaction. There is nothing to show that she was ever ready and willing to pay the remaining amount.



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9. The learned M.M. has not taken note of Notice dated 10.12.2020 written by the Petitioner to Respondent No.2, to furnish the Bank account details for the refund of the aforesaid amount. No Reply was given by the Complainant to the said Notice.

10. The Petitioner has explained that he wanted to sell the property to Respondent No.2, solely to pay the balance amount of Union Bank of India from the sale proceeds, as the Bank was adamant to auction the property in question for less for than the market value, which it did, which has caused huge financial loss to the Petitioner.

11. Moreover, the Petitioner had given a written Representation to the I.O., that he was ready and willing to pay back the entire amount of Respondent No.2 within 90 days from the date of receipt of the Bank Account details of Respondent No.2, which were never furnished.

12. *A prayer is, therefore, made that the Order of the learned ASJ, be quashed.*

13. The **Petition was contested by Respondent No.2 who in her detailed Reply** had claimed that *the factum of mortgage was never disclosed to the Respondents*, though it was mentioned in Clause 10 and 12 of the Agreement to Sell dated 28.06.2019. It is submitted that there was an intention to cheat and defraud the Respondents from the beginning and the undue advantage has been taken by the Petitioner of the situation.

14. It is further submitted that the purchase consideration was to be sourced by the Respondent from the Bank and the approval was granted on 04.10.2019 subject to submission of original documents to the Bank. The Petitioner was unable to furnish the original documents which were mortgaged with the Union Bank of India. On the pretext of squaring up the



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loan with the Bank, he took an additional amount of Rs.1.49 crores, despite which he again, did not deposit the money to redeem the mortgage. This clearly reflects his *malafides*.

15. It is asserted that he is a known fraudster and had made false offer of payments. It is further asserted that the Legal Notice dated 10.12.2020 was sent to the Complainant, despite being aware of the Bank account details of the Complainant, as all the transactions had taken place in her Bank Account.

16. *The learned M.M and learned ASJ has, therefore, rightly allowed the Application and there was no merit in the Petition.*

Submissions heard and record perused.

CRL.M.C. 3209/2021:

17. Pertinently, while the Petition was pending, the parties were referred to Mediation Centre, wherein they arrived at a **Mediated Settlement dated 17.05.2022**. The relevant part of the Agreement read as under :

*“2. That it is agreed between the parties that the First Party shall pay an amount of **Rs.2,80,00,000/-** (Rupees Two Crores Eighty Lakhs Only) to the Second Party towards **full and final settlement** of all the claims of the Second Party as per the present Settlement Agreement.*

3. That the above said amount shall be paid by the First Party to the Second Party by way of Post dated Cheque(s) in four equal instalments amounting to Rs.70,00,000/- (Rupees Seventy Lakhs Only) each drawn in favour of Ms. Neetu Sanan in the following manner and dates:-

Sl. No.	Cheque No.	Dated	Drawn on	Amount (in Rs.)
1.	057102	14.06.2022	Axis Bank Kanpur, U.P.	70,00,000/-
2.	057103	14.07.2022	Axis Bank Kanpur, U.P.	70,00,000/-



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3.	057104	14.08.2022	Axis Bank Kanpur, U.P.	70,00,000/-
4.	057105	12.09.2022	Axis Bank Kanpur, U.P.	70,00,000/-

Receipt of the above said post dated cheques are duly acknowledged by the Second Party **ANNEXURE-C (COLLY.)**

6. That pursuant to receipt of the full and final settlement amount by the Second Party as per the terms of the present Settlement Agreement, all the cases/ complaint(s) disputes raised/ filed by the Second Party against the First Party shall be withdrawn within 30 days from the date of complete realization of the present Settlement Agreement.

7. That the Parties to this Settlement Agreement shall filed Application, Affidavits and make statements before the appropriate Courts and/or other Authorities for withdrawal and recording of compromise and giving effect to this Settlement Agreement.

8. The Parties hereto agree and undertake to fully abide by the terms of this Settlement Agreement in letter and spirit.

10. By signing this Settlement Agreement and subject to the fulfilment of the terms and conditions of the present Settlement Agreement, the parties hereto state that they have no further claims or demands whatsoever against each other and all their disputes and differences have amicable been settled qua the present dispute through the process of mediation.

11. That the parties are hereby making an undertaking before the Hon'ble High Court to abide by the terms and conditions set out in the agreement and not to dispute the same hereinafter in future."

18. After the Settlement was duly entered into between the parties, they endorsed the terms of the Settlement in the Court, on 17.05.2022 and again on 07.10.2022. It was submitted by the Petitioner that Rs.1.10 Crore already stood paid, but some balance amount along with 12% interest remained to be paid.



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19. Thereafter, various undertakings have been given from time to time in the Court, for the payment of the balance amount. In the last Order dated 29.07.2025, it was recorded that according to Respondent No.2 a sum of Rs.1,23,35,091.39/-, remains to be paid. On 16.11.2023, because of the delay in the payments, the parties agreed that the remaining amount of Rs.95,26,247.88 along with Simple Interest @ 12% and further Simple rate of Interest @ 6% per annum from that date till the actual date of payment, shall be paid on or before 13.12.2023.

20. *From the aforesaid discussion*, it is evident that the parties have entered into a Mediated Settlement voluntarily, without any coercion and pressure and have also endorsed the same in the court. In terms of the Settlement, it was agreed that on payment of the amounts along with the interest, the Petitions shall be disposed of and that the parties shall abide by the terms of the Settlement in letter and spirit.

21. The question which now arises is ***whether the present Petitions and the Complaint filed by the Respondent No.2 for registration of FIR against the Petitioner, stands compromised or whether the Petition can still be continued.***

22. The ***Clause 6 of the Agreement*** clearly provided that all the cases, complaints, disputes shall be withdrawn on receipt of full and final Settlement amount by the Complainant.

23. Pertinently, in ***Clause 4 of the Agreement***, it had been specifically provided that in case of dishonour of any of the cheques, the Petitioner shall be liable to pay Simple Interest @ 12% on the dishonoured cheque amount and the Complainant shall have all the legal recourse/remedy against the Petitioner in case of dishonour of any of the above said post-dated cheques.



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24. It is, therefore, evident from the terms of the Agreement that the parties had provided for the mechanism for implementation of the Settlement Agreement. It was specifically agreed that in case of default of payment, it would entail an interest @ 12%.

25. In this regard, it is also pertinent to note that till date the principal amount of already stands paid and Rs.1,23,35,091.39/- which is essentially the interest component, is left, as per the averments made by the Respondent No.2/Complainant in the Order dated 29.07.2025. **It is clearly evident that there was a clear intention of the Petitioner to honour the Agreement.**

26. Moreover, the enhanced rate of interest as agreed upon, further reflects the finality of the Mediated Settlement. The mode of execution of the Settlement, had been incorporated in the Settlement itself and has been reaffirmed *and the interest components enhanced* during the pendency of the proceedings.

27. Herein, it is pertinent to refer to Gimpex Private Limited vs. Manoj Goel, (2022) 11 SCC 705, wherein the Apex Court observed that once a compromise has been agreed upon by the parties, the original Complaint must be quashed and parties must proceed with the remedies available in law, under the settlement Agreement. The Complainant can seek compliance of the settlement either by seeking *Execution or Contempt Petition*.

28. The Division Bench of this Court in Dayawanti vs. Yogesh Kumar Gosain, 2017 SCC OnLine Del 110032 (Crl. Ref. No.1/2016), observed that the legislative mandate in enacting Sections 138 and 147 of the N.I. Act, namely, to ensure an expeditious time-bound remedy for recovery of the Cheque amounts, is accomplished by binding the parties to a settlement



Agreement reached through a formal mediation process and holding them accountable for upholding it.

29. Further, the Court gave in detail, the manner of recording the mediated Settlement and the mechanism for its implementation. It was held that a written Settlement Agreement signed by the parties or their counsels, **is legal** where the parties' assent was given voluntarily, free from coercion, undue influence, or force. In the same way as the Civil Court considers a settlement presented to it under Order XXIII Rule 3 of the CPC, the Court would record the statement of the parties or their authorized agents on oath affirming the settlement, its voluntariness, and their commitment to abide by it.

30. The Court would thereafter, pass an appropriate Order accepting the Agreement, incorporating the terms of the settlement regarding payment under Section 147 of the N.I. Act and the undertakings of the parties. The court taking on record the settlement, stands empowered to make the consequential and further direction to the respondent to pay the money in terms of the mediated settlement and also direct that the parties would remain bound by the terms thereof. *Consequently, the amount payable under the settlement, would become an amount payable under an order of the criminal court.*

31. **In the present case**, it is evident from the entire record that the matter got compromised in terms of the mediated Settlement and the payments, though delayed, are also being made.

32. *In view of the Mediated Settlement and the law laid down in the aforesaid judgments, continuation of the criminal proceedings would amount to abuse of the process of law.*



33. Thus, the Order of the learned ASJ directing registration of FIR, is hereby, **quashed**. The Petition is accordingly disposed of.

Contempt Petition (C) 809/2024 and Contempt Petition (C) 696/2025:

34. The Petitioner during the pendency of the Petition had made innumerable undertakings, about the Payments.

35. The **Contempt Petition (C) 809/2024** has been filed by the Respondents under Section 11 & 12 of the Contempt of the Courts Act, for initiation of Contempt proceedings against Shailendra Bhadauria (Petitioner in the main Petition) for wilful breach of several undertakings given in the Court on 07.10.2022, 10.11.2022, 19.01.2023, 16.11.2023 for wilful and deliberate violation of the Order dated 19.01.2023, 20.02.2023, 29.03.2023.

36. The second **Contempt Petition (C) 696/2025**, pertains to wilful breach of Undertaking given on 10.02.2025, in this Court.

37. It is contended in the Contempt Petitions by the respondent, that the persistent conduct of the Petitioner in not making full payments, clearly establishes Contempt on behalf of Petitioner/Shailendra Bhadauria, for which he is liable to be punished.

38. *No formal Reply* has been given by the Petitioner/Shailendra Bhadauria, to the aforesaid two Contempt Petitions.

39. While answering the reference about the binding nature of the Mediation Settlement, in *Dayawati*, (supra) it was answered that in case the Settlement in Mediation is not complied with, the parties shall have two remedies; **one** is to get the Settlement Order executed under Section 431 read with 421 Cr.P.C. to recover the agreed amount; **and/or second option** is to enforce the compliance and Undertaking as well as proceedings, under Section 2(b) Contempt of Courts Act.



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40. The legal position regarding Contempt proceedings for breach of court-recorded Settlements has been reiterated by a Co-ordinate Bench of this Court in Lechamps (Sea) Pte Ltd vs. Ashish Gupta & Anr, Cont.Cas(C)631/2017 decided on 09.12.2024, wherein Contempt proceedings were initiated for alleged wilful breach of a Memorandum of Understanding taken on record by the Court, vide Consent Order. It reaffirmed the principle that when parties enter into a Settlement Agreement which is taken on record by the Court through a Consent Order, such Settlement becomes enforceable and any breach thereof may also attract Contempt proceedings under Section 2(b) of the Contempt of Courts Act, 1971.

41. However, it is **well-settled** that for contempt proceedings to succeed under Section 2(b) of the Contempt of Courts Act, ***the disobedience must be wilful and deliberate, not merely a breach on account of inability or financial constraints.***

42. In the case of Kanwar Singh Saini vs. High Court of Delhi, (2012) 4 SCC 307, the Apex Court observed that the Contempt proceedings being quasi-criminal in nature, *the standard of proof required is in the same manner as in other criminal cases*. The alleged contemnor is entitled to the protection of all safeguards/rights which are provided in the criminal jurisprudence, including the benefit of doubt. ***There must be a clear-cut case of obstruction of administration of justice by a party intentionally to bring the matter within the ambit of the said provision.*** The case should not rest only on surmises and conjectures.



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43. In Kanwar Singh Saini, (supra), the Apex Court also placed reliance on Debabrata Bandhopadhyaya vs. State of W.B., AIR 1969 SC 189, wherein it was observed as under:-

*“9. A question whether there is contempt of court or not is a serious one. The court is both the accuser as well as the judge of the accusation. It behoves the court to act with as great circumspection as possible making all allowances for errors of judgment and difficulties arising from inveterate practices in courts and tribunals. **It is only when a clear case of contumacious conduct not explainable otherwise, arises that the contemnor must be punished.** ... Punishment under the law of contempt is called for **when the lapse is deliberate and in disregard of one’s duty and in defiance of authority.** To take action in an unclear case is to make the law of contempt do duty for other measures and is not to be encouraged.”*

(emphasis added)

44. In the case of Viterra B.V. vs. Sharp Corp Limited, O.M.P.(EFA)(COMM.)1/2022 and O.M.P.(EFA)(COMM.) 2/2022 (2024:DHC:9302), a Co-ordinate Bench of this Court aptly observed that the essence of contempt of Court is disdain and disrespect for the Court and acts which reflect that attitude. **Thus, every disobedience, or breach, of an Order passed by a Court, is not contempt. Intent is the essence of contempt; sans intent, there can be no Contempt.**

45. **In the present case**, as has been discussed in detail, multiple Undertakings have been given by the Petitioner/Shailendra Bhadauria, to make payment of the entire amount. The detailed Statement filed by the Respondent/Neetu Sanan reflects that the Petitioner/Shailendra Bhadauria has been making payments consistently since July, 2022 and the last payment has been made on 17.03.2025. The record however, reflects that that in order to avoid Contempt, the Respondent made some payments, as



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and when the matter was listed in the Court. He has made the payment on 29.03.2023 and thereafter, only on 17.03.2025.

46. It is quite evident that the conduct of Petitioner/Shailendra Bhadauria can be termed only as contemptuous and he is liable for being punished for Contempt of Courts Act. Therefore, a Show Cause Notice is given to make payment of the balance amount within 06 (Six) weeks or else to explain why Contempt proceedings be not initiated against him.

47. List on 30.04.2026.

**(NEENA BANSAL KRISHNA)
JUDGE**

MARCH 10, 2026
VA