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

+ CRL.M.C. 8213/2025

SANTOSH REDDY KAITHA

.....Petitioner

Through: Mr. Sushant Singh, Advocate.

versus

CATTLE REMEDIES INDIA LIMITED

.....Respondent

Through: Mr. Manish Verma, Advocate.

CORAM:

HON'BLE MR. JUSTICE PRATEEK JALAN

ORDER

% **08.07.2026**

1. By way of the present petition under Section 528 of the Bharatiya Nagarik Suraksha Sanhita, 2023 ["BNSS"] (corresponding to Section 482 of the Code of Criminal Procedure, 1973 ["CrPC"]), the petitioner seeks quashing of Complaint Case No. 8493/2017, pending before the Judicial Magistrate First Class-02, Saket District Courts (South), New Delhi, on the ground that the disputes between the parties have been amicably resolved through a settlement.
2. Issue notice. Mr. Manish Verma, learned counsel, accepts notice on behalf of the respondent – Cattle Remedies India Limited ["Company"].
3. The petition is taken up for hearing with the consent of learned counsel for the parties.
4. The complaint was instituted by the Company alleging that the petitioner was employed as the Area Sales Manager at its headquarters and was entrusted with the responsibility of managing the stock within



the area under his charge. It is alleged that, in the discharge of his duties, the petitioner received a sum of Rs. 88,331/- in cash from a customer of the Company. According to the complaint, instead of depositing the said amount with the Company, the petitioner subsequently issued three forged cheques drawn on the customer's account, which were deposited with the Company.

5. During the pendency of the proceedings, the petitioner was summoned by the learned Magistrate. The matter has since remained pending and is presently at the stage of consideration of charge.

6. In the interregnum, the parties have amicably resolved all their disputes and executed a Compromise Deed dated 09.09.2025. The Compromise Deed records that the petitioner has repaid the entire amount of Rs. 88,331/- to the Company and that, in view thereof, all disputes between the parties stand amicably resolved. It further records that the settlement has been arrived at voluntarily, of the parties' own free will, and without any misrepresentation, fraud, undue influence or coercion.

7. Although the present proceedings arise out of a complaint case, Mr. Verma submits that, pursuant to the settlement arrived at between the parties, the Company had sought the permission of the learned Magistrate to withdraw the complaint. The learned Magistrate, however, declined such permission, holding that the complaint could not be withdrawn in respect of the offence punishable under Section 468 of the Indian Penal Code, 1860 ["IPC"].

8. Mr. Verma submits that the complainant – Company has no objection to the quashing of the complaint and does not wish to pursue the proceedings any further. Mr. Dayanidhi Gochhayat, the authorised



representative of the Company, is also present before this Court. A Board Resolution dated 19.05.2025, authorising him to represent the Company and participate in the present proceedings on its behalf, has been placed on record. A no-objection affidavit dated 10.09.2025, duly affirmed by him on behalf of the Company, has also been placed on record affirming the Company's consent to the quashing of the complaint.

9. Even in cases of FIRs involving non-compoundable offences, including the offence punishable under Section 468 of the IPC, the Supreme Court has consistently held that the Constitutional Courts may, in appropriate cases, exercise their inherent jurisdiction under Section 482 of the CrPC, now embodied in Section 528 of the BNSS, to quash the criminal proceedings where the facts and circumstances so warrant.

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

¹ (2012) 10 SCC 303.



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 & Ors. v. State of Punjab & 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 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

² Emphasis supplied.

³ (2014) 6 SCC 466.



(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. Having regard to the aforesaid position, this Court is of the considered view that the present case warrants the exercise of its inherent jurisdiction under Section 528 of the BNSS. The dispute emanates from an erstwhile employer-employee relationship and is essentially private in nature. The complainant – Company has voluntarily settled all its disputes with the petitioner, acknowledged receipt of the entire amount alleged to have been misappropriated, and unequivocally conveyed that it does not wish to pursue the complaint any further. The settlement is duly supported by a Board Resolution and a no-objection affidavit placed on record, and there is nothing to indicate that the same is tainted by any



fraud, misrepresentation, coercion or undue influence. In these circumstances, the likelihood of the proceedings culminating in a successful prosecution is remote. Continuation of the complaint, notwithstanding the complete resolution of the underlying dispute and the complainant's categorical unwillingness to pursue the matter, would serve no useful purpose and would merely result in an abuse of the process of law. This Court is, therefore, satisfied that the present case is a fit one for the exercise of its inherent jurisdiction to secure the ends of justice.

12. Having regard to the foregoing discussion, the present petition is allowed. Consequently, Complaint Case No. 8493/2017, pending before the Judicial Magistrate First Class-02, Saket District Courts (South), New Delhi, alongwith all consequential proceedings arising therefrom, is hereby quashed.

13. The parties shall remain bound by the terms of the settlement.

14. The petition, alongwith pending applications, accordingly stands disposed of.

PRATEEK JALAN, J

JULY 8, 2026
"B"/SD/

⁴ Emphasis supplied.