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IN THE HIGH COURT OF DELHI AT NEW DELHI

Date of decision: 30.09.2015

W.P.(CRL) 1985/2015

DINESH SEHGAL

..... Petitioner

Through: Mr. Rishi Sood, Advocate

versus

STATE OF NCT OF DELHI & ANR

..... Respondents

Through: Mr. Sanjay Lao, ASC (Criminal) with
SI Sunil Daggar, DIU/South District
for R-1

Respondent No.2 in person

CORAM:

HON'BLE MR JUSTICE SIDDHARTH MRIDUL

SIDDHARTH MRIDUL, J (ORAL)

1. The present is a petition under Article 226 of the Constitution of India read with Section 482 of the Code of Criminal Procedure, 1973 seeking quashing of FIR No.1199/2014, under section 420 Indian Penal Code, 1860, registered at Police Station- Kotla Mubarakpur and the proceedings arising therefrom.

2. The factual matrix in the present quashing petition is that respondent No.2/complainant approached the petitioner herein to sell him jewellery. A

deal was struck whereby the petitioner purchased the jewellery for an amount in the sum of Rs.2,65,41,500/-. The petitioner issued five post dated cheques towards payment for the said purchase. The cheques given by the petitioner to the respondent No.2/complainant were dishonoured on presentation. The respondent No.2 instituted a proceeding under section 138 of the Negotiable Instruments Act, 1881 against the petitioner which has since been withdrawn.

3. The petitioner as well as the respondent No.2/complainant, who are present in person, states that they have arrived at an amicable resolution of their outstanding commercial dispute. The salient terms of the settlement agreement dated 07.05.2015 are as follows:-

- “1. That the First Party has returned to the Second Party, and the Second Party has received, and acknowledges receipt of the jewellery which was the subject matter of the agreement as full and final settlement of the subject matter hereof.
2. The Second Party shall withdraw the Criminal Complaint No.4503/1 of 2014 and 4500/1 of 2014, on the strength of the present Memorandum of Understanding, and undertakes to inform the Hon’ble Court that he no longer has any grievance or claim against the first party.

3. The Second Party and the First Party will cooperate and withdraw the FIR No.1199 dated 19.12.2014 and ensure that FIR No.1199 dated 19.12.2014 is closed/quashed and towards this end shall make appropriate statements before the Police/Investigating Agency/Courts/High Court asserting that the disputes and differences which arose due to certain misunderstandings escalated due to lack of mutual trust and the parties are now satisfied that by implementing the terms of the present Memorandum, the other Party has established its bona fides and accordingly neither Party is desirous of proceeding further with the pending proceedings.
4. The parties agree that apart from the proceedings listed above, they have not filed any other proceeding, complaint or representation before any forum, either themselves or through other parties relating to the agreement or the cheques detailed above in the recitals or any other subject matter which relates to the same. In the event that it is discovered subsequently that any such proceeding does exist, the same may be withdrawn/quashed/closed on the strength of the present Memorandum.
5. The Parties agree that they shall not in the future initiate any action or proceeding, whether civil or criminal in

nature, or lay any claim pertaining to or arising out of the above FIR, Criminal Complaint, Agreement dated 03.07.2014, or in relation to or connected with the subject matter of the above. All their disputes and differences, whether crystallized or not, shall be deemed to be resolved by means of the present Memorandum. This Memorandum shall act as a full and final settlement of all claims and charges between the Parties.

6. That this Memorandum does not constitute an admission of wrongdoing, liability, illegality, criminal intent or any other wrongful deed or intention on the part of either Party.
7. Immediately upon signing/execution of this Agreement, the Agreement dated 03.07.2014 entered between the First Party and the Second Party shall become null and void and all disputes or differences related thereto shall be deemed to be resolved to the absolute satisfaction of both parties and no cause of action related to the said agreement or transaction shall remain or continue to exist.
8. The Parties agree that they shall cooperate with each other to execute such further documents, applications, quashing petitions or statements and undertake all such further acts and deeds as may be required to give full effect to

the terms and intention of this Memorandum. Each Party agrees (a) to execute and deliver, or to cause to be executed and delivered, all such documents and (b) to take all such actions, as the other Party may reasonably request at the cost and expenses of such other Party to carry out the terms of this Agreement.

9. The Parties state that the present Memorandum is being entered into voluntarily, with due reflection on the advice of lawyers, well-wishers and family members and under no coercion, undue influence or external pressure.
10. The Parties have no reason to doubt that the present disputes are purely of a private nature and no loss or damage has been caused to any member of the public at large. No significant state interest endures in the disputes upon their being settled between the parties and there is no objection from any quarter for the closure/quashing of these pending disputes.
11. The Parties have entered into the present agreement without any coercion, undue influence or any pressure of any kind and have done so voluntarily and with free will.
12. The Parties express their intent that this Memorandum be enforced to the fullest extent under law. The unenforceability

or invalidity of any provision or provisions of this Memorandum shall not render any other provision or provisions hereof unenforceable or invalid. The Parties shall make efforts to replace the invalid provision with such provision as would incorporate the intention of the Parties but would be legally enforceable.

13. This Memorandum constitutes the entire agreement of the Parties about its subject matter and supersedes all previous and contemporaneous negotiations, promise, covenants, agreements, understandings and representations on that subject, all of which have become merged and finally integrated into this Memorandum.
14. In case any difference or dispute arises between the Parties, the same shall be referred to arbitration by a mutually acceptable sole arbitrator or with the seat and venue of arbitration being in Delhi, in accordance with Indian Law.
15. No amendment of any provision of this Memorandum shall be effective unless it is in writing and signed by the Parties.”

4. The respondent No.2/complainant, who is present in person and has been identified by IO in the subject FIR namely SI Sunil Daggar, Police Station- DIU, South District states that in view of the afore-stated settlement,

he is no longer keen to proceed with the subject FIR and the proceedings arising therefrom.

5. Consequently, FIR No.1199/2014, under section 420 Indian Penal Code, 1860, registered at Police Station- Kotla Mubarakpur and the proceedings arising therefrom are hereby set aside and quashed qua the petitioner subject to the petitioner depositing a sum of Rs.50,000/-(Rupees Fifty Thousand) with Victims Compensation Scheme, Government of NCT of Delhi within a period of two weeks from today. The receipt of the said deposit shall be furnished to the concerned IO in the subject FIR.

6. The writ petition is disposed of accordingly.

SIDDHARTH MRIDUL, J

SEPTEMBER 30, 2015

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