

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CRIMINAL APPELLATE JURISDICTION**

Amk

WRIT PETITION NO. 1337 OF 2021

Naveen Kumar Goyal & Anr. .. Petitioners
Vs.
The Senior Inspector of Police,
Economic Offences Wing & Ors. .. Respondents

Mr. Swapnil Wagh for the Petitioners.
Mr. V. B. Kondedeshmukh, APP for the Respondent-State.
Mr. Prasad B. Kulkarni for Respondent No.2.
Mr. Vijay R. Changale, Respondent No.2 present in Court.

CORAM : S. S. SHINDE & MANISH PITALE, JJ.
DATE : 15th MARCH, 2021.

ORAL ORDER (Per S.S.Shinde, J.)

1. Rule. Rule made returnable forthwith and heard with the consent of learned Counsel appearing for the parties.

2. Learned Counsel appearing for the Petitioners and 2nd Respondent submit that the parties have amicably settled the dispute. Learned Counsel appearing for 2nd Respondent has tendered across the bar affidavit of 2nd Respondent. The same is taken on record. Paragraph 4 to 13 of the said affidavit read as under:

4. I further state that as it is decided to settle the dispute amicable arising out of a purchase order of Losartan Potassium bearing Order No. 14, dated 20.07.2019 for Rs.76,70,000/- (Rupees Seventy Six Lakh Seventy Thousand only) is agreed to be settled by making lumpsum of Rs.81,00,000/- by the

Petitioners to the Complainant i.e. Respondent No.2 herein.

5. I further state that it is a matter of record a Criminal Anticipatory Bail Application St. No. 3747 of 2020, the Petitioners have already deposited a sum of Rs.25,00,000/- on 09.11.2020 in compliance with the Order dated 02.11.2020. Now, the said amount of Rs.25,00,000/- (Rupees Twenty Five Lakh only) is with the registry of the Hon'ble High Court, Mumbai and by way of the petition and moreover, stated in clause No. 6(a)(b) of the Petition, the Petitioners herein have expressly agreed that they will give their consent and will give no objection for withdrawal of the same amount before this Hon'ble Court.

6. I further state that as far as the remaining amount of Rs.56,00,000/- (Rupees Fifty Six Lakh only), is concerned, today I have received the Demand Draft of Rs.56,00,000/-, drawn in favour of Smruthi Organics Ltd., vide D.D. No. 533729, drawn on ICICI Bank, Solapur Branch, dated 12.03.2021, from the Fortune Therapeutics LLP (where the Petitioners No.1 and 2 are Directors of the said Company).

7. I further state that it is expressly agreed between me and the Petitioners that I herein upon receipt of the Demand Draft of Rs.56,00,000/- before this Hon'ble Court and upon receiving direction to the Registrar, Hon'ble High Court, Mumbai directing to release of the said amount of Rs.25,00,000/- in favour of the Respondent No.2 Company, in that event, I being the representative of the Respondent No.2 company will intimate the said fact to the investigating agency and further ask him to withdraw the earmarking/no debit /hold of the Petitioners Company in current account bearing Account No. 50200032941708 in HDFC Bank, Hyderabad.

8. I further agreed that being the representative of the Respondent No.2 Company will withdraw the complaint vide Complaint No. S.C.C. 1606 of 2020 filed by Respondent No.2 Company pending before the Ld. J.M.F.C., Solapur and further

undertakes and gives consent for withdrawal of the entire dispute arising out of the purchase order of Losartan Potassium bearing order No.1 4, dated 20.07.2019 for Rs.76,70,000/-.

9. I further state and submit that as I have received the D.D. amount of Rs.56,00,000/- and this Hon'ble Court directed the Registry of this Hon'ble High Court to allow the Respondent No.2 to withdraw the amount of Rs.25,00,000/- deposited by Petitioners herein in A.B.A. St. No. 3747 of 2020, I have no grievance against the Petitioners and I does not wish to pursue with the F.I.R. lodged against the Petitioners and Petitioners and Respondent No.2 have settled the dispute amicably.

10. I say that now the matter as being amicably settled between me and the Petitioners before this Hon'ble Court and that I have no complaints against them as I have no grudges or any sort of complaint in view of the amicable settlement.

11. I say that as the matter is amicably settled, I do not wish to proceed against them and that I request the Hon'ble Court to allow the Application for quashing of F.I.R. No. 1335 of 2020 registered with the Sadarbazar Police Station, Solapur for offences punishable under Section 406, 420 r/w. 34 of I.P.C.

12. I say that as the parties to the present Petition have settled the dispute amicably and therefore, this Hon'ble Court may kindly be direct the registry to allow the Respondent No.2 to withdraw the amount of Rs.25,00,000/- (Rupees Twenty Five Lakh only) deposited by the Petitioners in A.B.A. St. No. 3747 of 2020. Thus, filing separate Application for withdrawal of the said amount may kindly be dispensed with.

13. I say that this Affidavit or the settlement made by me is not under any kind of threat or coercion and that the same is filed by me of my freewill. I further say that I was not pressurized to file the same.

3. 2nd Respondent is present before this Court. He states that it

is his voluntary act to enter into settlement and joint the prayer of the Petitioners for quashing the FIR.

4. Since the entire dispute arose out of commercial transaction and 2nd Respondent does not wish to pursue the allegations made in the FIR, further continuation of the investigation of FIR No. 1335 of 2020 registered with Sadar Bazar police Station, Solapur for the offences punishable under Sections 406, 420 read with 34 of the Indian Penal Code will be an exercise in futility and chances of the conviction of 2nd Respondent would be bleed and remote.

5. The Supreme Court in the case of **Giansingh v. State of Punjab and Another**¹ has held that, the criminal cases having overwhelmingly and predominatingly civil flavour stand on a different footing for the purposes of quashing, particularly the offences arising from commercial, financial, mercantile, civil, partnership or such like transactions or the offence arising out of matrimony relating to dowry, etc. or the family disputes where the wrong is basically private or personal in nature and the parties have resolves their entire dispute. In this category of cases, the High Court may quash the criminal proceedings if in its view, because of the compromise between the offender and the victim, the

¹ 2012 (10) SCC 303

possibility of conviction is remote and bleak and continuation of the criminal case would put the accused to great oppression and prejudice and extreme injustice would be caused to him by not quashing the criminal case despite full and complete settlement and compromise with the victim. It is further held that, as inherent power is of wide plenitude with no statutory limitation but it has to be exercised in accord with the guideline engrafted in such power viz.: (I) to secure the ends of justice, or (ii) to prevent abuse of the process of any court.

6. In the light of the discussion in foregoing paragraphs in order to secure the ends of justice and prevent the abuse of the process of Court, the Petition deserves to be allowed subject to costs of Rs.50,000/- (Rupees Fifty Thousand only) within three weeks from today in the account details mentioned herein below:

Name of the Bank Account :	Children Aid Soc Donation
Bank Account No. :	02370100005612
Bank Name :	UCO Bank
Branch :	Matunga, Mumbai
IFSC Code :	UCBA0000237

7. 2nd Respondent is permitted to withdraw Rs.25,00,000/- deposited in compliance with order dated 02.11.2020 passed in Anticipatory Bail Application (Stamp) No. 3747 of 2020. Since we

have quashed the FIR, the account of the Petitioners which is freezed during the course of investigation be defreezed/released.

8. The Writ Petition is allowed. Rule made absolute on above terms.

9. List the Petition on 19.04.2021 under the caption 'for compliance' of the aforesaid direction of depositing the costs by the Petitioners.

[MANISH PITALE, J.]

[S. S. SHINDE J.]

Arjun
M.
Kadam

Digitally
signed by
Arjun M.
Kadam
Date:
2021.03.16
11:03:17
+0530