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

\+ CRL.M.C. 5874/2022

PRAMOD GOPAN ..... Petitioner

Through: Mr. Vikas Pathak, Mr. Tejas Mehta, Mr. Anurag Atulya and Mr. Amit Bidhuri, Advs.

versus

STATE OF NCT OF DELHI & ORS. ..... Respondents

Through: Mr. Amit Sahni, APP for the State with SI Ravinder PS Alipur.

% ***Date of Decision: 12th July, 2023***

CORAM:

HON'BLE MR. JUSTICE DINESH KUMAR SHARMA

J U D G M E N T

DINESH KUMAR SHARMA, J. (Oral)

1. The present petition has been filed under Section 482 Cr.P.C. seeking quashing of case FIR No. 204/2019 dated 06.06.2019 registered at PS Alipur, Delhi, under Sections 420/406/120B, IPC. The said FIR was lodged on the complaint of the respondent No.2/complainantlevelling

allegations of cheating, fraud, criminal breach of trust, misappropriation of funds, harassment and intimidation against the petitioner and respondent No.3 herein.

2. Briefly set out the allegations as per the FIR are that the respondent No. 2/ complainant was running a company namely Eco Roots Foods India (P) Ltd. which was engaged in the business of manufacturing and export of rice. On 04.09.2017, the respondent No.2 exported rice weighing 240MT to one company namely Royal Arwa General Trading LLC, Dubai which was backed by a letter of Credit from Axios Credit Bank, Singapore(ACB). The value of this consignment was alleged to be of USD 261600 (Rs. 1,80,50,400). The said L/C was opened at the request of Credwest Trade Services Ltd., Hongkong, who was the mediator in the transaction by ACB.The L/C was transmitted to the bank of the respondent No.2 namelyKarur Vyasa Bank Ltd. (KVB) through proper banking channel. The goods werehanded over to the shipping company after clearance from customs. The entire amount under theL/C was to be paid within 30 days byACB to the respondent's account in KVB after submitting complete set of documents. However, the money was not paid. Due to non-receipt of the money, the respondent No. 2 contactedACB, Malaysia, whereby, one person namely Mr. Navin Malik (respondent No. 3 herein) respondedon behalf of ACB every time.Respondent No.3/ Mr. Navin Malik stated that he deals with the customers of ACB in India and is authorized to release the funds. Thus, Respondent No.2 frequently contacted Mr. Navin for the release of funds, however, Mr. Navin kept delaying. After repeated requests, he finally

released a sum of 20,000 USD in two installments. Thereafter, respondent No.2 requested for the release of the remaining money, however to no avail. Upon enquiry made online, the respondent No.2 discovered that the company namely ACB was a banned assets company declared by a website namely Secure Platform Funding. On further enquiry it was discovered that the petitioner (Director of ACB) was running another financial assets company namely Relius International Bank and the same was also listed as a bannedassets company. Allegedly, therespondent No. 3/Mr. Naveen Malik denied releasing theamount and threatened the complainant of dire consequences. It was alleged that the petitioner No.1 and respondent No. 3 havecreated a fraud company namely Axios Credit Bank Ltd (ACB) andhave cheated the complainant and misappropriated his hard-earned money. Basis the said allegations, the present FIR came to be registered. Subsequently, respondent No.3 and petitioner filed an anticipatory bail application before this Court and were granted anticipatory bail vide order dated 24.09.2021.

3. Ld. Counsel submits that meanwhile the parties amicably resolved all their disputes vide settlement agreement dated 28.02.2021 on the following terms and conditions:

> *"i. The Second Party will pay to First Party a total sum of USD 196,700.00(USD One Hundred Ninety Six Thousand Seven Hundred Only) towards full and Final settlement of dispute mentioned above.*

ii. Schedule of payment (from second party to first party) will be as follows: Transfer of USD 25,000/ (Twenty FiveThousand USD) at the time of execution of agreement. Thereafter, remaining amount of 171,700.00USD will be paid in 9 installments. The schedule of payment of 9 installments are as in: Date Amount 01.05.2021 19077.77 USD 01.07.2021 19077.77 USD 01.09.2021 18077.77 USD 01.11.2021 19077.77 USD 01.01.2022 19077.77 USD 01.03.2022 19077.77 USD 01.05.2022 19077.77 USD 01.07.2022 19077.77 USD 01.09.2022 19077.77 USD.

iii. That the Parties to the settlement has agreed to move a Petition under section 482 (or for compounding of offences) of the Code of Criminal Procedure, 1973 for quash of the FIR Bearing No. 204 of 2019, dated 06.06.2019, PS - Alipur, Delhi, within 7 days of receipt of final payment as mentioned hereinabove.

iv. That after completion of entire terms of this agreement, parties have no other or further claim/allegation against each other with respect to the mentioned dispute.

v. Both parties undertake to abide by all the terms of this agreement and a copy of this agreement will be put on record in Petition for Bail on behalf of Mr. Navin Malik which is pending for adjudication at Hon'ble High Court of Delhi and accordingly. Settlement deed will be acknowledged before the Hon'ble High Court of Delhi.

vi. Second Party undertakes to make the payment, as per the schedule mentioned hereinabove without any default.

vii. First party undertakes to acknowledge the settlement before the Court as and when required. However, First party reserves his right and cause of action to take appropriate legal action in case of default in payment and to raise the issue before Concern Court (s).

viii. The both parties have agreed to co-operate and settle the dispute amicably as per the mentioned terms of the agreement."

4. Ld. Counsel submits that in terms of the above settlement, the settled amount stands fully paid and the parties no longer wish to pursue the present complaint. Petitioner and respondent No.3 are appearing through VC and the complainant is present in person. All parties have been duly identified by the IO. Respondent No.2/complainant states that in terms of the settlement, he has already received the entire agreed amount. He states that he has no grievance against the petitioner and respondent No. 3 and no longer wishes to pursue the present FIR. He states that he has entered into the settlement voluntarily out of his own free will, without any fear, force or coercion. He states that he has no objection if the present FIR and all criminal proceedings emanating therefrom are quashed. An Affidavit of no objection has also been filed on behalf of the complainant along with the present petition.
5. I have considered the submissions and perused the records. The dispute in the present case is of a commercial nature. The parties have

voluntarily and amicably settled all their disputes vide MoU dated 28.02.2021on the mutually agreed terms and conditions contained therein. Further, in terms of the MoU, the settled amount has duly been paid to the respondent No.2/complainant. The complainant no longer wishes to pursue the present complaint. Since, nothing remains in the present dispute, which has been amicably settled, the present FIR and the consequent proceedings emanating therefrom are liable to be quashed as no fruitful purpose would be served by keeping the present complaint pending.

6. Section 482 of the Code saves the inherent power of the High Court to prevent abuse of the process of any court or to secure the ends of justice. In forming an opinion whether a criminal proceeding or complaint should be quashed in exercise of its jurisdiction under Section 482, the Court must evaluate whether the ends of justice would justify the exercise of such inherent power. The decision as to whether a criminal proceeding or FIR should be quashed on the ground that the offender and victim have settled the dispute, revolves ultimately on the facts and circumstances of each case. The main aim is to do real, complete and substantial justice. It has repeatedly been held that if the dispute is private in nature and the parties have entered into a settlement and there is a remote or bleak chance of conviction, it is better to put a quietus to the litigation so as to prevent the abuse of the process of the Court and to secure the ends of justice.

7. The Hon'ble Supreme Court in ***Parbatbhai Aahir v. State of Gujarat***, (2017) 9 SCC 641, *inter alia* held that if the case is predominantly of civil nature, the High Court may exercise the inherent powers.

8. In view of the totality of facts and circumstances of the case, the case FIR No. 204/2019 dated 06.06.2019 registered at PS Alipur, Delhi, under Sections 420/406/120B, IPCand all criminal proceedings emanating therefrom are quashed.
9. Accordingly, the present petition is disposed of.

DINESH KUMAR SHARMA, J

JULY 12, 2023

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