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

+ **W.P.(CRL) 2350/2024**

VAIBHAV SHARMA

.....Petitioner

Through: Mr.Murali Tiwari, Mr. Rahul Kumar,
Ms.Nimisha Gupta, Ms.Indira Murthy
and Mr.Tripurari Tiwari, Advocates
alongwith petitioner

versus

STATE OF NCT OF DELHI AND ANR

.....Respondents

Through: Mr.Sanjeev Bhandari, ASC for the
State with Ms.Charu Sharma,
Mr.Arjit Sharma, Mr.Vaibhav Vats
and Mr.Nikunj Bindal, Advocates
alongwith SI Ravi Rana, P.S.-DIU,
South Distt.

CORAM:

HON'BLE MR. JUSTICE DINESH KUMAR SHARMA

ORDER

05.11.2024

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1. The present petition has been filed under Article 226 of the Constitution of India read with Section 528 of the Bharatiya Nagarik Suraksha Sanhita, 2023 (hereinafter "BNSS") praying for quashing of FIR bearing No. 0473/2022 registered at Police Station Fatehpur Beri for offences punishable under Section 408 of the Indian Penal Code, 1860 (hereinafter "IPC") on the basis of the settlement arrived at between the



parties.

2. Briefly stating, the allegations are that the petitioner was employed as a Senior Vice President-Virtual Manufacturing in respondent No.2/Company. The petitioner had access to client details, design details, supply and manufacturing chain details and had complete access to price sensitive data information. It was alleged that the petitioner was a part of a calculated conspiracy to strip and fraudulently misappropriate the respondent No.2/Company of clientele, valuable price sensitive information and key employees. It was alleged that the business and clients of the respondent No.2/Company is being transferred to one enterprise namely “Konception Designs Private Limited” (Company of the Petitioner). It was further alleged that as per the terms of the retainer-ship agreement, the petitioner could not have engaged in any business activity during the agreement period.

3. Learned ASC for the State submitted that pursuant to the order dated 05.08.2024, status report has already been filed, but the same is not on record. He has handed over the copy of the status report during the arguments, which is taken on record. It is further submitted that the investigation is still in process. However, both the parties have stated that they have reached on the settlement vide Memorandum of Settlement dated 04.06.2024 on the following terms and conditions:-

“1. That the First Party and Second Party are settling all their disputes vide the present Settlement Deed and there shall be no claims or grievances of any party against the other party forthwith.

2. That the First Party and the Second Party hereby acknowledge the details of the cases filed against each other, which are settled by the present Deed, are as follows.

CASES FILED BY FIRST PARTY BEFORE VARIOUS COURTS:



a) *List of cases filed by or on behalf of First Party before Saket Court, Delhi*

Sr. No.	CASE TITLE	CASE NO.
1.	BHARTIYA GROUP V. STATE	CT/961/2023

b) *List of cases filed by the former employees of the first party or on behalf of the Second Party before Labour Court, Delhi.*

Sr.	Case title	Case no.
No.		
1.	Pallavi Kumar Aggarwal V. Bhartiya International Ltd	105/2023
2.	Md Shakil Khan V. Bhartiya International Ltd	832/2023
3.	Sumant Kumar Singh V. Bhartiya International Ltd	PG/81/2022
4.	Krishan Kant Tyagi V. Bhartiya International Ltd	PG/82/2022
5.	Pallavi Kumar Aggarwal V. Bhartiya International Ltd	PG/83/2022
6.	V K Mishra V. Bhartiya International Ltd	PG/84/2022
7.	RITIKA SEHGAL V. Bhartiya International Ltd	PG/912/2023

In addition to above there are certain complaints filed by Second party



and by former employees of first party on behest of second party. Both parties affirm that the cases listed above represent the entirety of cases filed by or on behalf of them. No additional cases exist beyond those expressly mentioned in the aforementioned list and if any case by second party or through former employees of first party is left out of advertence the same will also stand settled in terms of the said agreement.

3. That the SECOND PARTY hereby acknowledges that they have taken legal action against the First Party by initiating a total of seven cases before the Labour Court, Delhi, and 1 Complaint case in Saket court, Delhi, and certain complaint by former employees of first party in Fatehpur beri police station. However, the Second Party now consents voluntarily to withdraw all aforementioned cases by himself or through the concerned party as well as any other cases unknown to the First Party.

4. Furthermore, Both the First and the second party commit to refraining from Initiating any Future litigation Against Each other. It is made clear that the Petitioners in all these aforesaid seven cases are voluntarily agreeing and confirming to this Settlement Deed and shall be bound by its clauses, as applicable to them. Second party will ensure and provide proofs of withdrawing all the cases against the first party. Second party will ensure and provide proof that all former employees of first party withdrawn all the above mentioned labour cases and other complaint and will sign the full and final settlement individually with first party.

5. That the SECOND PARTY hereby acknowledges to pay the first party the sum of INR 50,00,000/-. Of this amount, INR 8,00,000/- has already been disbursed to the First Party through bank transfer dated 1 June 2024. Additionally, the remaining sum of INR 42,00,000/- shall be settled by the Second Party in 10 quarterly installments of Rs. 4,20,000 each from 8th July 2024. Furthermore, as a security measure, the Second Party will furnish a Post Dated Cheques of instalments amounting to INR 42,00,000/- to the First Party. The details of cheques are given below:



Installment	Amount	MONTH
HDFC Bank CH NO 000017	4,20,000/-	08/07/2024
HDFC BANK CH No. 000018	4,20,000/-	08/10/2024
HDFC BANK CH. No:- 000019	4,20,000/-	08/01/2025
HDFC BANK CH. No:- 000020	4,20,000/-	08/04/2025
HDFC BANK CH. No:- 000021	4,20,000/-	08/07/2025
HDFC BANK CH. No:- 000022	4,20,000/-	08/10/2025
HDFC BANK CH No:- 000023	4,20,000/-	08/01/2026
HDFC BANK CH No:- 000024	4,20,000/-	08/04/2026
HDFC BANK CH NO:- 000025	4,20,000/-	08/07/2026
HDFC BANK CH No:- 000026	4,20,000/-	08/10/2026

6. That the FIRST PARTY hereby acknowledges that upon the SECOND PARTY's withdrawal of all cases filed before the Labour Court and Saket Court, as outlined previously, and the immediate payment of Rs. 8 lacs and deposit of post dated cheques of Rs. 42 lacs amounting to the total sum of Rs. 50,00,000/- to the First Party at the time of signing this settlement, the FIRST PARTY shall voluntarily withdraw the complaint case filed before the Saket Court, Delhi and the Complaint / FIR that was lodged at fathepur Beri Police station. Furthermore, the First party reserves the right to reinstate proceedings settled herein and pursue any other legal remedies available under the law in eventuality of any default in above payment schedule.

7. That the SECOND PARTY hereby acknowledges and agrees to uphold the confidentiality of all information related but not limited to the operations, policies, finances, or clientele of the First Party. Such information shall not be disclosed to any third party. All documents, plans, drawings, sketches, prints, samples, trade secrets, technical data, reports, statements, E-mails, correspondence, whether written or



unwritten, are to be treated part of this confidentiality. Furthermore, the Second Party agrees not to divulge any details pertaining to the First Party's business, administrative, or organizational matters of a confidential nature, which may have been privileged information obtained by the Second Party during the course of employment with the First Party.

8. That both parties hereby acknowledge that in the event of any failure to uphold their commitments as delineated in this agreement, the aggrieved party shall have the right to seek additional compensation amounting to Rs. 10 Crore, in addition to litigation costs, from the party in default of any installments. Furthermore, the aggrieved party reserves the right to reinstate proceedings settled herein and pursue any other legal remedies available under the law.

9. That the FIRST PARTY acknowledges that upon withdrawal of the case filed before the Labour court and Saket court, and upon receipt of the Payment of Rs. 8,00,000/- and post dated cheques of remaining amount of Rs. 42,00,000/- assuring complete payment of Rs. 50,00,000/- by the Second Party, if and when the Second Party intends to file for the quashing of the FIR, the First Party commits to offering cordial assistance and appearing before the Hon'ble Court as necessary.

10.If for any unknown reason the FIR/Complaint/ Court case is not quashed, then the First party agrees to return the Total amount paid till that time upto the limit of Rs. 50,00,000/-

IN WITNESS WHEREOF the parties hereto have set their hands to this Memorandum of Settlement on the date and at the place hereinabove mentioned.”

4. The Authorized Representative of the respondent No.2/Company states that he has duly been authorized by the Board of Directors of the Company. It has been submitted that in terms of the settlement, the respondent No.2/Company has received the payment which had become due so far. The petitioner undertakes to be held bound by the terms and conditions of the settlement.

5. When exercising inherent powers under Section 482 CrPC, the Court



must act cautiously and judiciously. However, denying intervention where parties have amicably resolved their disputes would render Section 482 ineffective. If a dispute, based on suspicion, has been settled, continuing litigation serves no purpose and contradicts the statute's intent to secure justice. Prolonging such cases only perpetuates injustice, particularly when the parties have reconciled and resolved their differences.

6. Upon careful examination of the complaint, it is evident that the present case is of a civil nature. The offense under Section 408 of IPC is compoundable according to Section 320 of Cr.P.C. Given these circumstances, this court finds this to be an appropriate case for quashing the FIR. Directing the petitioner to approach the Metropolitan Magistrate for compounding the offense would serve no practical purpose and would only unnecessarily prolong the legal proceedings and cause additional distress to the parties involved. Furthermore, this Court has already issued notices, received a reply from the State, and heard arguments. At this advanced stage of the proceedings, it would be inappropriate and inefficient to ask the petitioners to seek compounding through the Metropolitan Magistrate. Reliance is placed upon Arindam Ghosh and Anr. v. State, 113 (2004) DLT 681, and on Naresh Kumar Singh and Anr. v. State, 85 (2000) DLT 645, wherein a Division Bench of this Court in similar circumstances had quashed the FIR in question registered under section 408 of IPC.

7. In view of the settlement arrived at between the parties, the present petition is allowed. Accordingly, the FIR bearing No. 0473/2022 registered at Police Station Fatehpur Beri for offences punishable under Section 408 of the IPC and all consequential proceedings emanating therefrom are quashed.



8. The present petition stands disposed of.

DINESH KUMAR SHARMA, J

NOVEMBER 5, 2024

Dy/ht..