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

+ **CRL.M.C. 6673/2019 & CRL.M.A. 43382/2019**

REFEX ENERGY LIMITED & ORS.Petitioners

Through: Ms. Pratishtha Vij, Adv.

versus

M/S PASSIVE INFRA PROJECTS PRIVATE LIMITED

.....Respondent

Through: Ms. Puja Dewan, Adv.
through V.C.

+ **CRL.M.C. 6730/2019 & CRL.M.A. 43586/2019**

REFEX ENERGY PRIVATE LIMITED & ORS

.....Petitioners

Through: Ms. Pratishtha Vij, Adv.

versus

M/S PASSIVE INFRA PROJECTS PRIVATE LIMITED

.....Respondent

Through: Ms. Puja Dewan, Adv.
through V.C

CORAM:

HON'BLE MR. JUSTICE AMIT MAHAJAN

ORDER

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05.11.2024

1. The petitioner seeks quashing of the proceedings in Complaint Case No. 16348/2016 & Complaint Case No. 16349/2016.

2. The learned counsel for the petitioner submits that the parties had business relations and certain invoices were raised by the respondent, pursuant to which certain disputes arose between the parties.

3. She submits that the parties entered an agreement dated 20.03.2012, pursuant to which the petitioner agreed to pay a sum

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of ₹80,00,000/-. She submits that two cheques were issued for a sum of ₹40,00,000/- each and on non-payment of the said amount, the present proceedings were filed under Section 138 of the Negotiable Instruments Act, 1881 (NI Act). She submits that respondent also filed proceedings before the National Company Law Tribunal ('NCLT'), Chennai pursuant to the non-payment of the said amount.

4. She submits that during the pendency of the proceedings the parties entered into another settlement dated 23.04.2019 where the petitioner agreed to pay a sum of ₹1,40,00,000/- as full and final settlement towards all the outstanding claims of the respondent. She submits that in such circumstances, the complaint under Section 138 of the NI Act cannot be allowed to continue.

5. The learned counsel for the respondent submits that the settlement was entered only in respect to the dispute pending before the NCLT. She submits that the settlement agreement also records that the respondent after the payment of the amount would withdraw the NCLT proceedings and it was never agreed between the parties that the proceedings pending under Section 138 of the NI Act would also be withdrawn.

6. The argument raised by the respondent is meritless. It is undisputed that the proceedings under Section 138 of the NI Act were initiated pursuant to non-payment of the amount which was agreed to be paid by the petitioner pursuant to the settlement agreement dated 20.03.2012.

7. The agreement relates to the settlement of the outstanding invoices. The claim in regard to outstanding invoices is now settled between the parties by agreement dated 23.04.2019, which specifically notes that the respondent has agreed and

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accepted the amount towards and final settlement of all outstanding invoices and claims.

8. In such circumstances, the respondent cannot be allowed to contend that there are any recoverable dues from the petitioner or that the cheques which are the subject matter of the proceedings are required to be honoured for discharge of any debt and liability since in terms of the settlement agreement the same has already been settled after the payment of the settlement amount.

9. It is not denied by the respondent that settlement amount of ₹1,40,00,000/- has already been paid.

10. In view of the above, the present petitions are allowed and Complaint Case No. 16348/2016 & Complaint Case No. 16349/2016 are quashed.

11. Pending applications also stand disposed of.

12. A copy of this order be placed in both the matters.

AMIT MAHAJAN, J

NOVEMBER 5, 2024

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