



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 30.04.2025

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THE HONOURABLE MR.JUSTICE SUNDER MOHAN

CrI.O.P.No.8168 of 2022

CrI.M.P.No.4736 of 2022

1.Rajesh Kannan

2.Nagavalli

3.Uma

...Petitioners/Accused

Vs.

State rep by

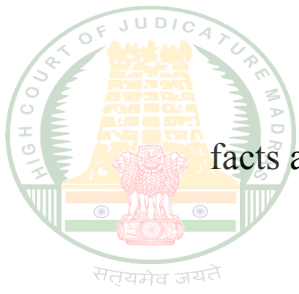
1.The Sub Inspector of Police,
Central Crime Branch,
EDF-I, Team II,
Vepery, Chennai - 600 001.
(Crime No.13 of 2022)

...

Respondent

2.Sanket Kumar Agarwal.
D-301, Clover Majestic Towers,
Behind Kali Mata Temple,
Beach Road,
Vishakhapatnam - 530 003.

PRAYER: This criminal original petition has been filed under Section 482 Code of Criminal Procedure, pleaded to call for the records and to quash the F.I.R. in Crime No.13/2022 on the file of the respondent and pass such further or other orders as this Hon'ble Court may deem fit and proper in the



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facts and circumstances of the case.

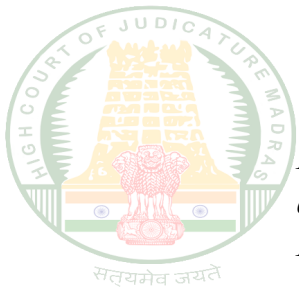
For Petitioners: Mr.Om Prakash (Senior Advocate)
for Mr.M.Suresh

For R2 :M/s.Sampath Kumar & Association
Mr.S.Senthilkumar

ORDER

The instant petition has been filed seeking to quash the First Information Report in Cr.No.13 of 2022 registered for the offences under Section 420, 352 r/w 120 (B) I.P.C.

2.It is reported by the learned counsel for the petitioners and the defacto-complainant that both the petitioners and the defacto-complainant have arrived at a compromise and the second respondent has agreed to withdraw all the pending litigations between the parties including the First Information Report against these petitioners which is impugned in this petition. The second respondent is present in person and identified by the counsel for the second respondent. He had confirmed the compromise arrived at between the parties. He has also filed an affidavit which is as follows:-



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I, Sanket Kumar Agarwal, S/o. Mr. Shyam Sundar Agarwal, aged about 28, residing at D-301, Clover Majestic Towers, Behind Kali Mata Temple, Beach Road, Vishakhapatnam – 530 003, do hereby solemnly affirm:

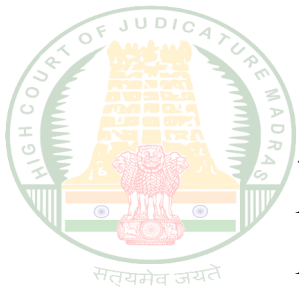
I am the 2nd Respondent herein and the Defacto Complainant in Cr. No. 13 of 2022, registered against the petitioners. I am well aware of the facts and circumstances of the case and competent to file this affidavit.

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2.I submit that, I had entered into a Share Purchase Agreement dated 22.03.2019 with the Petitioners herein, who are the Common Directors and Promoters of the Company. As per the said agreement the purchaser was required to acquire 100% of the Shareholdings in the group companies by way transfer of shares for consideration of Rs.1,00,00,000/- and the same was paid into the personal accounts of the petitioners 1 and 2. In the addition to the above, Rs. 89,99,999/- was infused as working capital into the Group companies for attending business expenses, until it is taken over by the acquirers. Further, a sum of Rs. 2,06,50,000/- was paid into the APG shipping company by the Defacto complainant and his family members on his behalf. Thus, the Defacto Complainant herein and his family members invested a total sum of Rs.3,96,49,999/- in the group companies. The following are the details of the payments made to the Petitioners and the Group Companies:

<i>i.APG logistics</i>	<i>– Rs.89,99,999/-</i>
<i>ii.APG Shipping Company</i>	<i>– Rs.2,06,50,000/-</i>
<i>Personal Account of 1st Petitioner</i>	<i>– Rs.51,00,000/-</i>
<i>Personal Account of 2nd Petitioner</i>	<i>– Rs.49,00,000/-</i>
<i>Total</i>	<i><u>- Rs.3,96,49,999/-</u></i>

3.While that being so, certain differences arose between the parties; reconciliation was sought for by entering into amended agreement and the Petitioners by an email dated 24.07.2019 offered to repay the money by 31.12.2019 to the investors and give an end to the share purchase agreement and the business dealings between the parties.



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4.I had filed Company Petition (IB) No. 113 of 2021 before the National Company

Law Tribunal Chennai, under Section 7 of the Insolvency and Bankruptcy Code, 2016 (IBC). The petition was dismissed by order dated 26.08.2022. An appeal was preferred against the said order before the National Company Law Appellate Tribunal, Chennai, but it was dismissed on the ground of limitation. Subsequently, a Civil Appeal, was preferred before the Hon'ble Supreme Court in Civil Appeal No.

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748 of 2023. The Hon'ble Supreme Court allowed the appeal and restored the matter to the file of the NCLAT for further consideration. The same is still pending on the file of National Company Law Appellate Tribunal, Chennai.

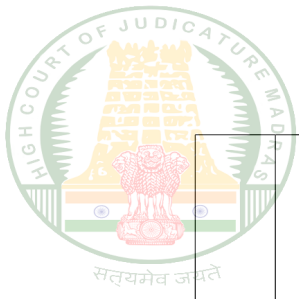
5.I submit that as on date, apart from the above there are other proceedings set out in the below paragraphs, pending between myself and the first petitioner herein and his companies:

	<i>Proceedings before NCLT / NCLAT/Court/Sta tutory Authorities</i>	<i>Provisions under which it is filed</i>	<i>Status</i>
	<i>CP/134(CHE)/202 1 NCLT</i>	<i>U/s 73(4) of CA, 2013</i>	<i>Dismissed with cost of Rs.5000/- vide order 15.12.2021</i>
	<i>CP(IB)/113/2021 NCLT</i>	<i>U/s.7 of IBC,2016</i>	<i>Dismissed vide order 26.08.2022</i>
	<i>CP/84(CHE)/2021 NCLT</i>	<i>U/s. 130 of Companies Act 2013</i>	<i>Dismissed vide order 11.02.2022</i>
	<i>CP/127(CHE)/202 2</i>	<i>U/s. 213 of Companies Act 2013</i>	<i>Next date of hearing: 03.04.2025</i>



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	<i>NCLT</i>		
	<i>CA(AT)(Ins) No. 418 of 2022</i> <i>NCLAT</i>	<i>U/s.61 of IBC,2016</i> <i>Appeal against order in CP(IB)/113/2021</i>	<i>The case was initially dismissed on</i> <i>09.01.2023</i> <i>on the point of limitation for condonation of delay but was later reopened by the Supreme Court</i> <i>Next date of hearing:</i> <i>28.04.2025</i>
	<i>CA(AT)/29 of 2022</i> <i>NCLAT</i>	<i>U/s. 421 of CA, 2013</i> <i>Appeal against order in CP/84(CHE)/2021</i>	<i>Last date of hearing:</i> <i>24.03.2025</i>
	<i>OS NO. 2314 OF 2021</i>	<i>Injunction suit (filed by the opposite party) before XVII Asst. City Civil Court, Chennai</i>	<i>Pending, Next date of hearing –</i> <i>17.06.2025</i>
	<i>Complaint filed at the ROC Chennai</i>	<i>Sec. 206 of CA 2013</i>	<i>Closed</i>
	<i>Mediation for Commercial Court Proceedings</i>	<i>District Legal Services</i>	<i>The same was not proceeded further.</i>



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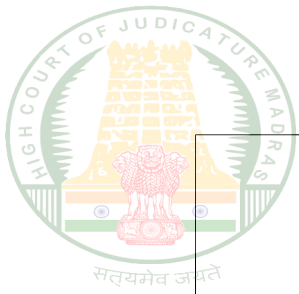


<i>Initiated at Vijaywada</i>	<i>Authority, Nyaya Seva Sadan, Visakhapat nam. Case No.01/2023</i>	
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6.I filed a FIR in Crime No. 13 of 2022 on the file of CCB, EDF-1, Team II, Chennai Police, Vepery, Chennai, against the petitioners for offences punishable under Sections 420 and 352 read with 120 B, IPC. The Petitioners have filed the present Crl. OP. No. 8168 of 2022 for Quash of the above said FIR in Cr. No. 13 of 2022.

7.I submit that pending the above petition, conciliatory efforts were taken and pursuant thereto, the Petitioners have made different payments to the investors, amounting to Rs. 1,51,39,207/- from April 2019 to February 2021. Consequently, a balance amount of Rs. 2,45,10,792/-, along with interest of Rs. 35,00,000/-, remains payable by the Petitioners. The said balance payment is being made as detailed hereunder, by the Petitioners, which myself, the 2nd Respondent do acknowledge on my behalf and on behalf of other investors with due authority.

<i>S . N o .</i>	<i>DD Particulars</i>	<i>In favour of</i>	<i>Amount</i>
<i>1 .</i>	<i>DD No. 210578 Dated 22.04.2025 Drawn on AXIS Bank Ltd.</i>	<i>Sanchit Kumar Agarwal</i>	<i>Rs. 35,00,000/-</i>
<i>2 .</i>	<i>DD No. 509166 Dated</i>	<i>Sanchit Kumar Agarwal</i>	<i>Rs. 27,00,000/-</i>

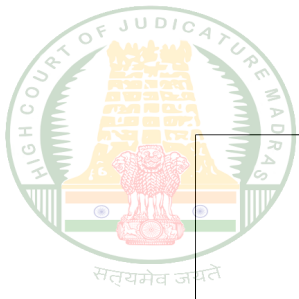


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	29.03.2025 <i>Drawn on Bank of India</i>		
3 .	DD No. 509138 <i>Dated 18.03.2025 Drawn on Bank of India</i>	<i>Shyam Sundar Agarwal HUF</i>	<i>Rs. 53,50,000/-</i>
4 .	DD No. 210362 <i>Dated 17.03.2025 Drawn on AXIS Bank Ltd.</i>	<i>Sweta Agarwal</i>	<i>Rs. 42,50,000/-</i>
5 .	DD No. 210460 <i>Dated 28.03.2025 Drawn on AXIS Bank Ltd.</i>	<i>Sanket Kumar Agarwal</i>	<i>Rs. 54,00,000/-</i>
6 .	DD No. 509137 <i>Dated 17.03.2025 Drawn on Bank of India</i>	<i>Shyam Sundar Agarwal</i>	<i>Rs. 46,99,999/-</i>
7 .	DD No. 509136	<i>Sneha Agarwal</i>	<i>Rs. 21,10,793/-</i>



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	<i>Dated 17.03.2025</i>		
	<i>Drawn on Bank of India</i>		
		<i>Total</i>	<i>Rs. 2,80,10,792/-</i>

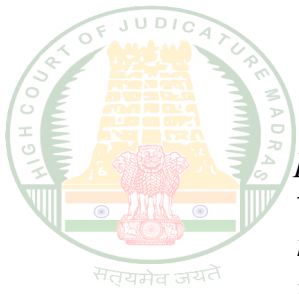
8.I further acknowledge the receipt of the aforesaid amount, being the balance due with interest, and as the Defacto Complainant undertake to withdraw all proceedings pending before any court or tribunal, quasi judicial authority, statutory authority concerning the matter against the company / its officers / its auditors or such other person, who has been made a party to any of the

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proceedings initiated by me or by my family members, within a period of one week (7 days) from the date of receipt of these DD's. The undertaking is made to this Hon'ble Court and the petitioners to close the above petition and also closure of all litigations between the parties within a period of one week. Further, both the parties agree to refrain from making defamatory or derogatory comments against each other on any public forum. The Petitioner herein shall withdraw suit in O.S. NO. 2314/2021, currently pending before the Chennai City Civil Court.

9.I respectfully submit that the office records, original documents and cash seized by police shall be returned to the petitioners by the police. Both parties shall exchange all documents in their possession and also issue receipts for payments received. On the receipt of entire payment and on closure of all cases, both parties shall not proceed with or initiate any proceedings as against each other and the above petition can be disposed for by quashing FIR recording the undertaking of the Appellant.

10.I solemnly affirm and undertake to the petitioners and this Hon'ble Court that as the issue is being mutually settled amicably all proceedings initiated shall be withdrawn and no fresh proceedings or complaints shall be made against the petitioners by myself or any



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persons being our family members as investors within a period of one week from the date of order of the Hon'ble High Court. I shall also not continue, or initiate any proceedings or complaints or statements made against the petitioners or the group companies before any forum. I shall ensure not to make any statements or imputations against the petitioners or their company or business, in any social medium or any public platforms, or media.

11.I further would co-operate, sign necessary statements, affidavits, make declarations to the petitioners or any person as they may request, to withdraw any statements, not to pursue any proceedings against the petitioners or family members or group companies. This affidavit of undertaking is filed before the Hon'ble Madras High Court for placing on record and to pass order in the above petition, by recording the Quash of the petition against them for closure of all other matters."

3.In view of the compromise arrived at between the parties and the affidavit filed by the second respondent, this Court is of the view that no useful purpose would be served in keeping the investigation pending. Accordingly F.I.R. in Crime No.13/2022 is quashed. In view of this order the petitioners are entitled to the return of the seized cash and documents. They may file an appropriate application before the learned Magistrate and on such application the learned Magistrate may return all the properties to the petitioners.



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4.This Criminal Original Petition is accordingly allowed.

Consequently, connected miscellaneous petition is closed.

30.04.2025

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To:-

1.The Sub Inspector of Police,
Central Crime Branch,
EDF-I, Team II,
Vepery, Chennai - 600 001

2.The Public Prosecutor, High Court, Madras.



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SUNDER MOHAN, J.

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