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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
+ **CRL.M.C. 6019/2024**
ADVANCED COMPUTER AND MOBILE
INDIA PRIVATE LTD & ORS.Petitioners

Through: Mr. Indresh Upadhyay, Mr. Vipul Aggarwal, Mr. Vidhur Mohan, Mr. Anirudh Dass and Mr. Mohd. Faraz, Advocates for P-1 & P-2

versus

STATE OF NCT OF DELHI & ANR.Respondents

Through: Mr. Ajay Vikram Singh, APP for State with SI Nikhil Singh, PS EOW
Mr. Ayush Gupta, AR of the respondent no. 2 company (through VC)

CORAM:

HON'BLE MR. JUSTICE VIKAS MAHAJAN

ORDER

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13.01.2025

1. The present petition has been filed seeking quashing of FIR No. 56/2020 under Sections 420/406/120B IPC registered at Police Station EOW, New Delhi on the ground that parties have arrived at a settlement and all other proceedings emanating therefrom.
2. Learned APP appearing on behalf of the State submits that since the parties have arrived at a settlement, the State has no objection in case the aforesaid FIR is quashed.
3. The brief facts of the case are that petitioner and respondent no. 2 had entered into Facility-cum-Hypothecation Agreement. Some dispute arose between them which led to the filing of complaint by the respondent no. 2. The said complaint culminated into registration of aforesaid FIR.



4. During pendency of the proceedings, the parties had arrived at a settlement, terms whereof were reduced into writing in the form of Memorandum of Settlement dated 29.03.2024.

5. It is a term of the said settlement that the petitioner will pay a total sum of Rs. 35 lakhs to the respondent no. 2 as full and final settlement amount towards all the claims of the respondent no. 2 company. The said amount is stated to have been paid, the receipt of which is acknowledged by Mr. Ayush Gupta, Authorised Representative of the respondent no. 2. He also submits that the respondent no. 2 has no objection in case the aforesaid FIR is quashed.

6. Petitioner no. 2 who is the Authorized Representative of petitioner no. 1 as well and Mr. Ayush Gupta who is the Authorized Representative of respondent no. 2 company have joined through video conferencing have been identified by the IO/SI Nikhil Singh.

7. At this stage, apt would it be to refer to the following observations of the Hon'ble Supreme Court in ***Parbatbhai Aahir vs. State of Gujarat (2017) 9 SCC 641***:

“...16.7. As distinguished from serious offences, there may be criminal cases which have an overwhelming or predominant element of a civil dispute. They stand on a distinct footing insofar as the exercise of the inherent power to quash is concerned.

16.8. Criminal cases involving offences which arise from commercial, financial, mercantile, partnership or similar transactions with an essentially civil flavour may in appropriate situations fall for quashing where parties have settled the dispute.

16.9. In such a case, the High Court may quash the criminal proceeding if in view of the compromise between the disputants, the possibility of a conviction is remote and the continuation of a criminal



proceeding would cause oppression and prejudice; and”...

8. In view of the fact that the parties have arrived at a settlement, no useful purpose will be served in continuing the proceedings and the chances of conviction in the matter are also bleak.

9. Therefore, having regard to the legal position as noted above, it is in the interest of justice that the present FIR and all the other proceedings emanating therefrom be quashed.

10. Consequently, the petition is allowed and the FIR No. 56/2020 under Sections 420/406/120B IPC registered at Police Station EOW, New Delhi alongwith all other proceedings emanating therefrom, is quashed.

11. The petition stands disposed of in the above terms.

VIKAS MAHAJAN, J

JANUARY 13, 2025

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