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

+ **CS(COMM) 316/2017**

PETE HAMMOND POWER SOLUTIONS PVT. LTD.Plaintiff

Through: **Mr. Aniruddha Choudhury, Advocate.**

versus

FLOWMORE LTD. & ANRDefendants

Through: **Ms. Pratishtha Vij, Advocate along
with Mr. Rishabh Gupta, AR for D-1**

CORAM:

HON'BLE MR. JUSTICE SUBRAMONIUM PRASAD

ORDER

04.11.2025

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I.A. 27342/2025

1. This is a joint application on behalf of the Plaintiff and Defendant No.1 seeking directions.
2. Learned Counsel for the Plaintiff and Defendant No.1 state that they do not want to press this application.
3. The application is dismissed as not pressed.

I.A. 27343/2025

1. This is an application under Order XXIII Rule 3 of the CPC on behalf of the Plaintiff and Defendant No.1 for passing the compromise decree in terms of the Memorandum of Understanding dated 29.10.2025.
2. The instant suit was filed by the Plaintiff seeking a money decree of Rs.4,94,22,668/- along with interest @ 24 % per annum and for mandatory and permanent injunction.



3. It is stated that the parties have amicably settled the matter *vide* Memorandum of Understanding dated 29.10.2025, which reads as under:-

MEMORANDUM OF UNDERSTANDING

THIS DEED OF MEMORANDUM OF UNDERSTANDING is made on this 29th day of October 2025 at New Delhi by and in between:-

Hammond Power solutions Private Limited [CIN No. U31909TG1988PTC008310] (formerly known as Pete Hammond Power Solutions Private Limited.)

And

Flowmore Limited [CIN No. U74899DL1967PLC004773]

FLOWMORE LIMITED

Hammond Power solutions Private Limited [CIN No. U31909TG1988PTC008310] (formerly known as Pete Hammond Power Solutions Pvt. Ltd.) having its registered office at Phase I, Plot No. 6A IDA Pashamylaram, Patancheru Mandal, Sangareddy, Telangana-502307, represented through its authorised representative and Managing Director, Shri Shailendra Singh, hereinafter referred to as the **FIRST PARTY**, which term shall mean and include its successors, representatives, nominees, permitted assignees and businesses etc.

And

Flowmore Limited [CIN No. U74899DL1967PLC004773] having its registered office at 303, 3rd Floor, Plot No. 2069/69 Karol Bagh, 38, Nai Walan, Delhi represented through its authorised representative, Mr. Gautam Karnawat, hereinafter referred to as the **SECOND PARTY**, which term shall mean and include its successors, representatives, nominees, permitted assignees and businesses etc.

(The parties hereinafter individually are referred to as the '**Party**' and collectively as '**Parties**')

WHEREAS the Parties were engaged in a commercial relationship whereby a Purchase Order No. 648 dated 14.07.2015 (as amended on 02.11.2015) was placed upon the First Party by the Second Party for supply of 50 (fifty) 5MVA 33/11 kV Transformers with insulation level for windings of 170 KVP for 33kV and 95KVP for 11 kV as per the specifications for a total sum consideration of Rs. 20,08,12,500/- (Rupees Twenty Crores Eight Lacs and Twelve Thousand Five Hundred).

WHEREAS the 50 (fifty) transformers came to be delivered by the First Party to the Second Party at the addresses specified with the final set of transformers being dispatched and received by the Second Party on 31.03.2016.



WHEREAS the Parties were embroiled in dispute on the adequacy and performance of the transformers supplied by the First Party and the payments in connection thereto.

WHEREAS disputes and differences arose between the Parties and the First Party filed a Civil Suit for recovery of Rs.4,94,22,668/- (Rupees Four Crore Ninety Four Lacs and Twenty Two Thousand Six Hundred and Sixty Eight) against the Second Party and J.P. Morgan Chase Bank, N.A Trade Services being titled as '*Pete Hammond Power Solutions Pvt. Ltd. v. Flowmore Limited And Anr.*', bearing CS(COMM) No. 316/2017 before the Hon'ble Delhi High Court.

WHEREAS the Second Party filed its Written Statement in Defence in the said civil suit and contested the claim of the First Party on account of alleged losses incurred by the Second Party on account of the actions of the First Party.

NOW WHEREAS the First Party and the Second Party after having several discussions between their representatives, have *inter se* decided to amicably settle all their past, present and future disputes relating to their commercial relationship, existing on or before the date hereof by way of the present Memorandum of Understanding, notwithstanding their respective rights and contentions in the aforesaid Civil Suit.

NOW THEREFORE THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. The First Party and the Second Party agree on behalf of itself and its affiliates, predecessors, successors, assigns, officers, directors, employees, representatives, and agents, that they fully and forever release and discharge each other, and their respective affiliates, predecessors, successors, assigns, officers, directors, employees, representatives, and agents, from any and all claims, demands, damages, debts, liabilities, obligations, causes of action, and rights of any kind or nature whatsoever that such releasing Party has or may have had, or may hereinafter have, arising out of or relating to any matter existing prior to the execution of this memorandum of understanding.

For FLOWMORE LIMITED



2. The First Party and the Second Party agree that the present understanding between the parties is a compromise and settlement of all claims that Parties have against each other and neither of the Parties admit their liability or wrongdoing of any kind.
3. The First Party and the Second Party agree to maintain strict confidentiality of the terms of this Memorandum of Understanding and the circumstances leading to it, except (i) as required by law or in legal proceedings or as directed by any judicial authority or Court, or (ii) to enforce the terms of this settlement, or (iii) to the party's accountants, attorneys, insurers, or other professional advisors, subject to such persons maintaining strict confidentiality.
4. The First Party and the Second Party agree not to make, publish, or communicate to any third party, any statement, whether written or oral, that is intended to disparage, defame, or otherwise harm the reputation of each other.
5. The Parties agree that the First Party shall forgo its claim of Rs. 4,94,22,668/- (Rupees Four Crore Ninety Four Lacs and Twenty Two Thousand Six Hundred and Sixty Eight) and the Second Party shall forgo its claims against the First Party related to adequacy and performance of the transformers supplied, the adequacy or accuracy of their test reports, documentation and other representations made in respect of such transformers and any alleged losses suffered by the Second Party, as a result of the actions of the First Party. The Parties shall maintain confidentiality of this arrangement and this agreement and shall be bound by non-disparagement and non-prosecution pursuant to clauses 3,4 and 6 of this Memorandum of Understanding.
6. The Parties agree that upon the signing of this memorandum of understanding, (a) all disputes *inter se* the Parties shall stand fully and finally settled, (b) the proceedings filed by Parties instituted/pending against each other, whether civil or criminal in nature, shall stand unconditionally withdrawn/settled in terms of present Agreement and (c) all disputes and differences between the Parties shall stand resolved by way of arbitration.



of this settlement agreement and that the Parties shall not precipitate any pending proceedings or institute fresh proceedings against each other and/or their entities/businesses and (d) the parties shall not have any further claims against each other.

7. The Parties agree that all proceedings shall stand settled by way of the present agreement and the Parties shall cooperate with each other and take all necessary steps to close any complaints/ pending proceedings which cannot be unilaterally withdrawn and immediately discontinue their participation and the participation of its employees, directors, officers, and representatives in same.
8. The First Party and the Second Party upon signing of the present Memorandum of Understanding, shall take all necessary steps and coordinate and cooperate with each other for filing appropriate applications, affidavits etc., for recording this compromise/settlement entered into between the First Party and the Second Party and seek a Compromise Decree based on this memorandum of understanding in the pending Civil Suit filed by the First Party against the Second Party within a period of 15 days of execution of this Memorandum of Understanding.
9. The First Party and the Second Party agree and admit that they have entered upon this memorandum of understanding upon their free will and not under any coercion, duress and or undue-threat of any nature whatsoever.
10. That the present settlement agreement has been signed and executed in two sets of originals, one set each for First Party and Second Party.
11. The parties undertake to comply with the present Settlement Agreement in letter and spirit and shall be bound by the same.



4. The parties are bound by the terms of the Memorandum of Understanding dated 29.10.2025.
5. Let the decree sheet be drawn up accordingly.
6. The suit is disposed of in terms of Memorandum of Understanding dated 29.10.2025.
7. The next date already fixed in the matter, i.e., 19.02.2026, stands cancelled.
8. The application is disposed of.

SUBRAMONIUM PRASAD, J

NOVEMBER 4, 2025

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