Virender Puri & Anr vs Government Of Nct Of Delhi & Anr on 5 January, 2022

Author: Subramonium Prasad

Bench: Subramonium Prasad

\$~2

IN THE HIGH COURT OF DELHI AT NEW DELHI

W.P.(CRL) 2336/2021 & CRL.M.A. 18926/2021 VIRENDER PURI & ANR

..... Petitioners Through

Mr. Pritpal Singh Nijjar, Advocate (D/847-A/2006) with petitioners in

person

versus

GOVERNMENT OF NCT OF DELHI & ANR

..... Respondents

Through Mr. Sanjay Lao, Standing Counsel for the State with Mr. Karanjeet Rai Sharma, Advocate along with Inspector Vijay Pal, PS EOW Mr. Vivek Kohli, Senior Advocate with Mr. Kustubh Singh, Advocate

(D/1793/2018) along with Mr. Nalin Talwar, Mr. Sunil Tyagi, Ms. Prerna

Kohli, Mr. Sandeep Bhuraria, Advocates for respondent no. 2 with

respondent No.2 in person

CORAM:

HON'BLE MR. JUSTICE SUBRAMONIUM PRASAD **ORDER**

% 05.01.2022 HEARD THROUGH VIDEO CONFERENCING

- 1. The present petition under Article 226 of the Constitution of India read with Section 482 Cr.P.C. has been filed for quashing FIR No.01/2021 dated 01.01.2021 registered at Police Station Chitranjan Park for offences under Section 420, 467, 406, 468, 471, 120B IPC on the ground that the parties have amicably settled their disputes.
- 2. The petitioner No.1 is the brother of the complainant/respondent No.2. The present proceedings arise out of parental property dispute between the petitioner No.1 and complainant/respondent No.2. The allegations against the petitioners are of forging documents, cheating, criminal conspiracy and criminal breach of trust regarding the share of parental property. On the said complaint, the instant FIR was registered.

- 3. It is stated that the parties have amicably resolved their disputes by a settlement agreement dated 31.07.2021 which has been filed along with the petition. The settlement agreement reads as under:-
 - "1. Asset 1 1.1 Asset 1 is presently in the name of Mr. Virender Puri of the Second Party and is represented to be free of Encumbrance of any nature whatsoever by the Second Party.
 - 1.2 It is agreed and settled between the Parties that in terms of clause 4.7, the absolute ownership of Asset 1 will rest with Mr. Virender Puri of the Second Party with all rights and entitlement to absolutely own, receive benefits, deal with, mortgage, transfer, sell, lease and dispose off Asset 1 in any manner whatsoever as Mr. Virender Puri of the Second Party deems and determines fit and proper in his sole discretion without any obstruction and interference from First Party or any person claiming under or through her. The First Party further confirms and acknowledges that, all her claims to rights, interest and benefits in respect of Asset 1 shall stand settled and that she will have no rights, interest and/or claims with respect to the Asset 1 and/or any part thereof. 1.3 It is agreed and settled between the Parties that simultaneous to the execution of this Settlement Agreement, the First Party shall execute a Deed of Acceptance and Acknowledgement/ Disclaimer in favour of Mr. Virender Puri of the Second Party, accepting and acknowledging that Mr. Virender Puri of the Second Party is the absolute owner of Asset 1 and that the First Party has no claims/ dispute with respect to ownership rights of Mr. Virender Puri of the Second Party to the Asset 1 (hereafter the "Deed of Acceptance and Acknowledgement] Disclaimer").
 - 2. Asset 2 2.1 Asset No. 2 is presently in the name of M/s H. L. Puri Engineering Private Limited (hereafter the "Asset Owning Company").
 - 2.2 It is agreed and settled between the Parties that in terms of clause 4.7, Asset 2 shall continue to rest with the Asset Owning Company. The Asset Owning Company shall have all rights and entitlement to absolutely own, receive benefits, deal with, mortgage, transfer, sell, lease and dispose of the Asset 2 in any manner whatsoever, without any obstruction and interference from First Party or any person claiming under or through her. 2.3. The First Party owns 931 equity shares of the Asset Owning Company which constitutes 13.23% of the total shareholding of the Asset Owning Company. The management and control of the Asset Owning has always been with the Second Party for all times and uptill the Settlement Date and the Second Party has been taking care of all the company related compliances, without any participation and/or interference from the First Party. It is agreed and settled between the Parties that, the Second Party shall continue to control and manage the Asset Owning Company.
 - 2.4 It is agreed and settled between the Parties that simultaneous to the execution of this Settlement Agreement, the First Party shall execute a Gift Deed (without any

monetary consideration) to gift/transfer the entire shareholding, rights and interest of the First Party in the Asset Owning Company in favour of Mr. Virender Puri of the Second Party (hereafter the "Gift Deed of Shares"). All stamp duty, taxes or any other fees applicable on execution of this gift and transfer shall be valued on the basis of book/face value for the purposes of transfer/gift.

- 2.5 All liabilities of the Asset Owning Company and all demands of any nature whatsoever relating to this Asset 2 shall be to the sole and exclusive account of the Second Party only.
- 3. Asset 3 3.1 Asset 3 is presently owned (in the proportion of one third (1/3rd) undivided share) by and is in the name of each: (i) Mr. Virender Puri of the Second Party; (ii) Mrs. Bibi Rani Nangia -- i.e., First Party; and (iii) the Shrimati Daropati Devi Puri Private Discretionary Trust
- -- i.e., Confirming Party 1 which is managed and controlled by Mr. Virender Puri and Mrs. Meena Puri of the Second Party; each. The Second Party represents and confirms that the respective one third (1/3") share of Mr. Virender Puri of the Second Party and Shrimati Daropati Devi Puri Private Discretionary Trust are free of any and all claims, liens, demands, charges, mortgages, litigation, injunctions, stay orders, attachments or any other form of security or encumbrances or any prior agreement or contract of sale, power of attorney or any other documents creating any right over the property of any nature whatsoever (hereafter called "Encumbrance") and the same shall continue to be free from Encumbrance till the consummation of the transactions as contemplated in this Settlement Agreement. It is however clarified that the First Party is in possession of the Asset 3 from 12.09.2020. The Second Party states and represents that there is an existing liability of income tax against the Trust on account of non-credit of Tax Deducted at Source (TDS) on the rental income received by Trust in respect of one third (1/3rd) undivided share of the Trust in Asset 3, as per assessment order u/s143(1) of income tax for AY 2017-18 ("IT Order") being an amount of Rs.7,00,390/-

(Rupees Seven lakhs Three Hundred ninety only). The Second Party represents that the request for rectification against the said IT Order passed by the income tax department had been duly filed by the Second Party on behalf of the Trust and same is still pending with the income tax department for processing. The Second Party confirms that there are no other demands or litigation outstanding/pending in respect of income tax of the Trust. The Second Party confirms and undertakes that it shall be solely responsible and liable to discharge any and all the liability(ies) arising in respect of the said IT Order and shall keep the First Party fully indemnified if any liability of any nature arises out of it against the Trust. The Second Party also represents and confirms that the property tax of the Asset 3 with respect to ownership share of Trust and Mr. Virender Puri of the Second Party has been paid upto the date of 12.09.2020 and there are no outstanding demands in this regard. The Second Party further confirms that ail GST payable on rental income or any other income received from the share of Trust and Mr. Virender Puri of the Second Party in Asset 3 has been duly paid and

there are no statutory dues outstanding in this regard and the Second Party shall keep the First Party fully indemnified if any liability of any nature whatsoever arises out of or in connection with the respective ownership share of Trust and Mr. Virender Puri of the Second Party in Asset 3 for the period prior to the consummation of settlement in terms of clause 4.7.

3.2 It is agreed and settled between the Parties that, the absolute ownership of one third (1/3rd) undivided share of the First Party in Asset 3 shall rest with the First Party with all rights and entitlement to own, receive benefits, deal with, mortgage, transfer, sell, lease and dispose of her one third (1/3rd) undivided share of the Asset 3 in any manner whatsoever, as the First Party deems and determines fit and proper in her sole discretion, without any obstruction and interference from Mr. Virender Puri and/or Mrs. Meena Puri or any person claiming under or through them.

3.3 The Second Party further confirm and acknowledge that in terms of clause 4.7, all their respective rights, title, interest and benefits, if any, in respect of one third (1/3rd) undivided share of First Party in Asset 3, stand extinguished and they shall be left with no rights, interest and/or claims with respect to the First Party's one third (1/3rd) undivided share of Asset 3 and/or part thereof. 3.4 Simultaneous to the execution of this Settlement Agreement in terms of clause 4.7 Mr. Virender Puri of the Second Party (being the owner of one third (1/3rd) undivided share in this Asset 3) shall execute a Gift Deed in favour of the First Party to transfer by way of gift (without any monetary consideration) his Encumbrance free one third (1/3rd) undivided share in Asset 3 in favour of the First Party (hereafter the "Gift Deed of Immovable Property") so that the First Party becomes the absolute owner of all his rights, title, interest and entitlements in respect of his one third (1/3rd) undivided share in Asset 3, absolutely and forever. The applicable stamp duty and registration charges for the registration of the Gift Deed of Immovable Property shall be borne by the First Party.

3.5 In so far as the Shrirnati Daropati Devi Puri Private Discretionary Trust (hereafter the "Trust") is concerned, the Trust has been managed and controlled by the Second Party as the only Trustees and therefore, the Second Party is responsible and liable for any liabilities (statutory or financial) whether imposed retrospectively or prospectively of the Trust for the period prior to the consummation of settlement in terms of clause 4.7.

3.6 Although the First Party has been mentioned as one of the beneficiaries of the Trust in the Trust Deed dated 29.12.1983, however till the Settlement Date the First Party has not participated in any manner whatsoever in the management of the Trust. It is agreed and settled that in terms of clause 4.7 the entire control and management of the Trust shall rest with the First Party to the exclusion of the Second Party. Mr. Virender Puri and Mrs. Meena Puri of the Second Party, being the present Trustees of the Trust confirm that (i) the list of beneficiaries as mentioned in the Trust Deed dated 29.12.1983 has never been changed/varied; (ii) the list of beneficiaries as mentioned in the Trust Deed dated 29.12.1983 is the only operative list of beneficiaries of the Trust; and (iii) Trust owns only Asset 3 and no other asset; as on the Settlement Date. Simultaneous to the execution of this Settlement Agreement, the Parties shall execute the following documents/instruments:

3.6.1. Mr. Virender Puri and Mrs. Meena Puri of the Second Party, beingthe present Trustees of the Trust shall pass irrevocable unanimous resolution to:

3.6.1.1. Appoint the First Party and Mr. Siddharth Nangia, son of Mr. Sanjeev Nangia, resident of S-441, Greater Kailash -- 2, New Delhi -- 110 048 as Trustees of the Trust with authority to exercise all powers to be exercised by the Trustee as per the Trust Deed dated 29.12.1983;

3.6.1.2. For change in registered/correspondence office address of the Trust and that such changed address shall also be intimated for updation in the records of the Income Tax and GST Department by the First Party; and 3.6.1.3. The existing bank account(s) of the Trust snail be closed by the Second Party and the First Party shall have no right over the same.

3.6.2 Mr. Virender Puri and Mrs. Meena Puri of the Second Party shall execute an Affidavit cum Indemnity each to affirm that:

3.6.2.1 On the Settlement Date the one third (1/3rd) undivided share of the Trust in Asset 3 is Encumbrance free, and 3.6.2.2 Each of them shall be solely responsible and liable to discharge all liabilities in respect of the Trust under the applicable provisions of Income Tax Act, 1961, for the period prior to the consummation of entire settlement in terms of clause 4.7 and all liabilities in respect of the property tax and other expenses till 12.09.2020 in respect of the one third (1/3rd) undivided share of the Trust in Asset 3, irrespective whether such taxes, charges, penalties, levies are etc. imposed retrospectively or prospectively.

3.6.3 Simultaneously, Mr. Virender Puri and Mrs. Meena Puri of the Second Party shall execute resignation letters addressed to the First Party (being the Trustee of the Trust) resigning from the Trusteeship of the Trust; and 3.6.4 Mr. Virender Puri and Mrs. Meena Puri of the Second Party and the Confirming Party 2 shall execute a Relinquishment/ Release Deed respectively to relinquish/ waive off their respective rights, interest, benefits and receivables in the Trust in respect of the one third (1/3rd) undivided share of the Trust in Asset 3 and confirm that:

3.6.4.1 the First Party shall be the only beneficiary of the Trust;

3.6.4.2 his/ her respective rights, interests, benefits and receivables, if any, in the Trust have ceased; and 3.6.4.3 he/ she has no further rights, interest and/or entitlements in respect of the Trust and/or in respect of the one third (1/3rd) undivided share of the Trust in Asset3.

3.7 Asset 3 was leased to the erstwhile lessee, that is, Cottage industries Exposition Limited, having its registered office at 365 Suitanpur, Near Chatterpur New Delhi ("CIE") by Mr. Virender Puri, Mrs. Bibi Rani Nangia and Shrirnati Daropati Devi Puri Private Discretionary Trust (a trust which was being managed and controlled by Mr. Virender Puri and Mrs. Meena Puri) with each of them receiving 1/3rd share of the rent amount in their respective bank account as mentioned in the lease agreement

entered into with CIE.

CIE had by an error in calculation paid an additional amount of around INR 11,00,000/- (Indian Rupees Eleven Lakh only) to Municipal Corporation of Delhi (hereinafter referred as "MCD') towards conversion charges in respect of Asset 3. As and when such additional amount is refunded by MCD and if it is remitted/paid into the respective bank accounts of Mr. Virender Puri, Mrs. Bibi Rani Nangia and Shrimati Daropati Devi Puri Private Discretionary Trust, then Mr. Virender Puri, Mrs. Bibi Rani Nangia and Trustee managing such bank account of Shrimati Daropati Devi Puri Private Discretionary Trust shall be responsible to remit amount so received from MCD to CIE. It is ciarified that whosoever receives such amount from MCD, he/she/it shail be responsible and liable to remit the same to CIE.

- 4. Payment Terms and Other Settlement Terms 4.1 In terms of the Settlement, the Parties have also agreed that a sum of Rs.12,50,00,000/- (Rupees Twelve Crore Fifty Lakhs only) (hereafter "Settlement Amount") shall be payable by the First Party to Mr. Virender Puri or Mrs. Meena Puri on or before 31st December, 2021. However, given the current pandemic situation and the financial difficulties being faced by people at large, the First Party shall be provided with a grace period of three months i.e., till 31st March 2022 to make payment of the Settlement Amount. If the First Party does choose to avail the grace period, it shall be liable to pay an interest / compensation @ 8% (eight percent) per annum to Mr. Virender Puri or Mrs. Meena Puri of Second Party for that period. In case, the First Party for any reason has to seek for extension i.e., Grace Period, then the same shall be duly informed to the Second Party in writing one month prior to 31.12.2021. It is clarified that the First Party under no circumstances can seek extension for the paying the Settlement Amount beyond 31.03.2022 being the last date of the grace period.
- 4.2 Simultaneous to the execution of this Settlement Agreement, the First Party shall issue a post--dated cheque of 31st December, 2021 of the Settlement Amount being a sum of Rs.12,50,00,000/- (Rupees Twelve Crore Fifty Lakhs only) in favour of Mr. Virender Puri of Second Party (hereafter "Cheque of Settlement Amount") and the First Party shall also execute a Gift Deed to gift the Settlement Amount in favour of Mr. Virender Puri of the Second Party (hereafter the "Gift Deed of Settlement Amount").
- 4.3 Deposit of Documents: Simultaneous to the execution of this Settlement Agreement, the Parties have created an escrow with Hon'ble Mr. Justice G.S. Sistani (Retd.) ("Mediator") and have deposited with the Mediator the complete file comprising of all the original title chain documents relating to the Asset 1, Asset 2, Asset 3, Trust or Will, or any other relevant documents in respect thereof and the entire set of documents executed in terms agreed in this Settlement Agreement including:
 - 4.3.1 Entire chain of Original Title Deeds of Asset 1; 4.3.2 Entire chain of Original Title Deeds of Asset 2; 4.3.3 Entire chain of Original Title Deeds of Asset 3; 4.3.4 Deed of Acceptance and Acknowledgement] Disclaimer vis-à-vis Asset 1 under Clause 1.3 to be executed by the First Party in favour of the Second Party; 4.3.5 Gift Deed of Immovable Property vis-a-vis the Asset 3 under Clause 3.4 by the Second Party in

favour of the First Party;

4.3.6 Gift Deed of Shares vis~a-vis the shares of the Asset Owning Company under Clause 2.4 held by the First Party in favour of the Second Party.;

4.3.7 Documents to be executed by the Second Party in respect of Trust as mentioned under Clause 3.6 of this Settlement Agreement in favour of the First Party, her husband andl or her daughter, as the case may be; 4.3.8 Cheque of Settlement Amount under Clause 4.2 issued by the First Party in favour of Virender Puri of the Second Party; and 4.3.9 Gift Deed of Settlement Amount under Clause 4.2 to be executed by the First Party in favour of the Second Party.

(hereafter collectively "Settlement Documents") 4.4 The Settlement Documents shall remain in the custody of Mediator till the First Party confirms that she has sufficient funds in her bank account for making a Demand Draft for the Settlement Amount in terms of the timelines mentioned in Clause 4.1 above. The Parties agree that the First Party shall be entitled to raise funds by creating an equitable mortgage or any other mortgage with a bank/ financial institution on the one third (1/3rd) undivided share of the First Party (mutated 1st FLOOR as per records of Municipal Corporation of Delhi) in Asset 3 subject to the following conditions:

4.4.1 The credit facility shall be obtained from bank/financial institution only for the purpose of making the payment of Settlement Amount i.e., an amount Rs.12,50,00,000/- (Rupees Twelve Crore Fifty Lakhs only);

4.4.2 The Settlement Amount shall be paid to Mr. Virender Puri of the Second Party from the credit raised from bank/ financial institution through the First Party, Mrs. Bibi Rani Nangia; and 4.4.3 The title documents of Asset 3 required to be submitted to the bank/financial institution for the purposes of creating the equitable mortgage shall be duty handed over by the Mediator in the presence of First Party and Mr. Virender Puri or Mrs. Meena Puri of the Second Party to the bank] financial institution and the Second Party agrees that, if required by the First Party, it shall extend requisite cooperation to the First Party in this regard. It is clarified that Mr. Virender Puri shall not be required to execute any bank documents for obtaining any such loan. The First Party shall provide a copy of the sanction letter to the Second Party and the Mediator prior to the release of title documents of Asset 3 for the loan.

4.5 Simultaneous to the confirmation from the First Party having sufficient funds for the Settlement Amount in her bank account for making a Demand Draft, the Parties shall take the following steps:

4.5.1 The Demand Draft of Settlement Amount shall be handed over to the Mediator by the First Party and the post-dated cheque will be handed back to the First Party; 4.5.2 Mr. Virender Puri of Second Party shall register the Gift Deed of Immovable Property in favour of the First Party vis-a-vis the Asset 3 under Clause 3.3; 4.5.3 The First Party shall register the Deed of Acceptance and Acknowledgement/Disclaimer

in favour of Mr. Vi render Puri of the Second Party vis-a-vis Asset 1 under Clause 1.3; and 4.5.4 Mr. Virender Puri and Mrs. Meena Puri of the Second Party and the Confirming Party 2 shall register their respective Relinquishment/ Release Deed in favour of the First Party vis-à-vis Asset 3 under Clause 3.6.4. 4.6 Upon registration of the above documents, the Mediator shall release the Demand Draft and the remaining Settlement Documents which have been deposited in the custody of Mediator to the respective Parties who are entitled to the said documents. All the documents related to Asset 3, described herein above, shall be released to First Party and the documents related to Asset 1 & Asset 2 shall be released to Second Party without any delay.

4.7 All rights of ownership of Second Party in Asset 1, and in Asset 2 through M/s H. L. Puri Engineering Private Limited and all ownership rights of the First Party with respect to one third (1/3",) undivided share of Trust and one third (1/3") undivided share of Second Party gifted to First Party, shall become operative and absolute upon completion of steps as mentioned in Clause 4.5 and 4.6.

5. General

5.1 It is agreed that from the date of this Settlement Agreement, the Second Party shall deposit all the required documents with the Mediator and the Parties Undertake to perform their respective obligations listed in this Settlement Agreement including but not limited to as set out under Clause 4.5 and 4.6. In view of this settlement, the Parties shall jointly file a quashing petition in the Hon ble High Court of Delhi for quashing of FIR No. 01/2021, dated 01.01.2021. The Parties shall inform the Hon'ble High Court about the settlement arrived herein and that the settlement is still to be consummated. The Parties shall request the Hon'ble Court to allow quashing of FIR upon consummation of complete settlement only in terms of Clause 4.7 and stay investigation in the said FIR until then. Till quashing of FIR, if there is no breach of the terms of settlement by the Second Party, the First Party shall fully cooperate and not object to grant of the interim bail application of Second Party.

5.2 The complaint filed by the First Party in C.R. Park Police Station, which culminated to FIR No. 01/2021 is now being investigated by the Economic Offences Wing Police Station ("E.O.W"). The Parties agree that if E.O.W. in the future calls upon the Second Party to produce any original document (as mentioned in the said FIR), which have been handed over by them to the Mediator in terms of the present Settlement Agreement, then the Mediator after giving 2 (two) days advance notice to the First Party shall release the said original documents sought by E.O.W. It is clarified that the First Party shall not object for the release of such original documents to the Second Party for submission to E.O.W in terms of the notice from E.O.W. In case the original documents in respect of Asset 3 are submitted by the Second Party to E.O.W., then the time period for making the payment of the Settlement Amount as provided under clause 4.1 of this Settlement Agreement, shall be accordingly extended by an equivalent number of days during which such documents remain with E.O.W. 5.3 The complete file comprising of all the documents relating to Asset 3, Trust or Will, or any other relevant documents, that may be required by the First Party, are being handed over in

photocopy by the Second Party to the First Party (more particularly detailed in the list attached to this Settlement Agreement as Schedule-I), simultaneous to execution of this Settlement Agreement. 5.4 Any income tax or direct taxes or levies levied in relation to the transfers and transactions contemplated herein shall be borne by respective individual party who is liable to pay such taxes under the applicable laws. 5.5 Both the Parties shall extend full cooperation to each other to promptly effectuate the settlement recorded herein. The Parties undertake to abide by the clauses] terms/ obligations of this Settlement Agreement and each Party further undertake that it will, at any time, and from time to time, do such further acts and execute such further agreements, documents, and instruments as may be reasonably required by the other Party(ies) in order to carry out fully and effectuate the transactions herein contemplated.

5.6 The Parties further acknowledge and irrevocably confirm that upon execution of this Settlement Agreement, the entire dispute is settled between the Parties including their legal heirs forever and they shall have no liability/ claim/ counter-claim, whatsoever against each other, arising out of or in connection with the ownership of Asset 1, Asset 2, Asset 3 and/or any other assets owned or controlled by the respective parties or their legal heirs and the disputes/legal proceedings emanating thereto. On and from this Settlement Date, any claim that a Party to this Settlement Agreement may have against the other Party shall be only under and in terms of this Settlement Agreement.

5.7 The Parties represent and state that that there are no other legal proceedings apart from what has been mentioned in the present Settlement Agreement, either initiated or pending between the Parties. 5.8 The Parties unequivocally agree that the terms of this Settlement Agreement would supersede alt terms and conditions under all previous agreements/documents/ correspondence exchanged between the Parties except for such terms as stated in this Settlement Agreement. 5.9 The settlement as recorded in this Settlement Agreement shall be binding on the Parties and the legal heirs of each of the Parties. Each of the Parties undertake to ensure that the terms of this Settlement Agreement remain binding on the legal heirs of each of the Parties. 5.10 The Parties agree and undertake that under no circumstances they will back out from their respective obligations and undertakings herein contained in the present Settlement Agreement. The Parties expressly agree that any breach of terms of this Settlement Agreement by any of the Parties shall be considered as Contempt of Court and such Party shall be solely liable and responsible for proceedings against such Party in this regard.

- 6. That the Parties hereto have agreed that the present Settlement Deed has been signed and executed in four sets of originals, one each to be kept by the parties to the present Settlement Agreement and one to be filed in the Bail Appl. No. 461 and 462 /2021 pending before the Court of Shri Sandeep Yadav, Ld. Additional Session Judge, South East District Saket District Courts, New Delhi and the last set to be filed before the Hon'ble High Court of Delhi for Quashing of the FIR No. 01/2021."
- 4. Today, the petitioners and the complainant/respondent No.2 have joined the proceedings through video conferencing. The petitioners have been identified by Mr. Pritpal Singh Nijjar, Advocate (D/847-A/2006) and the complainant/respondent No.2 has been identified by Mr.

Kustubh Singh, Advocate (D/1793/2018) and the Investigating Officer Inspector Vijay Pal, PS Economic Offences Wing. The complainant/respondent No.2 has filed an affidavit affirming the fact that she has amicably settled all her disputes with the petitioners out of her own free will, without pressure, coercion or undue influence.

- 5. Mr. Pritpal Singh Nijjar, learned counsel for the petitioners states that the petitioners have already given a letter to the SHO Hauz Khas Police Station for withdrawal of complaint dated 30.09.2020. He further states that Clause 3.5 and 3.6 of the settlement agreement dated 31.07.2021 have been abandoned by way of an addendum. The said addendum reads as under:-
 - "1. In consideration of the agreement arrived at between the Parties, the foregoing recitals, mutual covenants and understanding set forth in this Addendum Agreement, the Parties have mutually agreed to amend certain clauses of the said Settlement Agreement as under:
 - 1.1 Clause 3.5 of the said Settlement Agreement shall be replaced with the following Clause:
 - "3.5 In so far as the Shrimati Daropati Devi Puri Private Discretionary Trust (hereafter the "Trust") is concerned, the Trust has been managed and controlled by the Second Party as the only Trustees and continues to be managed and controlled by the Second Party.

Therefore, the Second Party is responsible and liable for any liabilities (statutory or financial) whether imposed retrospectively or prospectively on the Trust. However, the First Party shall be solely responsible for any actual and direct tax liability imposed by Income Tax Authority under Income Tax Act, 1961arising on the Trust or/on the Second Party due to or on account of transfer of Trust Property i.e., 1/3rd undivided share in D-13, South Extension Part-2, New Delhi (Ground floor As per Mutation Records SDMC) in favour of the First Party."

1.2 The entire clause 3.6 of the said Settlement Agreement shall be replaced with the following Clause:

"3.6 Although the First Party has been mentioned as one of the beneficiaries of the Trust in the Trust Deed dated 29.12.1983, however till the Settlement Date the First Party has not participated in any manner whatsoever in the management of the Trust. Mr. Virender Puri and Mrs. Meena Puri of the Second Party, being the present Trustees of the Trust confirm that (i) the list of beneficiaries as mentioned in the Trust Deed dated 29.12.1983 has never been changed/varied; (ii) the list of beneficiaries as mentioned in the Trust Deed dated 29.12.1983 is the only operative list of beneficiaries of the Trust; and

(iii) Trust owns only 1/3rd undivided share in immovable Asset 3 and no other immovable asset as on the Settlement Date. Simultaneous to the payment of

Settlement Amount, the Parties shall execute the following documents/instruments:

3.6.1 Mr. Virender Puri and Mrs. Meena Puri of the Second Party shall execute an Affidavit cum Indemnity each to affirm that:

3.6.1.1 On the Settlement Date the one third (1/3rd) undivided share of the Trust in Asset 3 in Encumbrance free, and 3.6.1.2 Each of them shall be solely responsible and liable to discharge all liabilities in respect of the Trust under the applicable provisions of Income Tax Act, 1961, for the period and all liabilities in respect of the property tax and other expenses till 12.09.2020 in respect of the one third (1/3rd) undivided share of the Trust in Asset 3, irrespective whether such taxes, charges, penalties, levies are etc. imposed retrospectively or prospectively. However, the First Party shall be solely responsible for any actual and direct tax liability imposed by Income Tax Authority under Income Tax Act, 1961 arising on the Trust or/on the Second Party due to or on account of transfer of Trust Property in favour of the First Party."

3.6.2 Mr. Virender Puri and Mrs. Meena Puri of the Second Party and the Confirming Party 2 shall be confirming parties in the Transfer Deed to be executed by Mr. Virender Puri and Mrs Meena Puri of the Second Party (being Trustees of the Trust) to transfer the one third (1/3rd) undivided share of the Trust in Asset 3 in favour of the First Party who is one of the beneficiaries of the Trust and confirm that:

3.6.2.1 they have no objection regarding the transfer of one third (1/3rd) undivided share of the Trust in Asset 3 in favour of the First Party; and 3.6.2.2 neither they nor anyone claiming under them would raise any claim, demand or dispute in future regarding the transfer of one third (1/3rd) undivided share of the Trust in Asset 3 in favour of the First Party.

3.6.3 Mr. Virender Puri and Mrs. Meena Puri of the Second Party (being Trustees of the Trust) shall execute and register a transfer deed to transfer the one third (1/3rd) undivided share of the Trust in Asset 3 in favour of the First Party who is one of the beneficiaries of the Trust.

3.6.4 The First Party shall execute the following documents:

3.6.4.1 A Deed of Disclaimer waiving off, releasing and renouncing all her rights and entitlement to share, benefits and/or receivables in respect of Trust, movable assets owned by Trust or any other property/asset that the Trust may own or acquire in future (except the one third (1/3rd) undivided share of the Trust in Asset 3);

and 3.6.4.2 Indemnity Bond to keep Trust and Second Party indemnified against any tax liability arising on account capital gain due to or on account of transfer the one third (1/3rd) undivided share of the Trust in Asset 3 in favour of the First Party."

- 3.6.4.3 The documents mentioned in the above clauses 3.6.4.1 and 3.6.4.2 shall be registered with the concerned sub-registrar after the completion of registration of transfer deed (as contemplated under clause 3.6.3 of this Addendum Agreement) of the Trust Property and the first Party shall fully co-operate for the same.
- 2. This Addendum Agreement is and shall form part and parcel of the said Settlement Agreement and shall be read in conjunction with the said Settlement Agreement. The terms and conditions of the said Settlement Agreement shall stand amended/modified/altered to the extent recorded in this Addendum Agreement. Save as otherwise modified/amended as aforesaid all other terms of the said Settlement Agreement shall remain unaltered and shall remain in full force and shall continue to be binding on the Parties hereto. Except to the extent amended hereinabove the rights and entitlements and obligations and liabilities of the Parties enumerated in the said Settlement shall continue to be exercised and enforceable by and between the Parties."
- 6. Considering the fact that the disputes are purely private in nature, the instant case is squarely covered under the judgment of the Supreme Court in Gian Singh v. State of Punjab, (2012) 10 SCC 303.
- 7. In view of the settlement arrived at between the parties, this Court is of the opinion that no useful purpose will be served in continuing with the present proceedings. Resultantly, FIR No.01/2021 dated 01.01.2021 registered at Police Station Chitranjan Park for offences under Section 420, 467, 406, 468, 471, 120B IPC and the proceedings emanating therefrom are hereby quashed. The parties shall remain bound by the terms of the settlement and the undertaking given to the Court.
- 8. The petition stands disposed of with the above observations along with the pending application(s), if any.

SUBRAMONIUM PRASAD, J JANUARY 5, 2022 hsk