

2025:PHHC:040408



CRR-1653-2010 (O & M)

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IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

**CRR-1653-2010 (O & M)**  
**Date of decision: 25.03.2025**

Bhupinder Singh

.... Petitioner

V/s

State of Punjab and anr.

...Respondents

**CORAM: HON'BLE MR. JUSTICE JASJIT SINGH BEDI**

Present: Mr. P.S. Dhaliwal, Advocate, for the petitioner.

Mr. Harkanwar Jeet Singh, AAG, Punjab.

Ms. Mamta Saini, Amicus Curiae for respondent No.2.

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**JASJIT SINGH BEDI, J. (Oral)**

A perusal of the order dated 24.03.2025 would reveal that inadvertently, it has been mentioned that '*affidavit dated 16.03.2025 of the respondent No.2 which is taken on record*' whereas the aforesaid affidavit is dated 17.03.2025 and has been filed by the representative of the respondent No.2-Sudagar Singh.

In view of the above let the necessary corrections be read as '*affidavit dated 17.3.2025 filed by the representative of the respondent No.2-Sudagar Singh which is taken on record*'.

The Registry is directed to do the needful, if any.

**CRR-1653-2010 (O & M)**

The present revision petition has been filed against the judgment dated 24.05.2010 passed by the Additional Sessions Judge, Barnala vide which the appeal preferred by the accused-petitioner against



the judgment of conviction and order of sentence dated 21.12.2007 passed by the Judicial Magistrate 1st Class, Barnala has been dismissed.

2. The brief facts of the case are that the accused-petitioner had availed a loan of Rs.7,00,000/- from the complainant and had agreed to repay the same alongwith interest @18% per month. On asking of the complainant, the accused-petitioner had issued a cheque bearing No.911737 dated 28.11.2006 for a sum of Rs.7,00,000/- drawn on State Bank of Patiala, Branch Handiaya. The complainant-respondent No.2 presented the aforesaid cheque for encashment on State Bank of Paitial, Branch Handiaya on 20.02.2007 and the same was returned to the complainant-respondent No.2 as dishonoured with remarks 'insufficient funds and the account was inoperative' on the same day. The accused/petitioner was served with a legal notice dated 24.02.2007 through his (complainant's) counsel for the repayment of the aforesaid amount but he failed to make the payment within the stipulated period of 15 days, leading to initiation of proceedings under Section 138 of the Negotiable Instruments Act, 1881.

3. In the complaint under Section 138 of the Negotiable Instruments Act, 1881 filed by the complainant/respondent No.2, the accused/petitioner was summoned to face trial. The evidence was led and ultimately, the accused/petitioner-Bhupinder Singh was held guilty and accordingly, convicted for the offence punishable under Section 138 of the Negotiable Instruments Act, 1881, and was sentenced as under:-

<b>Offence under Section</b>	<b>Sentence</b>	<b>Fine</b>	<b>In default of payment of fine</b>
138 of the N.I. Act	RI for 01 year	Rs.5,000/-	RI for 01 month



4. Aggrieved against the said judgment of conviction and order of sentence, the accused/petitioner preferred an appeal before the Additional Sessions Judge, Barnala, which came to be dismissed on 24.05.2010.

5. Still aggrieved, the present revision petition has been preferred by the petitioners.

6. The learned counsel for the petitioner contends that during the pendency of the revision petition, a compromise has been effected between the parties in collateral civil proceedings for recovery. In pursuant thereof, he has already paid a sum of Rs.13,00,000/- against the cheque amount of Rs.7,00,000/-. Further, in compliance of the order dated 24.03.2025, the parties (complainant/respondent No.2-Sudagar Singh through his representative, namely, Karminder Singh son of Ujjal Singh) appeared before the Mediation and Conciliation Centre of this Court, and a further sum of Rs.15,000/- was paid to the representative of the complainant-respondent No.2 through online/Google Pay mode. Thus, a total sum of Rs.13,15,000/- has been paid by the petitioner to either complainant or his representative as a full and final settlement. Therefore, nothing remains due towards the complainant-respondent No.2. He further contends that in view of Section 147 of the Negotiable Instruments Act read with Section 320 Cr.P.C. where a settlement has been effected, the offence under Section 138 of the Negotiable Instruments Act can be compounded on account of the fact that a mutual compromise has been effected between the parties.

7. The learned counsel for the State alongwith the learned Amicus Curiae for the complainant-respondent No.2 contend that as the matter has been settled between the parties, they have no objection if the prayer of the learned counsel for accused-petitioner for compounding the offence under



Section 138 N.I. Act is allowed and the petitioner is acquitted of the charges framed against him.

8. I have heard the learned counsel for both the parties.

9. This Hon'ble Court in 'Ramesh Chander Vs. State of Haryana and another, 2007(1) RCR (Criminal) 245' held as under:-

*“4. As per the provisions of Section 147 of the Act, the offence under Section 138 is compoundable. Section 147 reads as under:*

*“Offence to be compoundable-*

*Notwithstanding anything contained in the Criminal Procedure Code, 1973(2 of 1974), every offence punishable under this Act shall be compoundable”.*

*5. The compounding of the offence under Section 138 can be done during the trial of the case as well as by the High Court or Court of Session while acting in the exercise of its power of revision under Section 401 Criminal Procedure Code Reference may be made to Section 320(6) Criminal Procedure Code in this regard.*

*6. Further, under Section 320(8) Criminal Procedure Code the composition of an offence shall have the effect of acquittal of the accused with whom the offence has been compounded.”*

10. This Court in 'Vatsa Electronics Vs. Pala Ram & Anr. decided on 09.03.2022 in CRR-1585-2019' has also held that once a settlement is being effected, then in terms of Section 147 of the Negotiable Instruments Act and Section 320 Cr.P.C., the accused ought to be acquitted as the offence stands compounded.



11. In view of the above, since, the parties have voluntarily settled the disputes between themselves, it is a fit case for allowing them to compound the offence.

12. Accordingly, the revision petition is allowed and subject to payment of Rs.25,000/- as costs to be deposited with Sadhna Society for the Mentally Handicapped, Near Housing Board Chowk, Raen Basera Building Manimajra, Sector 13, Chandigarh, the judgment dated 24.05.2010 passed by the Additional Sessions Judge, Barnala as well as the judgment of conviction and order of sentence dated 21.12.2007 passed by the Judicial Magistrate 1st Class, Barnala, are hereby set aside. The petitioner-Bhupinder Singh is acquitted of the charge under Section 138 of the Negotiable Instruments Act.

13. Since the main petition has been disposed of no order needs to be passed in the pending application(s), if any,

**( JASJIT SINGH BEDI )  
JUDGE**

**March 25, 2025**  
sukhpreet

Whether speaking/reasoned : Yes/No

Whether reportable : Yes/No