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**THE HIGH COURT OF PUNJAB AND HARYANA  
AT CHANDIGARH**

**CRR No.452 of 2024 (O&M)  
Date of Decision: 06.08.2025**

**Jugal Kishore**

**..... Petitioner**

**Versus**

**Bindu Pal**

**..... Respondent**

**CORAM : HON'BLE MR. JUSTICE RAJESH BHARDWAJ**

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Present: Mr. K. B. Raheja, Advocate  
for the petitioner.

Mr. Rhythem Bajaj, Advocate  
for the respondent.

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**RAJESH BHARDWAJ, J. (ORAL)**

1. Present revision petition has been filed by the petitioner wherein he has challenged the order passed by the learned Sessions Judge, Fazilka dated 09.01.2024 dismissing his appeal preferred by the petitioner against the conviction and order of sentence dated 16.09.2023 passed by the learned Judicial Magistrate First Class, Abohar whereby the petitioner was convicted and sentenced under Section 138 of Negotiable Instruments Act for 06 months rigorous imprisonment and to pay compensation of Rs.80,000/- to the complainant under Section 357(3) Cr.P.C.



2. Succinctly the facts of the case are that the respondent has filed a complaint against the petitioner under Section 138 of the Negotiable Instruments Act. It was alleged that the accused/petitioner took friendly loan of Rs.80,000/- from the complainant-respondent and in order to discharge his legal liability, the accused/petitioner issued cheque bearing No.887238 dated 16.07.2018 for an amount of Rs.80,000/- drawn over State Bank of India, Branch Khuian Sarwar in favour of the complainant/respondent. It was undertaken that on the presentation of the cheque, the same would be honored. However on the presentation of the cheque, the same was returned by the Bank with the remarks “Funds Insufficient”. The respondent issued a legal notice dated 23.07.2018 through his counsel to the accused/petitioner, however the amount was not paid and hence, it was prayed that the petitioner be punished for the offence according to the law under Section 138 of the Negotiable Instruments Act. The respondent led the preliminary evidence before the trial Court and finding a prima facie case, learned Judicial Magistrate Ist Class, Abohar convicted the petitioner and sentenced him under Section 138 of Negotiable Instruments Act to undergo rigorous imprisonment for a period of 06 months and to pay compensation of Rs.80,000/- to the complainant under Section 357(3) Cr..P.C. Being aggrieved, the petitioner preferred an appeal before the learned Appellate Court, however the same was dismissed vide order dated 09.01.2024. Hence being aggrieved, the petitioner is before this Court by way of filing the present revision petition.



3. It has been submitted by learned counsel for the petitioner that petitioner was convicted under Section 138 of the NI Act and sentenced to undergo simple imprisonment for a period of 06 months and further to pay compensation of Rs.80,000/- under Section 357(3) Cr.P.C. by the learned Judicial Magistrate Ist Class, Abohar vide order dated 16.09.2023, and the same was affirmed by learned Sessions Judge, Fazilka vide order dated 09.01.2024. He has submitted that both the sides have settled their dispute amicably by way of compromise. He has produced a copy of compromise dated 04.08.2025 today in the Court and the same is taken on record. He has further submitted that once the parties have settled the dispute amicably, then in view of the law settled, the petitioner be allowed to compound the offence and he be acquitted of the charge under Section 138 of NI Act. He has placed reliance on the law laid down by Hon'ble Supreme Court in '*Raj Reddy Kallem vs. The State of Haryana and another*', Law Finder Doc Id# 2557645, wherein, it has been held that there is no bar to seek the compounding of the offence at a later stage of criminal proceedings including after conviction. He prays for compounding the offence and setting aside the order dated 09.01.2024 passed by the learned Sessions Judge, Fazilka and order dated 16.09.2023 passed by the learned Judicial Magistrate Ist Class, Abohar.

4. Learned counsel for the respondent has affirmed the factum of compromise. He has stated that he has no objection if the present petition is allowed, offence is compounded and orders, dated 16.09.2023 and 09.01.2024 are quashed.



5. As the parties have compromised the matter and have buried the hatchet, no purpose would be served by punishing the petitioner, who has already honoured the terms of the compromise, which fact has been affirmed by the representative of respondent No.2/complainant. In ***Raj Reddy Kallem's case (supra)***, it has been held that the accused must try for compounding of the offence at the initial stages instead of later stages, however, there is no bar to seek the compounding of offence at later stage of criminal proceedings including after conviction.

6. So keeping in view above facts and the law settled by Hon'ble Supreme Court, the petitioner is allowed to compound the offence and he is ordered to be acquitted of the charges framed against him. As a consequences, the order dated 09.01.2024 passed by the learned Sessions Judge, Fazilka and order dated 16.09.2023 passed by the learned Judicial Magistrate First Class, Abohar, convicting and sentencing the petitioner under Section 138 of the NI Act, are hereby set aside.

7. Present petition is allowed. The petitioner be set at liberty if not required in any other case. Pending applications, if any, also stand disposed of.

06.08.2025

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**(RAJESH BHARDWAJ)**  
**JUDGE**

Whether speaking/reasoned : Yes/No  
Whether reportable : Yes/No