



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

129

**CRM-M-7626-2025
Decided on :20.02.2025**

Akshay Kumar

. . . Petitioner(s)

Versus

State of Haryana and another

. . . Respondent(s)

CORAM: HON'BLE MR. JUSTICE SANJAY VASHISTH

PRESENT: Mr. Parveen Sharma, Advocate for the petitioner(s).

SANJAY VASHISTH, J. (Oral)

1. Prayer in this petition, filed under Section 528 of BNSS, 2023, seeking quashing of FIR No.52, dated 20.01.2022(P-5), under Section 174-A of IPC, registered at Police Station Karnal Civil Lines, District Karnal, as well as all consequential proceedings arising therefrom.

2. Learned counsel for the petitioner submits that the petitioner was prosecuted in a complaint under Section 138 of the Negotiable Instruments Act, 1881 (for short, 'the Act') and he was convicted by learned Judicial Magistrate First Class, Karnal, under Section 138 of the Act, vide judgment dated 03.03.2023(P-1) and sentenced to undergo rigorous imprisonment for a period of 01 month and was also ordered to pay compensation I.e Rs.6,00,000/- i.e equivalent to impugned cheque amount.

3. Counsel further submitted that challenging the judgment dated 03.03.2023, the petitioner filed an appeal before Additional Sessions Judge, Karnal and during the pendency of the appeal, the matter was compromised between the parties and petitioner deposited the entire amount payable to the complainant and thereupon the statement of complainant was recorded for compounding the offence. For reference, statements dated 26.07.2023 (P-2) and (P-3) are reproduced herebelow:

“Statement of Sh. Amish Goel, Counsel for respondent/complainant.

On S/A

Stated that the matter has been compromised with the appellant/accused qua the cheque amount as full and final settlement. As per compromise, appellant/accused has deposited the entire settlement amount in the respondent bank and I have no objection in compounding the said offence. The appeal may kindly be compounded.

RO& AC

(Anil Kumar)

ASJ, Karnal, 26.07.2023”

XXXX XXXX XXXX XXXX XXXX XXXX XXXX XXXX

“Appellant/accused Akshay Kumar son of Subhash Chander, resident of Shatawli, (155), Sitawali, District Sonipat.

On S/A

Stated that the matter has been compromised with the respondent bank qua the cheque amount as full and final settlement. As per compromise, I have deposited the entire settlement amount in respondent bank. Further stated that I am a farmer and I am a sole bread earner and my all crops destroyed in flood, the compounding fee may kindly be waived of. It is prayed that the offence as well as appeal may kindly be compounded and I may be acquitted.

RO& AC

(Anil Kumar)

ASJ, Karnal.26.07.2023

4. Resultantly, petitioner was acquitted by Presiding officer Lok Adalat, Karnal vide judgment dated 09.09.2023 (P-4).

“ Appellant was convicted under Section 138 of the Negotiable Instruments Act, 1881, by Shri Gulshan Verma, the then learned Judicial Magistrate Ist Class, Karnal, vide judgment of conviction dated 03.03.2023 and order of sentence dated 06.03.2023. He preferred an appeal against the judgment of conviction and order of quantum of sentence and the sentence was suspended during pendency of the appeal.

2. The parties have settled the matter before the Lok Adalat. On 26.07.2023, appellant/accused has made a statement in the court of Shri Anil Kumar, learned Addl. Sessions Judge, Karnal that the matter has been compromised

with respondent bank qua the cheque amount as full and final settlement. As per compromise, he has deposited the entire settlement amount in respondent bank. He further stated that he is a farmer and he is a sole bread earner and his all crops destroyed in flood, the compounding fee may kindly be waived of. It is prayed that the offence as well as appeal may kindly be compounded and he may be acquitted. On the same day, learned counsel for respondent has made a statement that the matter has been compromised with the appellant/accused qua the cheque amount as full and final settlement. As per compromise, appellant/accused has deposited the entire settlement amount in the respondent bank and he has no objection in compounding the said offence. The appeal may kindly be compounded.

3. *Section 147 of the Negotiable Instruments Act, provides that every offence under the Act shall be compoundable. The matter has been duly settled in full and final. In view of the statements made by both the parties, the court is satisfied that offence has been lawfully compounded.*

4. *In case titled **M.P. State Legal Services Authority Vs. Parteek Jain and others, 2014 (4) RCR (Criminal), Page 178,** it has been held that where the settlement is made in Lok Adalat, the Lok Adalat can waive off 15% of the cheque amount.*

5. *Since the matter has been settled in National Lok Adalat, therefore, 15% of the cheque amount to be deposited by the appellant/accused with District Legal Services Authority, Karnal is ordered to be waived. In view of above discussion, the judgment of conviction 03.03.2023 and order of sentence dated 06.03.2023 are, therefore, set aside and the appellant-accused is acquitted of the accusation under Section 138 of the Negotiable Instruments Act. His bail bonds and surety bonds stand discharged. File be sent back to the concerned court for consignment.*

Pronounced in National Lok Adalat

(Dr. Vivek Goyal)

09.09.2023

*Presiding officer, National Lok Adalat
Karnal, UID No.HR00223”*

5. Learned counsel for the petitioner further submits that declaration of the petitioner as proclaimed offender, and thereafter, registration of FIR No.52, dated 20.01.2022 under Section 174-A of IPC, would not be considered as material proceeding, once the petitioner was acquitted.

6. Notice of motion.

7. On asking of the Court, Mr. Kanwar Sanjiv Kumar, AAG, Haryana, who is present in Court, accepts notice on behalf of respondent No.1 – State. Copy of the paper book has already been supplied to him.

8. In view of the settled proposition of law, wherein, several other similar matters have already been decided by this Court, learned State counsel has no serious and authentic submissions before this Court to oppose the prayer made in present petition.

9. Heard.

10. In the case of *Microqual Techno Limited and others v. State of Haryana and another* (CRM-M-43210-2014; Date of Decision:14.09.2015), which has subsequently been followed in CRM-M-47891-2021, titled as, “*Jitender Singh v. State of Haryana and another*”, decided on 16.11.2021, and the order dated 05.09.2022, passed by this Court in CRM-M-34291-2022, titled as, “*Pankaj Sharma Vs. State of Haryana and another*”, the complaint filed by the complainant under Section 138 of the Negotiable Instruments Act, 1881 was either withdrawn at the stage of trial or at the stage of appeal after settling the monetary dispute with the complainant therein.

In all these cases, proceedings which were initiated by declaring such accused as proclaimed offender and other consequential proceedings

were dealt with and it was concluded that no meaningful purpose is going to be achieved by continuing the proceedings of declaring the accused as Proclaimed offender/Proclaimed person or consequential registration of FIR under Section 174-A IPC. A view was framed to drop all such proceedings where main dispute between the concerned parties has already ended, as a result of compromise/settlement.

Here is a case where the petitioner had been acquitted by Lok Adalat after settlement of the dispute between the parties by giving their statements in the proceedings of the appeal filed by the petitioner herein against his conviction under Section 138 of the Act of 1881. If the principle laid down in *Microqual Techno Limited case (supra)* is applied here, it appears that after conclusion of the proceedings of complaint under Section 138 of the Act of 1881 in settlement and then acquittal, no meaningful purpose would be achieved by continuing with the proceedings of impugned FIR registered under Section 174-A IPC.

11. Accordingly, instant petition is **allowed**. Order dated 17.10.2019 declaring the petitioner as proclaimed offender, and all consequential proceedings arising therefrom including FIR No.52, dated 20.01.2022, under Section 174-A of IPC, registered at Police Station Karnal Civil Lines, District Karnal, as well as all consequential proceedings arising therefrom, stand quashed *qua* the petitioner.

Petition stands disposed of.

(SANJAY VASHISTH)
JUDGE

February 20, 2025

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Whether speaking/reasoned: Yes/No

Whether Reportable: Yes/No