

2025:PHHC:101413



CRR-1749-2025 (O & M)

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

**CRM-28851-2025 in CRR-1749-2025 (O & M)**

**Date of decision: 06.08.2025**

Jagsir Singh

.... Petitioner

V/s

State of Haryana and anr.

...Respondent

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

Present: Mr. Kuldeep Singh Siwach, Advocate,  
for the applicant-petitioner.

Mr. Viney Phogat, DAG, Haryana.

Mr. Vikas Bishnoi Godara, Advocate,  
for respondent No.2-Bank.

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

**CRM-28851-2025**

This is an application for advancement of the next date of hearing  
i.e. 22.09.2025 to some earlier date.

For the reasons mentioned in the application, same is allowed.  
The next date of hearing fixed in the main case is advanced to today itself  
and the matter is taken up for hearing.

**CRM-30486-2025**

The application for placing on record a copy of the demand  
draft No.304303 dated 01.08.2025 for a sum of Rs.2,22,000/- (Annexure A-  
1) and the order dated 18.05.2023 passed by the Sessions Court, Fatehabad  
(Annexure A-2), is allowed as prayed for subject to all just exceptions. The  
same are taken on record.

**CRR-1749-2025**

The present revision petition has been filed against the judgment dated 19.04.2025 passed by the Additional Sessions Judge, Fatehabad vide which the appeal preferred by the accused-petitioner against the judgment of conviction and order of sentence dated 04/05.10.2021 passed by the Sub Divisional Judicial Magistrate, Ratia has been dismissed.

2. The brief facts of the case are that the accused-petitioner-Jagsir Singh had availed a loan from the complainant/respondent No.2-The Fatehabad District Primary Co-op. Agriculture and Rural Development Bank Limited (PCARD). In discharge of his legal liabilities to pay an installment of the loan amount, the accused-petitioner issued a cheque bearing No.021983 dated 18.10.2016 for a sum of Rs.2,47,000/- in favour of the complainant-respondent No.2/Bank. On presentation of the aforesaid cheque, the same was dishonoured with the remarks 'funds insufficient' and 'Account is dormant' vide a memo dated 21.10.2016. The accused/petitioner was served with a legal notice dated 14.11.2016 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 was held guilty and accordingly, convicted for the offence punishable under Section 138 of the Negotiable Instruments Act, 1881, and was sentenced to undergo simple imprisonment for a period



of one year. He was also directed to pay the cheque amount i.e. Rs.2,47,000/- alongwith 10% additional amount to the complainant-respondent No.2 as compensation.

4. Aggrieved against the said judgment of conviction and order of sentence, the accused/petitioner preferred an appeal before the Additional Sessions Judge, Fatehabad, which came to be dismissed on 19.04.2025.

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

6. The learned counsel for the petitioner contends that on 18.05.2023 the petitioner as well as the respondent had appeared before the Court of Sessions Judge, Fatehabad and got recorded their statements that the a payment of Rs.49,500/- i.e. 20% of Rs.2,71,000/- (Rs.2,47,000/- being the cheque amount and 10% of the cheque amount as ordered by the Trial Court vide order dated 05.10.2021) has been paid by the petitioner to the respondent No.2-Bank. A copy of the order dated 18.05.2023 is Annexure A-2 filed annexed with the application CRM-30486-2025. Further, with regard to the payment of remaining cheque amount, he has handed over a demand draft bearing No.304303 dated 01.08.2025 for a sum of Rs.2,22,000/- to the learned counsel for the complainant-respondent No.2/Bank as a full and final settlement. A copy thereof has been placed on record as Annexure A-1. Therefore, nothing remains due towards the complainant-respondent No.2/Bank. 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 complainant-respondent No.2/Bank and the learned counsel for the respondent No.1-State contends 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 Day Care Centre for Elderly Disabled in home for Old and Destitute People, Sector 15, Chandigarh, the judgment dated 19.04.2025 passed by the Additional Sessions Judge, Fatehabad as well as the judgment of conviction and order of sentence dated 04/05.10.2021 passed by the Sub Divisional Judicial Magistrate, Ratia are hereby set aside. The petitioner-Jagsir 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**

**August 06, 2025**  
sukhpreet

Whether speaking/reasoned : Yes/No

Whether reportable : Yes/No