

**IN THE HIGH COURT OF HIMACHAL PRADESH
SHIMLA**

Cr. Revision No.140 of 2024

Reserved on 10.09.2026

Decided on 16.09.2026

Uploaded on : 16.09.2026

Shanti Devi

...Petitioner

Versus

Rajender Kumar

.....Respondent

Coram:

The Hon'ble Mr. Justice Chirag Bhanu Singh, Judge.

Whether approved for reporting?¹

For the Petitioner : Mr. Inderjit Singh Narwal,
Advocate.

For the Respondent : Mr. Kishore Pundeer, Advocate.

Chirag Bhanu Singh, Judge

By way of present revision, the petitioner/accused has assailed her conviction and sentence passed by the learned Additional Chief Judicial Magistrate, Shimla, District Shimla, H.P., vide order dated 13.01.2023, whereby the petitioner/accused stands convicted to undergo simple imprisonment for a period of three months and to pay compensation amounting to Rs.1,50,000/- to the respondent/complainant.

¹ Whether reporters of Local Papers may be allowed to see the judgment? Yes.

2. The said judgment/order had been carried in appeal before the learned Additional Sessions Judge (C.B.I. Court), Shimla, District Shimla, H.P. Since the appeal was delayed, an application under Section 5 of the Indian Limitation Act has been preferred along with the appeal.

3. Learned Additional Sessions Judge, vide an order dated 19.01.2024 had dismissed the application filed under Section 5 of the Indian Limitation Act resulting in the dismissal of the main appeal too and hence, the present revision.

4. However, during the pendency of the present proceedings, the parties agreed to mutually settled the dispute. In pursuance to the compromise, the petitioner-accused has paid the entire amount of compensation. The last installment of Rs.30,000/- as directed by this Court, vide an order dated 21.08.2026 also stands paid.

5. The learned counsel for the respondent/complainant submits that the entire fine/compensation amount of Rs.1,50,000/- stands

liquidated by the petitioner/accused and as such, he has no objection, if the matter is compounded.

6. Since the entire fine/compensation amount stands already paid, the matter will and should be put to rest, as has been mutually agreed by the parties. The learned counsel appearing for the petitioner would also thus contend that since the parties have agreed to settle the matter in full and final settlement of the claim, the petitioner be acquitted of the charges.

7. Hon'ble Supreme Court, in case ***titled as "K.M. Ibrahim versus K.P. Mohammed and another, 2010 (1) SCC 798."*** has categorically gone on to hold that the offences under Section 138 of the N.I. Act, can be allowed to be compounded even at the appellate stage.

8. The said view has been consistently followed from the year 2004, starting with ***Anil Kumar Haritwal versus Alka Gupta, reported in 2004 (4) SCC 366***, in a series of judgments till K.M. Ibrahim's case referred hereinabove (supra).

9. It would be apposite to reproduce para-9 of the K.M, Ibrahim's case, referred herein-above (supra), which reads as under:-

"9.The golden thread in all these decisions is that once a person is allowed to compound a case as provided for under Section 147 of the Negotiable Instruments Act, the conviction under Section 138 of the said Act should also be set aside. In the case of Vinay Devanna Nayak (supra), the issue was raised and after taking note of the provisions of Section 320 Cr.P.C., this Court held that since the matter had been compromised between the parties and payments had been made in full and final settlement of the dues of the Bank, the appeal deserved to be allowed and the appellant was entitled to acquittal. Consequently, the order of conviction and sentence recorded by all the courts were set aside and the appellant was acquitted of the charge leveled against him."

10. The Hon'ble Supreme Court thus, has categorically gone on to hold that Section 147 of the N.I. Act, does not in any way bar the parties from compounding an offence under the provisions of Section 138 of the N.I. Act, even at the appellate stage of the proceedings.

11. Thus, keeping in view the aforesaid judgment and facts and circumstances discussed herein-above (supra), the parties having indeed buried their differences, the matter having been compromised and the entire cheque amount having been paid to the respondent/complainant,

in full and final settlement of the claim, the parties are allowed to compound the offence and as a sequel, the judgments of the learned Courts below, are quashed and set-aside. The petitioner/accused is acquitted of the charges.

12. The petition is disposed of accordingly, so also the pending application(s), if any.

(Chirag Bhanu Singh)
Judge

16th September, 2026
(subhash)