

IN THE HIGH COURT OF HIMACHAL PRADESH, SHIMLA

Cr. Revision No. 368 of 2026

Date of Decision: 23.09.2026

Sarita Bishat

...Petitioner

Versus

Vinod Kumar

...Respondent

Coram

Hon'ble Mr Justice Chirag Bhanu Singh, Judge.

Whether approved for reporting?¹

For the Petitioner : M/s. Sunil Dutt Gautam &
Harmohan Thakur,
Advocates.

For the Respondent : Mr. Saurav Rattan, Advocate.

Chirag Bhanu Singh, Judge (Oral)

By way of present revision, the petitioner has assailed her conviction and sentence passed by the learned Judicial Magistrate First Class, Nahan, District Sirmaur, H.P., in Case No.165/3 of 2023, vide judgment of conviction and order of sentence dated 29.10.2025, whereby the petitioner stands convicted for a period of six months for the commission of an offence committed under Section 138 of the Negotiable Instruments Act (NI Act) and has been directed to pay

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

compensation of Rs.1,50,000/- to the complainant and in default thereof, to undergo simple imprisonment for two months. The said judgment had been duly affirmed in appeal by the learned Sessions Judge, Sirmaur at Nahan, H.P., vide judgment dated 01.04.2026. Hence, the present revision.

2. It transpires that during the pendency of the present proceedings, the petitioner/accused has compromised the matter with the complainant/respondent. In pursuance thereof, an amount of Rs.75,000/- has been paid by the petitioner/accused to the complainant/respondent towards the full and final settlement of the claim.

3. It is further submitted that the remaining amount of Rs.75,000/- already stands deposited before the learned Courts below. The petitioner had been directed to remain present in Court. However, the learned counsel for the petitioner submits that, due to some medical condition of her husband, the petitioner/accused could appear today.

4. Learned counsel for the petitioner further submits that the aforesaid amount of Rs.75,000/- was paid to the

complainant/respondent on 01.09.2026 and a copy of the compromise deed of the even date has been placed on record.

5. Learned counsel for the complainant/respondent acknowledges the receipt of Rs.75,000/- and submits that the complainant/respondent has agreed to finally settle the matter, subject to the remaining amount of Rs.75,000/- lying deposited before the learned Courts below being ordered to be released in his favour.

6. Having heard the learned counsel for the parties, *prima facie*, it appears that the accused/petitioner had borrowed an amount of Rs.75,000/- from the respondent/complainant, which she failed to repay.

7. In view of the compromise so arrived at between the parties, it is evident that they have now resolved their differences. An amount of Rs.75,000/- stands already paid by the petitioner to the respondent/complainant on 01.09.2026. The petitioner/accused has also agreed that the remaining amount lying deposited before the learned Courts below be released in favour of the respondent/complainant. Thus, an aggregate amount of Rs.1,50,000/- will stand paid to the

respondent/complainant towards the full and final settlement of the claim.

8. Seemingly, the parties have now buried the hatchet. The learned counsel for the respondent-complainant also submits that the entire cheque amount has been received by the respondent-complainant.

9. The learned counsel for the petitioner submits that since the parties had agreed to settle the matter in full and final settlement of the claim, therefore, the petition deserves to be allowed and the petitioner is entitled to be released.

10. 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.

11. 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).

12. It would be apposite to reproduce para-9 of the K.M, Ibrahim's case, 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.”

13. 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 too.

14. Thus, keeping in view the aforesaid judgments and the 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 on 01.09.2026, 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 accused is acquitted of the charges. The amount lying deposited before the learned Courts below is ordered to be released in favour of the respondent/complainant.

15. Accordingly, the petition is disposed off in the aforesaid terms, so also the pending miscellaneous application(s), if any.

(Chirag Bhanu Singh)
Judge

23rd September, 2026

(Shamsh Tabrez)