

IN THE HIGH COURT OF HIMACHAL PRADESH, SHIMLA

Cr. MP(M) No. 1734 of 2026

Date of Decision: 17.09.2026

Om Prakash

...Petitioner

Versus

Ram Chand

...Respondent

Coram

Hon'ble Mr Justice Chirag Bhanu Singh, Judge.

Whether approved for reporting?¹

For the Petitioner : Mr. Anirudh Sharma,
Advocate.

For the Respondent : Mr. Aman Verma, Advocate.

Chirag Bhanu Singh, Judge (Oral)

Cr. MP(M) No. 1734 of 2026

Mr. Aman Verma has put in appearance on behalf of the non-applicant/respondent.

2. No reply is intended to be filed on behalf of the non-applicant/respondent.

3. Learned counsel for the respondent has no objection to the delay being condoned, as the parties have compromised

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

the matter and an amount of Rs.30,000/- has been paid towards the full and final settlement of the claim.

4. Taking into consideration the aforesaid settlement between the parties and the submissions made by learned counsel for the parties, the delay is condoned.

Application is allowed and disposed of.

**Cr. Revision Petition No._____ of 2026
(Cr. RST/8004/2026)**

5. **Be registered.**

6. With the consent of the parties, the present revision is taken up for disposal today itself. The parties have placed on record a compromise deed, stating therein that the dispute had arisen *inter-se* the parties concerning two cheques bearing Cheque No.039220 dated 19.03.2022 for an amount of Rs.9,719/- and Cheque No.039221 dated 31.03.2022 for an amount of Rs.10,000/-.

7. During the pendency of the present proceedings, the parties have amicably resolved all their disputes. In pursuance thereto, an amount of Rs.30,000/- has been paid by the petitioner to the respondent towards full and final settlement of

his claim arising out of the present proceedings. The amount has been paid in cash to the respondent, which fact has been acknowledged by learned counsel for the respondent. The compromise deed is taken on record.

8. It thus transpires from the record that the parties have now buried the hatchet. 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, the petition deserves to be allowed and the petitioner 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 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.

14. 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, 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. Bail bonds stands discharged accordingly.

15. Accordingly, the petition is disposed off in the aforesaid terms.

(Chirag Bhanu Singh)
Judge

17th September, 2026

(Shamsh Tabrez)