



**CRM-11832-2026 in/and  
CRR-723-2026 (O&M)**

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

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**CRM-11832-2026 in/and  
CRR-723-2026 (O&M)  
Date of Decision : 24.03.2026**

Baljyot Sidhu @ Baljoyt Sidhu

....Petitioner

VERSUS

State of Punjab and Another

....Respondents

**CORAM : HON'BLE MS. JUSTICE MANDEEP PANNU**

Present: Mr. Aditya Anand, Advocate for the petitioner.

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**MANDEEP PANNU J. (Oral)**

1. The petitioner has filed the instant revision petition for setting aside the impugned judgment of conviction and order of sentence dated 01.08.2024, passed by the learned Judicial Magistrate Ist Class, SAS Nagar whereby he has been convicted and sentenced to undergo simple imprisonment for a period of 01 year for the offence punishable under Section 138 of the Negotiable Instruments Act, 1881 (for short 'the Act') and to pay compensation to the respondent No.2 to the tune of cheque amount i.e. Rs.15,00,000/- as also the judgment dated 27.01.2026, passed by learned Addl. Sessions Judge, SAS Nagar, vide which the appeal of the petitioner against the aforesaid judgment of conviction and order of sentence dated 01.08.2024 has been dismissed.

2. The brief facts of the case are that the complainant's son is known to the accused persons since more than 10 years. It is the case of the complainant that accused Baljyot Singh is the friend of the complainant's son and he approached the



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complainant's son for a friendly loan. The son of the complainant requested the complainant to give the accused a sum of Rs. 8,00,000/- as friendly loan. In lieu of the repayment of the loan amount which had accrued for a total of Rs. 9,34,000/- (Rs. 8 lacs as principle amount + Rs. 1,34,000/- as interest) the accused had issued the cheque bearing no.711529 dated 22.10.2020 of Rs.9,34,000/- but the same was dishonoured when presented with the banker. Legal notice was issued but no reply was given. Thereafter, complainant filed the present complaint under section 138 NI Act.

3. The petitioner was convicted and sentenced to undergo simple imprisonment for a period of 01 year for the offence punishable under Section 138 of the Negotiable Instruments Act, 1881 (for short 'the Act') and to pay compensation to the respondent No.2 to the tune of cheque amount i.e. Rs.15,00,000/- by the learned Judicial Magistrate, Ist Class, SAS Nagar, vide order dated 01.08.2024. Feeling aggrieved, the present petitioner has filed the appeal, which was dismissed by the learned Additional Sessions Judge, SAS Nagar, vide order dated 27.01.2026. Hence the present revision petition has been filed.

4. The petitioner has also filed an application i.e. CRM-11832-2026 under Section 147 of the Act read with Section 528 of BNSS/482 Cr.P.C, seeking permission from this Court to compound the offence and to acquit him of the charges under Section 138 of Negotiable Instruments Act.

5. Learned counsel for the petitioner averred that during the pendency of the present revision petition, both the parties have compromised the matter and the petitioner paid an amount of Rs.1,50,000/- as full and final settlement of the dispute. He further submits that the offence under Section 138 of the Negotiable



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Instruments Act is essentially a civil wrong given the colour of criminal offence and once the dispute has been amicably settled and the complainant has received a substantial amount in full and final settlement, the very foundation of the complaint ceases to exist. Learned counsel for the petitioner prays that both the aforesaid judgments passed by the Courts below be set aside and the petitioner be acquitted of the charge(s) levelled against her.

6. Notice of motion.

7. On the asking of the Court, Mr. Sahil Chowdhary, AAG, Punjab accepts notice on behalf of the respondent-State and submits that this is a complaint case and he is not aware of any compromise effected between the parties.

8. Mr. Jatin, Advocate has appeared through Video Conferencing mode and filed power of attorney on behalf of respondent No.2, which is taken on record. He submits that the matter has been compromised, the amount stands paid and he has no objection, if the present application is allowed.

9. Learned counsel for the petitioner relies upon the judgment in the case of '*Tilak Kataria vs. State of Haryana and another*', 2021 (3) RCR (Criminal) 404, wherein, after considering various judgments of the Hon'ble Apex Court, it has been held that when the complainant does not have any objection, the proceedings should come to an end.

10. The Hon'ble Supreme Court in '*A.T. Sivaperumal vs. Mohammed Hyath (D) by Lrs*' 2017 (2) RCR (Criminal) 453, decided on 27.03.2017, has held that once the settlement between the parties has been arrived at, the conviction can also be set aside and the litigation too. Similar view has been taken by a



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Coordinate Bench of this Court in the case of *Jagmohan Vs. Sandeep Aggarwal and another, 2021(4) RCR (Criminal) 86*.

11. Learned counsel for the petitioner and learned counsel for respondent No.2, are *ad-idem* that the matter stands compromised and the petition may be allowed and permission may be granted to the parties to compound the offence under Section 138 of the Act in view of the law laid down by the Hon'ble Supreme Court in *Damodar S. Prabhu vs. Sayed Babalal H, 2010 (2) RCR (Criminal) 851* and *Sanjabij Tari versus Kishore S.Borcar, 2025 INSC 1158*, the impugned judgments and order passed by the learned trial Court and the learned Appellate Court may be set aside and the petitioner be acquitted of the charge(s).

12. I have heard learned counsel for the parties and perused the record.

13. In the present case, the cheque(s) amount is Rs.15,00,000/-. In view of the law laid down in *Sanjabij Tari's case (supra)*, compounding of the present offence can be allowed, provided the petitioner-accused pays 7.5% of the cheque amount by way of costs. On calculation, 7.5% of the cheque amount comes to be Rs.1,12,500/-. As noticed above, the parties have settled the dispute by way of compromise. CRM-11832-2026 is allowed and this Court grants permission to compound the offence punishable under section 138 of the Act

14. In view of the above, the impugned judgment of conviction and order on quantum of sentence dated 01.08.2024 passed by the learned Judicial Magistrate Ist Class, SAS Nagar and the judgment dated 27.01.2026 passed by learned Addl. Sessions Judge, SAS Nagar, are set aside. The complaint under Section 138 of the Act stands dismissed and the petitioner stands acquitted of the charge(s), subject to her depositing the costs of Rs.1,12,500/- with the Punjab State



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Legal Services Authority, in view of the law laid down by the Hon'ble Supreme Court in *Sanjabij Tari's case (supra)*, within 15 days from the date of receipt of the certified copy of this order.

- 15. The present revision petition is allowed in the aforementioned terms.
- 16. Registry is directed to ensure the compliance of this order as to depositing of costs by the petitioner.
- 17. All pending miscellaneous application(s), if any, stands disposed of.

March 24, 2026  
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**(MANDEEP PANNU)  
JUDGE**

Whether speaking/non-speaking : Speaking  
Whether reportable : Yes/No