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

CRR No.1744 of 2017
Date of Decision: 10.05.2017

SURINDER SINGH

.....PETITIONER

Vs

STATE OF PUNJAB & ANR.

.....RESPONDENTS

CORAM: *HON'BLE MR. JUSTICE RAJ MOHAN SINGH*

Present: Mr. Harshit Jain, Advocate
for the petitioner.

RAJ MOHAN SINGH, J.(Oral)

Car loan was availed by the petitioner from the bank and loan documents were executed. Thereafter, petitioner made default in paying the loan installments. Cheque bearing No.490060 was issued on 09.09.2010 in a sum of Rs.8,05,000/- to be drawn at Oriental Bank of Commerce, Dhuri. On being presented, the said cheque was dishonoured on 10.09.2010 on account of insufficiency of funds. Thereafter, legal notice was issued on 22.09.2010 and a criminal complaint under Section 138 of Negotiable Instruments Act, 1881 was filed.

During pendency of the criminal complaint, the petitioner entered into a compromise dated 02.08.2013 and as a result of that, cheque bearing No.010935 was issued on

25.03.2014 in a sum of Rs.9.5 lac towards full and final settlement. The statement of the petitioner was also recorded in this context. On presentation, that cheque was also dishonoured on account of insufficiency of funds on 25.03.2014 itself. Thereafter, legal notice dated 02.04.2014 was issued by the complainant and thereafter, complaint under Section 138 of Negotiable Instruments Act, 1881 came to be filed. Ultimately, the petitioner was convicted and sentenced to undergo rigorous imprisonment for one year and to pay a fine of Rs.1000/- along with default clause.

Feeling aggrieved, petitioner filed appeal before the lower Appellate Court.

On 30.03.2017, statement of the petitioner was recorded that the loan amount has been settled which was not countered by the Chief Manager of the Bank who also issued his no objection.

The lower Appellate Court after accepting the settlement, awarded an amount of Rs.70,000/- towards costs of litigation in view of ratio laid down in **Damodar S. Prabhu vs Sayed Babalal H. AIR 2010 SC 1907** and the said cost was ordered to be deposited in District Legal Services Authority, Sangrur.

Petitioner is aggrieved of the clause vide which the

costs of litigation was awarded against him.

Having heard the submissions made at the bar, I am of the view that the costs of litigation awarded upto 15% of the cheque amount is fully in consonance with the ratio laid down by the Hon'ble Apex Court in **Damodar S. Prabhu's case (supra)**.

Accordingly, the present petition stands dismissed.

May 10, 2017

jyoti Y.

(RAJ MOHAN SINGH)
JUDGE

Whether speaking/reasoned : Yes/No

Whether reportable : Yes/No