

In the High Court of Punjab and Haryana at Chandigarh

284-2

CRR-1576-2019(O & M)

Date of Decision: September 20, 2019

SONU YADAV

.....PETITIONER

VERSUS

**M/S SAI CASTLE DEVELOPERS
PRIVATE LIMITED AND ANOTHER**

....RESPONDENTS

CORAM: HON'BLE MR. JUSTICE ANUPINDER SINGH GREWAL

Present: Mr. Jai Singh Yadav, Advocate
for the petitioner.

Respondent No.2 in person.

ANUPINDER SINGH GREWAL, J (ORAL)

The petitioner has challenged the judgments and orders of the Courts below whereby the petitioner has been convicted under Section 138 of the Negotiable Instruments Act and sentenced to undergo rigorous imprisonment for a period of one year and to pay the compensation of ₹8,50,000/-.

The allegations against the petitioner are that cheque issued by him was stated to have been dishonoured on account of insufficient funds.

Learned counsel for the petitioner contends that the matter has finally been compromised with the respondent-complainant in the Mediation and Conciliation Centre of this Court. Report of the Mediator has been received which indicates that the matter has been settled. He has handed over a demand draft for an amount of ₹2,40,000/- to respondent No.2-complainant.

Respondent No.2-complainant, who is present in Court, states that the matter has indeed been compromised and he has received a demand draft for an amount of ₹2,40,000/- towards full and final settlement.

Learned counsel for the petitioner contends that father of the petitioner, who is employed as a Mechanic in the Company, has exhausted all his resources for making payment to the complainant in this case as well as two other connected cases, therefore, the cost be reduced to a reasonable amount.

Heard.

The allegations against the petitioner are that cheque issued by him was dishonoured on account of insufficient funds. The liability under the Act is primarily civil in nature. Now the matter has been compromised and the petitioner has paid a sum of ₹2,40,000/- by way of demand draft towards full and final settlement.

The offence under Section 138 of the Act is compoundable even at this stage in the light of the judgment of the Supreme Court in case of **Damodar S. Prabhu vs. Sayed Babalal H., 2010 (5) SCC 663**. The petitioner has been convicted under Section 138 of the Act. The dispute has been settled by the parties as the petitioner has made the payment, it would be in the interest of justice, if the offence is compounded under Section 147 of the Act. The liability under Section 138 of the Act is civil in nature and in case the parties have arrived at compromise, the same should be accepted to give quietus to the litigation.

Consequently, the petition is allowed. The judgment and order of sentence dated 31.03.2017 passed by the trial Court and judgment dated 28.05.2019 passed by the Appellate Court, are set aside.

The petitioner is acquitted of the charges framed against him. He be released forthwith, if he is not required in any other case.

The petitioner shall deposit ₹10,000/- as costs with the Haryana Legal Services Authority within a month.

(ANUPINDER SINGH GREWAL)
JUDGE

September 20, 2019

A.Kaundal

Whether speaking/ reasoned	:	Yes/No
Whether Reportable	:	Yes/No