

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

324

CRR-2510-2019 (O&M)

DATE OF DECISION: 03.12.2019

VIKRAMJIT SINGH

... Petitioner(s)

Versus

STATE OF HARYANA AND ANOTHER

... Respondent(s)

CORAM: HON'BLE MR. JUSTICE ANUPINDER SINGH GREWAL

Present: Mr. Manish Soni, Advocate for the petitioner(s).

Mr. Ashish Sanghi, DAG, Haryana.

Mr. Sandeep Jasuja, Advocate for respondent No.2.

ANUPINDER SINGH GREWAL, J. (ORAL)

The petitioner has challenged the judgments and orders of the Courts below whereby he has been convicted for the offence punishable under Section 138 of the Negotiable Instruments Act, 1881 (hereinafter referred to as 'the Act') and has been sentenced to undergo simple imprisonment for a period of six months and to pay an amount of Rs.8,00,000/- to the complainant as compensation.

Learned counsel for the petitioner contends that the cheques issued by the petitioner for a total sum of Rs.6 lakh were stated to have been dishonoured and returned by the banker with the remarks "Account closed". The matter was sent to the Mediation and Conciliation Centre and the matter has been compromised with the complainant. He has referred to the compromise/settlement deed which has been arrived at between the parties in terms of the conditions laid down therein and the same was duly signed by the parties before the Mediator. He also contends that as the settlement has been arrived between the parties, the matter may be compounded as 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**. Learned counsel also states that the petitioner is facing financial difficulties, therefore, the costs may be reduced to a reasonable amount.

Learned counsel for the complainant/respondent No.2 states that the matter has indeed been compromised and the complainant be allowed to withdraw the demand draft of Rs.1 lakh which has been deposited by the petitioner before the Registrar Judicial of this Court.

Heard.

The allegations against the petitioner are that the cheques issued by the petitioner for a total sum of Rs.6 lakh were dishonoured. The liability under the Act is primarily civil in nature and the petitioner has arrived at a settlement with the complainant.

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. (supra)**. The petitioner has been convicted under Section 138 of the Act. As the dispute has been settled by the parties, 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 dated 08.03.2018 and order of sentence dated 13.03.2018 passed by the trial Court and the judgment dated 13.09.2019 passed by the Appellate Court, are set aside. The petitioner is acquitted of the charges.

The petitioner is directed to pay a sum of Rs.15,000/- as costs to the Haryana Legal Services Authority.

03.12.2019

(ANUPINDER SINGH GREWAL)

SwarnjitS

JUDGE

Whether speaking/reasoned : Yes / No

Whether reportable : Yes / No