

IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

CRR-158-2010 (O&M)
Reserved on: 01.03.2023
Date of Pronouncement: 11.04.2023

Darshan Lal
...Petitioner (s)
Versus
M/s Rishi Finance Company and another
...Respondent(s)

CORAM: HON'BLE MR. JUSTICE ANOOP CHITKARA

Present:- Mr. Rahul Verma, Advocate
for the petitioner(s).

None for respondent no.1.

Mr. Rajat Gauram, DAG, Haryana.

ANOOP CHITKARA, J.

Criminal Complaint	No.300 of 2009 under Section 138/142 of the Negotiable Instruments Act, District Kurukshetra decided on 1.6.2009.
Criminal Appeal	No. 47 of 8.6.2009 before Addl. Sessions Judge, District Kurukshetra decided on 12.1.2010.

1. The petitioner, who stands convicted for the commission of offence punishable under Section 138 of the Negotiable Instruments Act, 1881, (NIA) has come up before this Court under Section 401, Code of Criminal Procedure, (CrPC).
2. During the pendency of this revision petition, a compromise/settlement has arrived at between the parties. The petitioner has annexed a copy of the compromise/settlement as Annexure A-1 and sought quashing of the impugned order(s), as the matter has been compromised and main revision petition was taken on board.
3. This court asked the parties to appear before the concerned court and also asked the said court to give its report as per the format.

4. On 15.2.2023, joint statement of the parties including the complainant was recorded has there is no objection to quashing of criminal proceedings in the matter. The report of the concerned Court, in the prescribed format, reads as follows:

Name of the reporting Court	Judicial Magistrate Ist Class, Kurukshetra
Criminal Case no. before trial Court	Complaint No.300/2009 under Section 138 Negotiable Instruments Act.

1.	Names of the complainant/ victims(s)/ aggrieved persons(s)	M/s Rishi Finance Co. through Harbhagwan Chhabra
2.	Dates on which the statement(s) of the complainant/ victims(s)/ aggrieved persons(s) were recorded	15.2.2023
3.	Has the identity of the complainant/ victims(s)/ aggrieved persons(s) been verified?	Yes
4.	Whether all the victims/ all the aggrieved persons have compromised the matter?	Yes
5.	Is there pressure, threat, or coercion upon the victim(s)/aggrieved person(s)/complainant?	No
6.	Names of the accused person(s)	Darshan Lal
7.	Dates on which the statement(s) of the accused persons(s) recorded	15.2.2023
8.	Whether all the accused have compromised the matter? If no, then the names of the accused who have compromised.	Yes
9.	Whether proclamation proceedings are pending against any accused?	No
10.	Has the police report been filed or not?	No
11.	Notice of accusation /Charges have been framed or not?	Yes
12.	Sections of statutes invoked in the matter	138 of the Negotiable Instruments Act
13.	Whether the court is satisfied with the genuineness of the compromise?	Yes.

5. The petitioner faced criminal prosecution by the private respondent because of the dishonor of the cheque in question. Thus, the opposition of the State’s counsel to this compromise is formal.

6. The jurisprudence behind the Negotiable Instruments Act, 1881 is that the business transactions are to be honoured. The legislative intention is not to make people suffer incarceration only because their cheques bounced. These proceedings are to recover the cheque amount by showing teeth of a penal clause.

7. Given the judgment passed by Hon'ble Supreme Court of India in Damodar S. Prabhu v Sayed Babalal, (2010) 5 SCC 663, the law is well settled that when the entire money is paid, then the complainant cannot have any objection to such compromise, and 15% of the cheque amount is to be paid by the accused to the concerned State Legal Services Authority.

8. Given above, because of the compromise, this is a fit case where the inherent jurisdiction of the High Court under Section 482 of the CrPC supported by Section 147 of the NIA is invoked to disrupt the prosecution and quash the proceedings mentioned above.

9. In Damodar S. Prabhu v Sayed Babalal, (2010) 5 SCC 663, Hon'ble Supreme Court holds,

[17]. "...Even though the imposition of costs by the competent court is a matter of discretion, the scale of costs has been suggested in the interest of uniformity. The competent Court can of course reduce the costs with regard to the specific facts and circumstances of a case, while recording reasons in writing for such variance."

10. The amount in question is rupees seventy six thousand (Rs.76,000). The 15% of Rs. 76,000/- comes to be Rs. 11,400/-) and this compounding is subject to the petitioner depositing the 15% of the cheque amount i.e. Rs.11,400/-, on or before 15.05.2023, with the concerned wing of High Court Legal Aid. Failing which this entire order, including compounding, shall automatically stand recalled under Section 362 and Section 482 CrPC, and this petition shall be posted for hearing on merits. However, in extraordinary circumstances, the petitioner may approach this Court for an extension of time to deposit the compounding fee. Petitioner to file the proof of deposit before the trial Court within the aforesaid time.

11. Given above, the present revision petition is allowed. Consequently, the judgment of conviction and order of sentence and all consequent proceedings are

set aside *qua* the petitioner(s), and the petitioner would also stand acquitted of all the offences captioned above. All pending applications are closed.

Petition allowed in the terms mentioned above. All pending application(s), if any, stand closed.

(ANOOP CHITKARA)
JUDGE

April 11, 2023
AK

Whether speaking/reasoned:	Yes
Whether reportable:	No.