



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

112+264

**CRR-1319-2024 (O&M)
Decided on : 03.10.2024**

BALJEET SINGH

... Petitioner(s)

Versus

**THE GANGSAR JAITU PRIMARY COOP AGRI DEVELOPMENT
BANK LTD.**

... Respondent(s)

CORAM: HON'BLE MS. JUSTICE KIRTI SINGH

PRESENT: Mr. Arshpreet Khadial, Advocate
for the petitioner.

Mr. APS Mann, Advocate for respondent-Bank.

KIRTI SINGH, J. (Oral)

CRM-39209-2024

This is an application for placing on record the affidavit of
Manager of respondent Bank as Annexure A-1.

2. Heard. For the reasons mentioned in the application, the same is
allowed and Annexure A-1 is taken on record subject to all just exceptions.

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The present revision petition has been filed against the
judgment dated 23.05.2024 passed by the Additional Sessions Judge,
Faridkot, vide which the appeal preferred by the petitioner/accused against
the judgment of conviction and order of sentence dated 22.07.2019 passed
by the Sub Divisional Judicial Magistrate, Faridkot, has been dismissed.

2. The brief facts of the case are that the petitioner/accused availed
a loan from the complainant bank. To repay the liability, the
petitioner/accused issued a cheque (No. 858212) dated 06.07.2016 for a sum



complainant bank presented the cheque, it was dishonored on 18.07.2016 due to "Insufficient Funds." The accused was served with a legal notice dated 20.07.2016 through his counsel for the repayment of the aforesaid amount but he failed to make the payment within the stipulated period of 15 days, leading to initiation of proceedings under Section 138 of the Negotiable Instruments Act, 1881.

3. The evidence was led and ultimately, the petitioner/accused was held guilty and accordingly, convicted for the offence punishable under Section 138 of the Negotiable Instruments Act, 1881 and sentenced to undergo simple imprisonment for a period of 02 years and to pay a compensation to the tune of Rs.4,90,000/-.

4. Aggrieved against the said judgment of conviction and order of sentence, the accused preferred an appeal before the Additional Sessions Judge, Faridkot, which came to be dismissed on 23.05.2024.

5. Still aggrieved, the present revision petition has been preferred by the accused.

6. On 22.08.2024, learned counsel for the petitioner submitted that the petitioner is willing to settle the disputed amount. He further submitted that if the petitioner is granted interim suspension of sentence for a period of one month, he would be in a position to explore the possibility of settling the dispute. Learned counsel for the respondent-bank also agreed to this proposal. Consequently, this Court referred the matter to the Mediation and Conciliation Centre to explore the possibility of an amicable settlement, while granting interim suspension to the petitioner for a period of one month.

7. Today, report dated 29.08.2024 from the Mediation and Conciliation Centre has been received in this Court stating a compromise



has been arrived at between the parties and it was agreed that the petitioner-accused shall pay a sum of Rs.23,52,000/- to the complainant-respondent as full and final settlement.

8. The learned counsel for the petitioner submits that in view of the compromise arrived and provisions of Section 147 of N.I. Act, the parties may be allowed to compound the offence.

9. The learned counsel for the complainant/respondent has accepted the factum of the compromise and has stated that he has no objection if the prayer of the petitioner for compounding the offence under Section 138 N.I. Act is allowed and the petitioner is acquitted of the charges framed against him.

10. I have heard the learned counsel for the parties.

11. This Court in **'Ramesh Chander Vs. State of Haryana and another, 2007(1) RCR (Criminal) 245'** held as under:-

"4. As per the provisions of Section 147 of the Act, the offence under Section 138 is compoundable. Section 147 reads as under:-

"Offence to be compoundable-

Notwithstanding anything contained in the Criminal Procedure Code, 1973(2 of 1974), every offence punishable under this Act shall be compoundable".

5. The compounding of the offence under Section 138 can be done during the trial of the case as well as by the High Court or Court of Session while acting in the exercise of its power of revision under Section 401 Criminal Procedure Code Reference may be made to Section 320(6) Criminal Procedure Code in this regard.

6. Further, under Section 320(8) Criminal Procedure Code the composition of an offence shall have the effect of acquittal of the accused with whom the offence has been compounded."

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12. This Court in 'Vatsa Electronics Vs. Pala Ram & Anr. decided on 09.03.2022 in CRR-1585-2019' has also held that once a settlement is being effected, then in terms of Section 147 of the Negotiable Instruments Act and Section 320 Cr.P.C., the accused ought to be acquitted as the offence stands compounded.

13. In view of report of Mediation and Conciliation Centre of this Court, since, the parties have settled the disputes between themselves, it is a fit case for allowing them to compound the offence.

14. Accordingly, the revision petition is allowed and the judgment dated 23.05.2024 passed by the Additional Sessions Judge, Faridkot and the judgment of conviction and order of sentence dated 22.07.2019 passed by the Sub Divisional Judicial Magistrate, Faridkot are hereby set aside. The petitioner is acquitted of the charges under Section 138 of the Negotiable Instruments Act.

15. Pending application(s), if any, also stands disposed of accordingly.

(KIRTI SINGH)
JUDGE

03.10.2024

Kavita

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