



118

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

CRR-272-2025 (O&M)  
Date of decision: 31.01.2025

Satyawar alias Satyawar Malik

....Petitioner

Versus

State of Haryana and another

...Respondents

**CORAM: HON'BLE MR. JUSTICE HARPREET SINGH BRAR****Present:** Mr. Navmohit Singh, Advocate  
for the petitioner.

Ms. Geeta Sharma, DAG, Haryana.

Mr. Sumit Kamboj, Advocate  
for respondent No.2.**HARPREET SINGH BRAR, J. (ORAL)**

1. Present criminal revision petition has been filed against the judgment dated 24.01.2025 passed by learned Additional Sessions Judge, Hisar, vide which judgment of conviction dated 23.08.2024 and order on quantum of sentence dated 30.08.2024 passed by learned Sub Divisional Judicial Magistrate, Hansi, convicting the petitioner under Section 138 of Negotiable Instruments Act (in short 'the Act') and awarding him rigorous imprisonment for 18 months with compensation of Rs.10,72,000/- along with default mechanism, have been upheld.

2. Learned counsel for the petitioner *inter alia* contends that the petitioner was convicted by the learned trial Court under Section 138 of the Act and awarded rigorous imprisonment of 01 year and 06 months and thereafter,



his appeal was also dismissed by the learned Additional Sessions Judge, Hisar on 24.01.2025 and the petitioner was taken into custody. He further submits that on 27.01.2025 a compromise was effected between the parties as discernible from Annexure P-1 and the entire settled amount as per the compromise deed (Annexure P-1) has been paid to respondent No.2. He further contends that the offence under Section 138 of the Act is compoundable offence and relies upon the judgment of the Hon'ble Supreme Court passed in '*Meters and Instruments Private Limited and another Vs. Kanchan Mehta*' (2018) 1 SCC 560.

3. Mr. Sumit Kamboj, Advocate puts in appearance on behalf of respondent No.2 and files his *vakalatnama* in the Court today which is taken on record. He affirms the factum of the compromise and submits that the entire settled amount of Rs.10,72,000/- has been received by respondent No.2 as settled vide compromise deed (Annexure P-1) and respondent No.2 has no objection in case the offence under Section 138 of the Act is compounded and the petitioner is acquitted of the notice of accusation.

4. After giving my thoughtful consideration to the submissions put forth by all sides and on careful perusal of the material on record, it transpires that matter has been compromised between the parties. Hence, this Court is inclined to accept the prayer made by the petitioner.

5. Pertinently, the amendment carried out in the year 2002 in the NI Act intended to make the nature of offence under Section 138 of the Act as a civil wrong while making it compoundable. A two Judge Bench of the Hon'ble Supreme Court in **Meters and Instruments Private Limited and another**



(*supra*), speaking through Justice A.K. Goel has held as under:-

*“7. This Court has noted that the object of the statute was to facilitate smooth functioning of business transactions. The provision is necessary as in many transactions’ cheques were issued merely as a device to defraud the creditors. Dishonour of cheque causes incalculable loss, injury and inconvenience to the Vide the Banking, Public Financial Institutions and Negotiable Instruments Laws (Amendment) Act, 1988 payee and credibility of business transactions suffers a setback. At the same time, it was also noted that nature of offence under Section 138 primarily related to a civil wrong and the 2002 amendment specifically made it compoundable..... xxxx xxxx xxxx*

*18.2. The object of the provision being primarily compensatory, punitive element being mainly with the object of enforcing the compensatory element, compounding at the initial stage has to be encouraged but is not debarred at later stage subject to appropriate compensation as may be found acceptable to the parties or the court.*

*18.3. Though compounding requires consent of both parties, even in absence of such consent, the court, in the interests of justice, on being satisfied that the complainant has been duly compensated, can in its discretion close the proceedings and discharge the accused.”*

6. In view of the above discussion, the present revision petition is allowed and consequently, the offence under Section 138 of the Act is compounded and judgment dated 24.01.2025 passed by learned Additional Sessions Judge, Hisar, judgment of conviction dated 23.08.2024 and order on quantum of sentence dated 30.08.2024 passed by learned Sub Divisional Judicial Magistrate, Hansi, are hereby set aside and petitioner is acquitted of the notice of accusation framed against him. The petitioner is ordered to be released forthwith.

7. Present revision petition is disposed of in the aforesaid terms.



**CRR-272-2025 (O&M)**

**-4-**

8. Pending miscellaneous application(s), if any, shall also stand disposed of accordingly.

**(HARPREET SINGH BRAR)**  
**JUDGE**

**31.01.2025**

*Neha*

Whether speaking/reasoned : Yes/No  
Whether reportable : Yes/No