

**CRR-771-2025 (O&M)****-1-****320 IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH****CRR-771-2025 (O&M)****Date of decision: 17.11.2025****JOGENDER KUMAR WALIA****...PETITIONER****VERSUS****HANS RAJ AND ANR.****...RESPONDENTS****CORAM: HON'BLE MR. JUSTICE RAJESH BHARDWAJ**

Present: Mr. Gourav Verma, Advocate with
Mr. Ajay Gupta, Advocate and
Mr. Vishal Walia, Advocate for the petitioner.

Mr. Anuj Tanwar, Advocate for respondent No.1.

Ms. Diya Sodhi, Sr. DAG, Haryana.

RAJESH BHARDWAJ, J. (ORAL)

1. Prayer in the present petition has been made for setting aside the impugned judgment dated 17.03.2025 passed by learned Additional Sessions Judge, Bhiwani vide which the appeal filed by the revisionist/petitioner was dismissed against the judgment dated 10.12.2018 and sentence dated 13.12.2018 passed by the learned Judicial Magistrate 1st Class, Bhiwani vide which the revisionist/petitioner was ordered to undergo 02 years simple imprisonment and also to pay 50% of cheque amount by way of compensation to the complainant and in default of the payment of compensation to undergo 03 months simple imprisonment.

2. The case as enumerated from the facts is that a complaint under Section 138 of the Negotiable Instruments Act, 1881 (for short, 'the NI Act) was filed against the petitioner by respondent No.1 on the allegations that the

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petitioner borrowed loan of Rs.3,15,000/- on 05.12.2015 from the complainant and the payment was to be made within a period of 15 days. In order to discharge his liability, the petitioner issued a cheque bearing No.934202 dated 15.01.2016 amounting to Rs.3,15,000/- drawn on Haryana Gramin Bank, Dadri Gate, Bhiwani, which on presentation by the complainant-respondent No.1 returned with the remarks 'Insufficient fund'. Thereafter, the respondent No.1 served legal notice dated 03.03.2016 upon the petitioner, but despite that he failed to make the payment and ultimately complaint was filed. After trial, the trial Court convicted the petitioner and sentenced him to undergo simple imprisonment for a period of 02 years. The petitioner was also burdened with fine of 50% of cheque amount as compensation to be paid to the complainant. Aggrieved by the conviction and sentence awarded by learned JMIC, the petitioner assailed the same by way of filing an appeal before the learned Appellate Court. Learned Appellate Court, finding no merit in the appeal, dismissed the same by upholding the conviction and sentence of the petitioner vide its order dated 17.03.2025. Hence, the petitioner has approached this Court by way of filing the present revision petition challenging the above said orders.

3. Learned counsel for the petitioner has submitted that now the parties have settled the dispute and entire amount has been paid by the petitioner to the complainant-respondent No.1 and now nothing is due against him. He further submits that in view of the settlement effected between the parties, the petitioner be allowed to compound the offence and he be acquitted of the charges under Section 138 of the Act and the orders under challenge in the present revision petition be set aside. He has placed reliance on the law laid down by Hon'ble Supreme Court in **Raj Reddy Kallem vs. The State of Haryana and another,**

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Law Finder Doc Id# 2557645, wherein, it has been held that there is no bar to seek the compounding of the offence at later stage of criminal proceedings including after conviction.

4. Learned counsel for the petitioner has brought a demand draft bearing No.021575 dated 07.11.2025 amounting to Rs.3,15,000/- in the Court today itself and in lieu of full and final settlement of the dispute with the complainant/respondent No.1 in view of submissions made before this Court on 07.04.2025 and the same is handed over to the counsel for the complainant/respondent No.1.

5. Learned counsel for the respondent No.1 has affirmed the contentions raised by learned counsel for the petitioner with regard to the settlement and has submitted that complainant-respondent No.1 has no objection, if the present petition is allowed and the orders under challenge are set aside/quashed.

6. This Court has heard counsel for the parties and perused the record with their able assistance.

7. As the parties have compromised the matter and have buried the hatchet, no purpose would be served by punishing the petitioner, who has already honoured the terms of the compromise, which fact has been affirmed by learned counsel for respondent No.1-complainant. In ***Raj Reddy Kallem's case (supra)***, it has been held that the accused must try for compounding of the offence at the initial stages instead of later stages, however, there is no bar to seek the compounding of offence at later stage of criminal proceedings including after conviction.

8. That the Hon'ble Supreme Court in Judgement of '**Damodar S. Prabhu vs. Sayad Babalal H. 2010(2) RCR (Crl.)**' has issued certain guidelines



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to deposit certain amount when the compounding is effected at a belated stage in matters pertaining to Negotiable Instruments Act however, in a recent Judgement of Hon'ble Supreme Court in **Rajeev Khandelwal Versus State of Maharashtra and another**, has been held that the conditions laid down in the ***Damodar S. Prabhu Versus Sayed Babalal H. Case (supra)*** do not constitute binding precedents and theld as under:-

“The law laid down in the aforementioned judgment cannot be regarded as a binding precedent, as every case must be considered on its own facts. In the present case, we are inclined to hold that the direction imposing costs on the appellant, to be paid to the Legal Services Authority cannot be sustained in the eye of law, particularly when the 3 complainant does not want any further amount and the appellant has expressed his inability to comply with the same, which aspect is not in dispute.”

9. So keeping in view above facts and the law settled by Hon'ble Supreme Court, the petitioner is allowed to compound the offence and he is ordered to be acquitted of the charges framed against him. As a consequences, the order dated 17.03.2025 passed by learned Additional Sessions Judge, Bhiwani and order dated 10/13-12.2018 passed by learned Judicial Magistrate Ist Class, Bhiwani convicting and sentencing the petitioner under Section 138 of the NI Act, are set aside.

9. Revision petition is allowed in above terms and the pending applications are also disposed of.

17.11.2025
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(RAJESH BHARDWAJ)
JUDGE

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