



CRR-1384-2017(O&M)

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**IN THE HIGH COURT OF PUNJAB & HARYANA AT
CHANDIGARH.**

CRR-1384-2017(O&M)

Date of Decision:-18.08.2025

Buta Singh.

.....Petitioner.

Versus

Ranjit Singh & Anr.

.....Respondents.

CORAM:- HON'BLE MR. JUSTICE JASJIT SINGH BEDI

Present:- Mr. Prabhjot Singh, Advocate for the Petitioner.

Mr. Yogesh Aneja, Advocate for the respondent no.1.

Mr. Harkanwar Jeet Singh, AAG Punjab for respondent no.2.

JASJIT SINGH BEDI, J.(ORAL)

CRM-31212-2025

Heard.

In view of the submissions made in the application seeking compounding of offence, the same is allowed in view of the order dated 31.05.2023 of Executing Court Annexure A-1 along with the application.

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The present revision petition has been filed against the judgment dated 06.02.2017 passed by the Additional Sessions Judge, Fazilka, vide which the appeal preferred by the accused-petitioner against the judgment of conviction and order of sentence dated 22.03.2016 passed by the Judicial Magistrate 1st Class, Jalalabad has been dismissed.



In view of the oral request of learned Counsel for the petitioner, the main petition is preponed from 28.08.2025 to today itself and is taken up for hearing.

2. The brief facts of the case are that accused/petitioner-Buta Singh issued a cheque bearing no.170028 dated 11.07.2007 for an amount of Rs.5,00,000/- (rupees five lacs) drawn on Punjab National Bank, Branch Chak Kherewala in favour of the complainant/respondent. On presentation, the aforesaid cheque was dishonoured with remarks “Funds Insufficient” vide memo dated 12.07.2007 and the same was returned to the complainant/respondent. The accused/petitioner was served with a legal notice dated 17.07.2007 for the repayment of the aforesaid amount but he failed to make the payment leading to the initiation of proceedings under Section 138 of the Negotiable Instruments Act, 1881.

3. In the complaint under Section 138 of the Negotiable Instruments Act, 1881 filed by the complainant/respondent, the accused/petitioner was summoned to face trial. The evidence was led and ultimately, the accused/petitioner was held guilty and accordingly, convicted for the offence punishable under Section 138 of the Negotiable Instruments Act, 1881, and was sentenced as under:-

Offence under Section	Sentence	Fine	In Default
138 of the N.I. Act	RI for 01 Year	Rs.5,000/-	RI for 01 Month

4. Aggrieved against the said judgment of conviction and order of sentence dated 22.03.2016, the petitioner preferred an appeal before the Additional Sessions Judge, Fazilka, which came to be dismissed on 06.02.2017.

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



6. The learned counsel for the petitioner contends that during the pendency of the revision petition, an oral compromise has been effected between the parties. He contends that as against the cheque amount of Rs.5 lacs, a sum of Rs.3,25,000/- has been paid as full and final settlement to the respondent no.1/complainant and, therefore, the offence may be compounded in terms of the application bearing CRM-31212-2025 seeking permission to compound the offence. Therefore, nothing is due towards him. He further contends that in view of Section 147 of the Negotiable Instruments Act read with Section 320 Cr.P.C. where a settlement has been effected, the offence under Section 138 of the Negotiable Instruments Act can be compounded on account of the fact that a mutual compromise has been effected between the parties.

7. The Counsel for the respondent no.1/complainant accepts the factum of compromise and states that the complainant has received a sum of Rs.3,25,000/- as full and final payment against the cheque amount of Rs.5,00,000/-, and he has no objection if the prayer of the accused-petitioner for compounding the offence under Section 138 N.I. Act is allowed and he is acquitted of the charges framed against him.

8. I have heard the counsel for the parties.

9. 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.”

10. 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.

11. The admitted position is that the matter stands settled on the basis of mutual compromise/settlement between the parties.

12. In view of the above, since, the parties have voluntarily settled the disputes between themselves, it is a fit case for allowing them to compound the offence.

13. Accordingly, the revision petition is allowed and subject to payment of Rs.25,000/- as costs to be deposited with Punjab and Haryana High Court Bar Association Account No.65035682434 State Bank of India High Court Branch, IFSC Code SBIN0050306., the judgment dated 06.02.2017 passed by the Additional Sessions Judge, Fazilka as well as judgment of conviction and order of sentence dated 22.03.2016 passed by the Judicial Magistrate 1st Class, Jalalabad (W) are hereby set aside. The petitioner is acquitted of the charge under Section 138 of the Negotiable Instruments Act.



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14. Since the main petition has been disposed of no order needs to be passed in the pending application(s), if any.

(JASJIT SINGH BEDI)
JUDGE

August 18, 2025
Vinay

<i>Whether speaking/reasoned</i>	<i>Yes/No</i>
<i>Whether reportable</i>	<i>Yes/No</i>