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

229

2025:PHHC:163323

CRR-9980-2018 (O&M)
Date of decision: 21.11.2025.

GURINDER SINGH

...Petitioner(s)

VERSUS

M/S MTL SHARE AND STOCK BROKERS LTD.

...Respondent(s)

CORAM : HON'BLE MR. JUSTICE VINOD S. BHARDWAJ

Present :- Ms. Tarranum Madaan, Advocate,
for the petitioner.

Mr. Neeraj Sharma, Advocate,
for the respondent.

VINOD S. BHARDWAJ, J. (Oral)

The petitioner-accused, vide judgment dated 24.12.2014 passed by the Judicial Magistrate First Class, Chandigarh, had been convicted and sentenced to undergo imprisonment till rising of the Court in Complaint No.12565 dated 15.02.2010 under Section 138 of the Negotiable Instruments Act, 1881, filed by the respondent-complainant.

Aggrieved of the aforesaid judgment and order of sentence, the respondent-complainant preferred a criminal Revision No.69 dated 03.03.2015 before the revisional Court. The said revision petition was allowed by the Additional Sessions Judge, Chandigarh vide judgment dated 26.02.2018 and the sentence awarded to the petitioner-accused by the trial Court was enhanced to six months simple imprisonment. The petitioner-accused was also directed to pay compensation to the respondent-complainant to the tune of Rs.55,546,72/-

under Section 357(3) Cr.P.C.

It is in the aforesaid background that the petitioner-accused has filed the present petition against the judgment dated 26.02.2018 passed by the Additional Sessions Judge, Chandigarh, whereby the sentence awarded to the petitioner-accused by the trial Court was enhanced to six months simple imprisonment ad he was also directed to pay compensation to the tune of Rs.55,546.72 paise to the respondent-complainant.

The present case was taken up on 12.09.2025 and on the submissions made by the counsel for the parties, the following order was passed: -

> *"Learned counsel appearing for the parties contend that since the dispute in the present case pertains to Section 138 of the Negotiable Instruments Act, 1881, there is possibility of amicable resolution of the dispute between the parties and therefore, the matter be referred to the Mediation and Conciliation Centre of this Court.*
>
> *The parties are directed to appear before the Mediation and Conciliation Centre of this Court on 26.09.2025 to explore the possibility of amicable resolution of the dispute.*
>
> *List on 21.11.2025 to await the report of the Mediation and Conciliation Centre."*

Today, a copy of the settlement agreement dated 01.10.2025 passed in Mediation Case No.19296 of 2025 has been placed on record.

As per the report dated 01.10.2025 received from the Superintendent of the Mediation and Conciliation Centre of this Court which is accompanied with the original settlement agreement dated 01.10.2025 (Annexure P-1), the parties have amicably settled their dispute. The relevant part of the settlement agreement is extracted as under: -

"The following settlement has been arrived at between the Parties hereto:

a) It is settled between both the parties that the amount of Rs.35,000/- (Rupees Thirty Five Thousand only), which has been given to the second party by the first party, in cash, today itself in the Mediation Centre, against the full and final settlement of the present dispute and the same amount has been duly received by the second party.

b) It has been mutually agreed between the parties that the second party shall have no objection, if the present case i.e. CRM-M-9980-2018 filed by the first party is allowed by the Hon'ble High Court in view of the present settlement/agreement. The second party shall also undertakes to make a statement/file an affidavit in the Hon'ble High Court, in case the Hon'ble High Court directs the second party to do so.

c) The parties further undertake not to initiate or institute any unwanted litigation against each other and their family arising out of the matter in dispute. The parties further undertake not to use any document etc. against each other which have been left in their possession after this date of agreement or used as an evidence against each other in any Court of Law.

d) As per knowledge of both the parties, there is no other pending litigation between the parties qua the present dispute. It has been further agreed between the parties that in case of coming into knowledge that any petition or case filed by any of the parties against other, the same shall be withdrawn by either of the party who has filed it.

e) This compromise has been arrived at between the parties without any pressure, undue influence or misrepresentation and *both the parties have agreed to abide by the terms and conditions of the agreement. Both the parties shall be bound with the terms and conditions of this compromise."*

Thus, from a perusal of the above, it is amply clear that the matter has already been amicably resolved between the parties and the amount of Rs.35,000, as agreed between them, already stands paid to the respondent-complainant in cash. Keeping the matter pending after the matter has already been amicably settled between the parties would be a travesty of justice more-so when the settled amount already stands paid.

Accordingly, in the light of the settlement of the dispute between the parties, offence under Section 138 of the Negotiable Instruments Act, 1881 is permitted to be compounded under Section 147 of the Act.

The judgment of conviction and order of sentence dated 24.12.2014 passed by the Judicial Magistrate First Class, Chandigarh, and the judgment dated 26.02.2018 passed by the Additional Sessions Judge, Chandigarh, whereby the sentence awarded to the petitioner was enhanced to six months of simple imprisonment and fine of Rs.55,546.72 paise to be paid to the respondent-complainant are set aside. The petitioner is acquitted of the offence under Section 138 of the Negotiable Instruments Act.

The present petition stands allowed in above terms.

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

November 21, 2025. **(VINOD S. BHARDWAJ)**
raj arora **JUDGE**

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