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

CRR-1408-2024 (O&M)
Date of Decision:11.02.2025

Kulveer Singh	...	Petitioner
Versus		
Anu Goyal and another	...	Respondents

CORAM: HON'BLE MR. JUSTICE HARPREET SINGH BRAR

Present: Mr. Manpreet Singh Bhatti, Advocate and
Ms. Supriya Arora, Advocate for the petitioner.

Mr. Gurmeet Singh, Advocate for
Mr. Anish Verma, Advocate
for the complainant/respondent No.1.

Mr. Rishabh Singla, AAG, Punjab.

HARPREET SINGH BRAR, J. (ORAL)

CRM-48188-2024 in CRM-44922-2024

Application under Section 528 of BNSS has been filed for placing on record fresh compromise dated 30.11.2024 properly scribed and signed by the parties as (Annexure A-4), which is taken on record subject to all just exceptions.

CRM stands disposed of.

CRM-44922-2024

This is an application under Section 147 of the Negotiable Instruments Act, 1881 read with Section 528 of BNSS for compounding of offence on the basis of compromise dated 30.11.2024 (Annexure P-4) while

allowing the revision petition setting aside the judgment of conviction and order of sentence of the petitioner.

Learned counsel for the petitioner, *inter alia*, contends that the petitioner has been convicted under Section 138 of the Negotiable Instruments Act, 1881 by the learned Additional Chief Judicial Magistrate, Fatehgarh Sahib vide impugned judgment dated 05.10.2019 whereby he was sentenced to undergo R.I. for a period of 01 year and he was also directed to pay a compensation of Rs.9,50,000/- to the complainant-respondent.

The petitioner preferred an appeal before the Ld. Additional Sessions Judge, Fatehgarh Sahib but the same was dismissed vide judgment dated 18.07.2024. Thereafter, a compromise was effected between the parties initially on 19.09.2024 (Annexure A-1) and subsequently on 30.11.2024 (Annexure P-4).

Learned counsel for respondent No.1 submits that he has 'No-objection' in case, the present application for compounding of the offence under Section 138 of NI Act is allowed as respondent No.1 has already settled the amount in terms of the compromise.

Accordingly, the present application is allowed.

CRR-1408-2024

1. This revision petition has been preferred against the judgment dated 18.07.2024 passed by learned Additional Sessions Judge, Fatehgarh Sahib vide which judgment of conviction and order on quantum of sentence dated 05.10.2019 passed by the learned Additional Chief Judicial Magistrate, Fatehgarh Sahib, in a complaint case filed under Section 138 of Negotiable Instruments Act, 1881, have been upheld.

2. Learned counsel for the petitioner submits that after filing of the

instant revision petition a compromise has been effected between the parties initially on 19.09.2024 (Annexure A-1) and subsequently on 30.11.2024 (Annexure P-4).

3. Learned counsel for respondent No.1 submits that respondent No.1 has already received the entire settled amount and has no-objection in case the petitioner be acquitted of the notice of accusation and judgments and order of sentence are set aside.

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 the petitioner has deposited the above said amount to the complainant-respondent No.1. 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 N.I. Act intended to make the nature of offence under Section 138 of the N.I. 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 Vs. Kanchan Mehta (2018) 1 SCC 560***, 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 petition is allowed and consequently, the offence under Section 138 of the Negotiable Instruments Act, 1881 is compounded and judgment of conviction and order on quantum of sentence dated 05.10.2019 passed by the learned Additional Chief Judicial Magistrate, Fatehgarh Sahib and judgment dated 18.07.2024 passed by learned Additional Sessions Judge, Fatehgarh Sahib, both are hereby set aside and petitioner is acquitted of the notice of accusation framed against him. His bail bonds and surety bonds stand discharged.

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

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

11.02.2025
Parveen kumar

(HARPREET SINGH BRAR)
JUDGE

Whether speaking/reasoned :Yes/No

Whether reportable :Yes/No