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

CRR-1599-2025 (O&M)

Date of Decision: 04.07.2025

Balvir Singh @ Balbir Singh

..... Petitioner

Versus

State of Punjab and another

.....Respondents

CORAM: HON'BLE MR. JUSTICE RAJESH BHARDWAJ

Present: Mr. Sanjeev Kumar Arora, Advocate, for the petitioner.

Rajesh Bhardwaj, J. (Oral)CRM-24954-2025

For the reasons mentioned in the application, the same is allowed. The delay of 163 days in filing the revision petition is condoned.

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Allowed as prayed for. Compromise dated 17.06.2025 is taken on record.

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1. Petitioner has approached this Court by way of filing the present revision petition impugning the judgment of conviction and order of sentence dated 07.10.2017 passed by learned Chief Judicial Magistrate, Sri Muktsar Sahib, whereby, the petitioner has been convicted under Section 138 of the Negotiable Instruments Act, 1881 (for short, 'the Act') to sentence to undergo rigorous imprisonment for a period of one year and to pay fine of Rs.2,000/-

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.2 on the allegations that



on 11.09.2015, the accused-petitioner borrowed an amount of Rs.1,90,000/- as friendly loan from complainant-respondent No.2. In order to discharge his legal liability, the petitioner issued a cheque No.230535 dated 10.12.2015 for a sum of Rs.1,90,000/- drawn on Punjab National Bank, Branch Kacha Ferozepur Road, Sri Muktsar Sahib in favour of the complainant. However, on presentation, the said cheque was dishonoured with the remark "Funds Insufficient". Legal notice was sent by the complainant to the petitioner, but the petitioner failed to make the payment of the cheque amount and thus, a complaint was filed. On the conclusion of trial, the petitioner was convicted and sentenced under Section 138 of the Negotiable Instruments Act, to undergo rigorous imprisonment for a period of one year. Aggrieved by the conviction and sentence awarded by learned Chief Judicial Magistrate, 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 of the petitioner vide its order dated 21.10.2024. 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 the parties have already entered into a compromise and the outstanding amount of Rs.1,90,000/- has already been paid to the complainant-respondent No.2 by the petitioner 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 order under challenge in the present 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**, 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. Notice of motion.

5. Mr. J.S. Arora, DAG, Punjab, accepts notice on behalf of the State. Mr. Lakshay Bector, Advocate, accepts notice on behalf of respondent No.2.

6. Learned counsel for respondent No.2 has affirmed the contentions raised by learned counsel for the petitioner and has submitted that complainant-respondent No.2 has received the settled amount of Rs.1,90,000/- and he has no objection, if the present petition is allowed.

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-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. 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 21.10.2024 passed by learned Additional Sessions Judge, Sri Muktsar Sahib and order dated 07.10.2017 passed by



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learned Chief Judicial Magistrate, Sri Muktsar Sahib, convicting and sentencing the petitioner under Section 138 of the NI Act, are set aside.

9. While taking into consideration the observations made by Hon'ble Supreme Court in **Damodar S. Prabhu vs. Sayad Babalal H. 2010(2) RCR (Crl.) 851**, the present revision petition is allowed subject to deposit of costs of Rs.28,500/- (being 15% of the cheque amount) with the Punjab State Legal Services Authorities within a period of one month from today. Receipt of the costs shall be deposited in the Court of learned Chief Judicial Magistrate, Sri Muktsar Sahib within above-said period.

10. In case the petitioner fails to deposit the abovesaid amount within one month from today, this order would be of no avail to him and the present petition would be deemed to have been dismissed. Copy of this order be sent to the Court of learned Chief Judicial Magistrate, Sri Muktsar Sahib for necessary action.

11. Revision petition is disposed of in above terms. Consequently, pending applications are also disposed of.

04.07.2025
sharmila

Whether Speaking/Reasoned
Whether Reportable

(RAJESH BHARDWAJ)
JUDGE

: Yes/No
: Yes/No