

CRR-2090-2022 (O&M)
CRR-2061-2022 (O&M)
CRR-2663-2022 (O&M)

2025.PHHC:122721



111+260

IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

CRR-2090-2022 (O&M)

BHAGWANT RAIPETITIONER

VERSUS

MANMOHAN SINGHRESPONDENT

CRR-2061-2022 (O&M)

BHAGWANT RAIPETITIONER

VERSUS

MANMOHAN SINGHRESPONDENT

CRR-2663-2022 (O&M)

MANMOHAN SINGHPETITIONER

VERSUS

BHAGWANT RAIRESPONDENT

DECIDED ON: 09.09.2025

CORAM: HON'BLE MR. JUSTICE SANJAY VASHISTH.

Present: Mr. Ravish Bansal, Advocate,
for the petitioner (in CRR Nos.2061 and 2090 of 2022),
and for respondent (in CRR-2663-2022).

Ms. Navneet Kaur, Advocate, for
Mr. Ranjit Singh Sidhu, Advocate,
for the respondent (in CRR Nos.2061 and 2090 of 2022),
and for the petitioner (in CRR-2663-2022).

SANJAY VASHISTH, J (ORAL)

1. All three revision petitions, i.e., CRR-2090-2022, CRR-2061-2022, and CRR-2663-2022, arise from a common trial involving



total six accused persons. Out of them, five were acquitted, vide judgment dated 02.11.2017, passed by learned Sub-Divisional Judicial Magistrate, Malerkotla. Petitioner, Bhagwant Rai (who is the revisionist in CRR-2090-2022 and CRR-2061-2022), and was arrayed as accused No.2 in the complaint, was convicted for committing the offence punishable under Section 138 of the Negotiable Instruments Act.

2. The case pertains to cheque bearing No.000027 dated 29.09.2016, amounting to Rs.17 lakhs, drawn on HDFC Bank, Dhuri Branch, from Account No.50200001132051, which was dishonoured upon presentation. Consequently, petitioner – Bhagwant Rai was convicted for the offence under Section 138 of the Negotiable Instruments Act and sentenced to undergo six months' simple imprisonment, along with a direction to pay compensation to the tune of Rs. 2 lakhs to the complainant – Manmohan Singh.

Aggrieved by the judgment of conviction and order of sentence, petitioner – Bhagwant Rai filed an appeal. Simultaneously, the complainant – Manmohan Singh also filed an appeal seeking enhancement of the sentence and compensation. The appeal filed by the petitioner/convict was dismissed, whereas the appeal filed by the complainant was partly allowed, resulting in the enhancement of the compensation amount from Rs. 2 lakhs to Rs. 5 lakhs.

3. It is thereafter that present three revision petitions have been filed, nature of which is described as under:-



- CRR-2090-2022 has been filed by the petitioner – Bhagwant Rai, challenging the judgment of conviction and order of sentence.
- CRR-2061-2022 has also been filed by the petitioner – Bhagwant Rai, as another revision petition, arising from the separate appeal filed by the complainant – Manmohan Singh, which was allowed by enhancing the compensation from Rs. 2 lakhs to Rs. 5 lakhs.
- CRR-2663-2022 has been filed by the complainant – Manmohan Singh, seeking further enhancement of the compensation amount.

4. During the pendency of all the aforementioned three revision petitions before this Court, monetary dispute between the parties was settled outside the Court, and thereupon, in CRR-2061-2022 and CRR-2090-2022, following order was passed by this Court, on 29.07.2025:-

“1. Counsel for the petitioner explains that CRR-2090-2022 has been filed to assail the judgment of conviction, which has been recorded by both the Courts below, by convicting the petitioner under Section 138 of the Negotiable Instruments Act.

2. CRR-2061-2022 has been filed by the petitioner, assailing the part of the judgment, whereby amount of compensation was enhanced by the Appellate Court, from Rs.2 lacs to Rs.5 lacs, payable by the petitioner to the complainant – Manmohan Singh.

3. Further submits that it is during the pendency of both the aforementioned revision petitions before this Court, that the dispute has been resolved amicably, by the petitioner and respondent outside the Court, and therefore, applications i.e. CRM-28924-2025 (in



CRR-2061-2022) and CRM-28798-2025 (in CRR-2090-2022) have been moved, for placing on record the copy of the compromise deed dated 26.05.2025, as Annexure A-1.

Copy of the compromise deed dated 26.05.2025 is ordered to be taken on record. Registry is directed to tag the same at the appropriate place on the file. Accordingly, both the aforementioned applications i.e. CRM-28924-2025 (in CRR-2061-2022) and CRM-28798-2025 (in CRR-2090-2022) are allowed.

4. CRM-28799-2025 (in CRR-2090-2022) has been moved for compounding of the offence under Section 138 of the Negotiable Instruments Act, and then to acquit the petitioner in complaint No.285 of 17.11.2016, (bearing registration No.458 of 2016).

5. CRM-28800-2025 (in CRR-2090-2022) has been moved by the petitioner for releasing of the amount of Rs.5,00,000/- deposited with the Registrar General of this Court, vide demand draft No.005977 dated 07.02.2023.

6. Since compromise has been effected between the parties outside the Court, both counsel for the petitioner and the respondent jointly requested that the matter be referred to the Mediation and Conciliation Centre, Sangrur. The purpose of this referral is to formalize and give statutory effect to the terms of the compromise, thereby binding the parties to the agreed conditions in a legally recognized manner.

7. Accordingly, let the concerned parties, i.e. the petitioner and the complainant appear before the Mediation and Conciliation Centre, Sangrur, on 11.08.2025.



8. List again on 09.09.2025, awaiting report.

9. However, it is clarified that in case, any such final settlement is arrived at between the parties before the Mediation and Conciliation Centre, Sangrur, both the parties would file their affidavits in regard to the said compromise, before the next date of hearing fixed before this Court.

10. A photocopy of this order be placed on the file of other connected case.”

5. Pursuant to the directions issued by this Court for appearance of the parties before the Mediation and Conciliation Centre at the Courts in Sangrur, a settlement agreement was duly executed between the parties on 11.08.2025.

6. Learned counsel for the petitioner informs that, in compliance with the Court's earlier direction dated 02.12.2022, a compensation amount of Rs.5,00,000/- has already been deposited by the petitioner before the Registrar General of this Court, vide Demand Draft No. 005977 dated 07.02.2023. It is further submitted that the said amount continues to remain with the Registrar General, as it has not been encashed, till date.

7. As per the terms of the settlement agreement dated 11.08.2025, which was duly arrived at before the Mediation and Conciliation Centre at Sangrur, it has been materially recorded that:-

“6. The following settlement had been arrived at between the parties and has been admitted before mediator as well as follows:-

a) The parties had entered into compromise duly executed vide compromise deed dated 26/05/2025 (of



9 pages comprising stamp paper, compromise, Copies of Aadhaar Card of Petitioner, respondent & witnesses) in presence of witnesses including subject matter of said Two Revision Petitions too. The notarized copy of said compromise deed is attached as Ex-CX, the contents of which be read as part of this settlement/compromise too, which Ex-CX both petitioner & Respondent above admit to be true and correct as per their settlement/compromise.

b) It is settled between the parties that the claim of respondent qua cheque in question has been fully satisfied. Nothing is due to be payable by petitioner to respondent regarding cheque in question or otherwise and as such the criminal case originally initiated U/s 138 Negotiable Instrument Act be compounded.

c) It is settled between the parties that respondent is having no objection if The CRR-2061-2090-2022 and CRR-2090-2022 filed by petitioner Bhagwant Rai are allowed.

d) It is settled between the parties that Respondent Manmohan Singh is having no objection, if orders of conviction passed by trial court and first Appellate Court are set aside and Petitioner Bhagwant Rai is acquitted from said offence of Sec 138 Negotiable Instrument Act.

e) It is settled between the parties that Respondent Manmohan Singh is having no objection, if amount of Rs. 5 lakhs deposited by Petitioner Bhagwant Rai under orders of Hon'ble High Court are ordered to be refunded to Petitioner Bhagwant Rai by Hon'ble Punjab & Haryana High Court.”



Therefore, parties are *ad idem* to submit before this Court that both the criminal revision petitions, i.e., CRR-2061-2022 and CRR-2090-2022, be disposed of, in terms of the settlement arrived at between them, and the offences be permitted to be compounded, by allowing the application CRM-28799-2022 filed in CRR-2090-2022.

8. Reliance is placed upon the Full Bench of this Court in *Kulwinder Singh and others v. State of Punjab and another, 2007 (3) RCR (Criminal) 1052*, has observed as under:-

“(28) To conclude, it can safely be said that there can never be any hard and fast category which can be prescribed to enable the Court to exercise its power under Section 482 of the Cr.P.C. The only principle that can be laid down is the one which has been incorporated in the Section itself, i.e., "to prevent abuse of the process of any Court" or "to secure the ends of justice”.

(29) In *Mrs. Shakuntala Sawhney v. Mrs. Kaushalya Sawhney and others*, Hon'ble Krishna Iyer, J. aptly summoned up the essence of compromise in the following words:

“The finest hour of justice arrives propitiously when parties, despite falling apart, bury the hatchet and weave a sense of fellowship of reunion.”

(30) The power to do complete justice is the very essence of every judicial justice dispensation system. It cannot be diluted by distorted perceptions and is not a slave to anything, except to the caution and circumspection, the standards of which the Court sets before it, in exercise of such plenary and unfettered power inherently vested in it while donning the cloak of compassion to achieve the ends of justice.

(31) No embargo, be in the shape of Section 320(9) of the Cr.P.C., or any other such curtailment, can whittle down the power under Section 482 of the Cr.P.C.



(32) The compromise, in a modern society, is the sine qua non of harmony and orderly behaviour. It is the soul of justice and if the power under Section 482 of the Cr.P.C. is used to enhance such a compromise which, in turn, enhances the social amity and reduces friction, then it truly is "finest hour of justice". Disputes which have their genesis in a matrimonial discord, landlord-tenant matters, commercial transactions and other such matters can safely be dealt with by the Court by exercising its powers under Section 482 of the Cr.P.C. in the event of a compromise, but this is not to say that the power is limited to such cases. There can never be any such rigid rule to prescribe the exercise of such power, especially in the absence of any premonitions to forecast and predict eventualities which the cause of justice may throw up during the course of a litigation.

(33) The only inevitable conclusion from the above discussion is that there is no statutory bar under the Cr.P.C. which can affect the inherent power of this Court under Section 482. Further, the same cannot be limited to matrimonial cases alone and the Court has the wide power to quash the proceedings even in non-compoundable offences notwithstanding the bar under Section 320 of the Cr.P.C., in order to prevent the abuse of law and to secure the ends of justice.

(34) The power under Section 482 of the Cr.P.C. is to be exercised *Ex-Debitia Justitia* to prevent an abuse of process of Court. There can neither be an exhaustive list nor the defined para-meters to enable a High Court to invoke or exercise its inherent powers. It will always depend upon the facts and circumstances of each case. The power under Section 482 of the Cr.P.C. has no limits. However, the High Court will exercise it sparingly and with utmost care and caution. The exercise of power has to be with circumspection and restraint. The Court is a vital and an extra-ordinary effective instrument to maintain and control social order. The Courts play role of paramount importance in achieving peace, harmony and ever-lasting congeniality in society. Resolution of a dispute by way of a compromise between two warring groups, therefore, should attract the immediate and prompt attention of a Court which should endeavour to give full effect to the same unless such compromise is abhorrent to lawful composition of the society or would promote savagery."



9. In this regard, counsel for the petitioner has also placed reliance on the judgment(s) of:

- i) Hon'ble the Supreme Court rendered in the cases of **Narinder Singh and others v. State of Punjab and another**, (2014) 6 SCC 466; and **Ramgopal and another v. The State of Madhya Pradesh**, 2021 SCC Online SC 834;
- ii) a Division Bench judgment of this Court in the case of **Sube Singh and another v. State of Haryana and another**, 2013 (4) RCR (Criminal) 102; and
- iii) a recent judgment passed by this Court in the case of **Lakhbir Singh v. State of Punjab and another** (CRA-S2065-SB-2007, decided on 14.02.2023 : Law Finder Doc ID #2138925).

10. Thus, on the basis of cited judgments, counsel for the petitioner submits that in view of the compromise/settlement arrived at between the parties; by compounding the offence, proceedings can be quashed for the offence in question.

11. In support of the contentions advanced by the counsel for the petitioner and to further affirm the terms recorded during mediation at the Mediation and Conciliation Centre, Sangrur, both the parties, i.e. petitioner, namely Bhagwant Rai, and complainant namely Manmohan Singh, have filed their respective affidavits dated 21.08.2025. These affidavits have been filed through CRM-34210-2025 and CRM-35608-



2025 [in CRR-2090-2022] (by the complainant and petitioner, respectively), and CRM-34170-2025 and CRM-35625-2025 [in CRR-2061-2022] (by complainant and petitioner, respectively).

12. All the aforementioned applications, i.e. CRM-34210-2025 and CRM-35608-2025 [in CRR-2090-2022] and CRM-34170-2025 and CRM-35625-2025 [in CRR-2061-2022] are allowed, and affidavits filed by the respective parties in both cases are ordered to be taken on record. Registry is directed to tag the same at the appropriate place in the case files.

These affidavits affirm that the parties shall abide by the terms of the settlement executed before the Mediation and Conciliation Centre, and complainant has raised no objection to the quashing of proceedings, or allowing both petitions, i.e. CRR-2090-2022 and CRR-2061-2022, in terms of the compromise.

13. After hearing the submissions addressed by learned counsel for both parties and perusing the record, this Court finds it appropriate to allow both the petitions.

14. Since, the dispute has already been resolved, the offence under Section 138 of Negotiable Instruments Act, is ordered to be compounded. Thus, CRM-28799-2025 in CRR-2090-2022, is allowed, and resultantly, the judgment of conviction and order of sentence passed by the Court(s) below, is ordered to be considered inoperative and of no consequence for all intents and purposes.



15. Accordingly, CRR-2090-2022 and CRR-2061-2022 stands disposed of.

16. In view of the orders passed in CRR-2090-2022 and CRR-2061-2022 filed by the petitioner, Bhagwant Rai, learned counsel for the petitioner seeks permission to withdraw the petition i.e. in CRR-2663-2022, filed for enhancing the compensation amount.

17. Accordingly, CRR-2663-2022 is dismissed as withdrawn.

18. While disposing of all the three petitions, it is clarified that the amount of Rs.5,00,000/-, which was deposited by the petitioner in compliance with the order dated 02.12.2022, and is currently lying with the Registrar General of this Court, would be released back to the petitioner, in view of the fact that he has already paid a separate amount of Rs.5,00,000/- directly to the complainant, in accordance with the terms of the settlement. Accordingly, CRM-28800-2025 in CRR-2090-2022 seeking for releasing of the amount of Rs.5,00,000/-, stands disposed of, with the directions recorded here above.

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

21. A photocopy of this order be placed on the files of other connected cases.

(SANJAY VASHISTH)
JUDGE

09.09.2025

Lavisha

Whether speaking/reasoned ✓Yes/~~No~~
Whether reportable ✓Yes/~~No~~