

2025:PHHC:130214



CRR-2234-2025 (O & M)

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IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

CRR-2234-2025 (O & M)
Date of decision: 19.09.2025

M/s Anil Agriculture Store and anr.

.... Petitioners

V/s

M/s Safex Chemicals India Ltd.

...Respondent

CORAM: HON'BLE MR. JUSTICE JASJIT SINGH BEDI

Present: Mr. Tanvir S. Grewal, Advocate,
for the petitioner.

Mr. Vishavjeet Gill, Advocate,
with Mr. Puneet Singla, authorized representative
for the respondent.

JASJIT SINGH BEDI, J. (Oral)

CRM-37899-2025

The application for placing on record a compromise deed dated 17.09.2025 (Annexure A-5) is allowed as prayed for subject to all just exceptions. The same is taken on record.

CRR-2234-2025

The present revision petition has been filed against the judgment dated 28.08.2025 passed by the Additional Sessions Judge, Jhajjar vide which the appeal preferred by the accused-petitioner against the judgment of conviction and order of sentence dated 07/11.02.2020 passed by the Judicial Magistrate Ist Class, Bahadurgarh has been dismissed.

2. The brief facts of the case are that the complainant company-respondent used to supply goods to the accused firm-petitioner



No.1 on their demand and a running account was being maintained by the complainant company/respondent. On that account, the accused-petitioner No.2 being the proprietor of the accused firm-petitioner No.1 had the liability to pay an amount of Rs.8,69,330/- to the complainant-respondent. In order to discharge its legal liabilities, the accused-petitioner No.2 issued a cheque bearing No.000265 dated 01.09.2015 for a sum of Rs.8,69,330/- of HDFC Bank Ltd. Uklana (Hr.) in favour of the complainant company-respondent. On presentation of the aforesaid cheque, the same was dishonoured with the remarks 'Exceeds Arrangement' vide a return memo dated 03.09.2015. The accused/petitioner No.2 was served with a legal notice dated 12.09.2015 for the repayment of the aforesaid amount but he failed to make the payment within the stipulated period of 15 days, leading to 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/petitioners were summoned to face trial. The evidence was led and ultimately, the accused/petitioners were held guilty and accordingly, convicted for the offence punishable under Section 138 of the Negotiable Instruments Act, 1881, and was sentenced to undergo rigorous imprisonment for a period of one year and to pay a fine of Rs.10,00,000/- as compensation to the complainant-respondent.

4. Aggrieved against the said judgment of conviction and order of sentence, the accused/petitioners preferred an appeal before the Additional Sessions Judge, Jhajjar which came to be dismissed on 28.08.2025.



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

6. The learned counsel for the petitioners contends that during the pendency of the present petition, a compromise has been effected between the parties and it was agreed that a sum of Rs.10,00,000/- would be paid by the accused-petitioners to the complainant-respondent as full and final settlement. He while referring to the order dated 16.09.2025 passed by this Court submits that pursuant to the aforesaid compromise, a sum of Rs.8,69,330/- already stands paid and for the remaining amount of Rs.1,30,670/-, a DD bearing No.001760 dated 17.09.2025 has been handed over to the learned counsel for the complainant company-respondent. Thus, nothing remain due towards the complainant company-respondent. 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 learned counsel for the complainant-respondent contends that as the matter has been settled between the parties, he has no objection if the prayer of the learned counsel for accused-petitioner for compounding the offence under Section 138 N.I. Act is allowed and the petitioner is acquitted of the charges framed against him.

8. I have heard the learned counsel for both the parties.

9. This Hon'ble 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. 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.

12. Accordingly, the revision petition is allowed and subject to payment of Rs.25,000/- as costs to be deposited with Punjab State Legal Services Authority-Disaster Relief Fund, Account No.44426937384, IFSC Code:SBIN0014656, State Bank of India, Sector 68, SAS Nagar, the



judgment dated 28.08.2025 passed by the Additional Sessions Judge, Jhajjar as well as the judgment of conviction and order of sentence dated 07/11.02.2020 passed by the Judicial Magistrate Ist Class, Bahadurgarh are hereby set aside. The petitioners are acquitted of the charge under Section 138 of the Negotiable Instruments Act.

13. 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

September 19, 2025
sukhpreet

Whether speaking/reasoned : Yes/No

Whether reportable : Yes/No