



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

125

CRR-2356-2025 (O&M)
Date of Decision : 22.09.2025

BHAG SINGH

.... PETITIONER

V/S

HEM LATA AND ANOTHER

.... RESPONDENTS

CORAM:HON'BLE MR. JUSTICE SUBHAS MEHLA

Present : Mr.Sohrab Dhanda, Advocate
for the petitioner.

Mr. Himanshu Rajpal, Advocate
for respondent No.1.

Mr. Sandeep Kumar, DAG, Punjab.

SUBHAS MEHLA, J. (Oral)**CRM-38166-2025**

To be heard with main case.

MAIN CASE

1. This revision petition has been filed for quashing of the judgment of conviction and order of sentence dated 17.02.2025 passed by learned Judicial Magistrate 1st Class, SAS Nagar in case bearing CIS No. NACT 608-2021 as well as the judgment dated 16.09.2025 passed by learned Additional Sessions Judge, SAS Nagar in Criminal Appeal No.110 of 2025.

2. Learned counsel for the petitioner submitted that compromise has been effected between the parties and the petitioner has paid the compensation amount to the respondent.



3. Learned counsel for respondent No.1 admits the factum of compromise (Annexure P-1) and submits that respondent No.1 has received the whole amount. He further submits that respondent has no objection in case the offence under Section 138 of Negotiable Instruments Act (for short, 'NI Act') be compounded.

4. Heard.

5. In view of the fact that compromise has been effected between the parties and respondent has received the entire amount due towards the petitioner and has no objection, in case the impugned judgments are set-aside, the present petition is allowed. As the offences under the NI Act are compoundable as per the provisions of Section 147 of NI Act which is reproduced as under

“147. Offences to be compoundable.— Notwithstanding anything contained in the Code of Criminal Procedure, 1973 (2 of 1974), every offence punishable under this Act shall be compoundable.”

6. The offence under Section 138 of NI Act as a “Civil Sheep” in “Criminal Wolfs Clothing” which meant issues agitated by the parties under the said provision are of private nature which are brought within the sweep of criminality jurisdiction in order to strengthen the credibility of the NI Act. The Hon’ble Apex Court in **Gian Chand Garg vs. Harpal Singh, SLP (Crl.) No.8050 of 2025, decided on 11.08.2025** held that it is very clear that although dishonour of cheque entails criminal consequence, the legislature by virtue of section 147 of the NI Act has made it compoundable notwithstanding the provisions of the Code of Criminal Procedure, 1973 and the same can be compounded at any stage of the proceedings especially



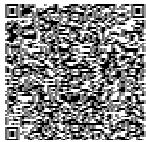
when the parties have themselves arrived at a voluntary compromise. Further, the Court observed that once the complainant has signed the compromise deed accepting the amount in full and final settlement of the default sum the proceedings under Section 138 of the NI Act cannot hold water, therefore, the concurrent conviction rendered by the Courts below has to be set-aside.

7. While exercising powers under Section 528 of BNSS, the present petition is allowed. Offence under Section 138 of NI Act stands compounded subject to cost of 15% i.e. Rs.75,000/- (Rupees Seventy Five Thousand only) of the cheque amount in question to be deposited in Punjab State Legal Services Authority-Disaster Relief Fund, Account No.44426937384, IFSC Code- SBIN0014656, State Bank of India, Sector-68, SAS Nagar (Punjab) within a period of one month from the date of receipt of certified copy of this order. Receipt thereof shall be presented before the learned trial Court. Accordingly, impugned judgments along with all subsequent proceedings arising therefrom are hereby set-aside. The petitioner is acquitted of the notice of accusation served upon him.

8. The trial Court/successor Court/Duty Magistrate is directed to issue release warrants of the appellant after production of receipt of compounding fee/cost, as stated above, forthwith.

9. It is made clear that in case, the petitioner fails to deposit cost and to produce the receipt thereof, within the stipulated period i.e. 15 days, this order shall be deemed to be withdrawn.

10. A copy of this order be sent to learned trial Court/successor Court for necessary compliance.



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

(SUBHAS MEHLA)
JUDGE

22.09.2025
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Whether speaking/reasoned	: Yes/No
Whether Reportable	: Yes/No