IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

113+270 **CRR 2369 of 2024 (O&M)**
Date of Decision: 24.03.2025

Jogender Singh @ Joginder Pal Singh ...Petitioner

Vs.

Chand and sons Bhatta Company ...Respondent

CORAM : HON'BLE MR. JUSTICE N.S.SHEKHAWAT

Present : Mr. Navneen Kumar, Advocate, for the petitioner.

Mr. Sandeep Yadav, Advocate with
Mr. Shekhar Thakur, Advocate for the respondent.

N.S.SHEKHAWAT, J. (Oral)

1. The petitioner had filed the present revision petition against the impugned judgment and order dated 12.11.2024 passed by the Court of Sessions Judge, Rohtak and the judgment and order dated 11.06.2019 passed by the Judicial Magistrate First Class, Rohtak, whereby, the petitioner was convicted for the offence punishable under Section 138 of the Negotiable Instruments Act 1881 and was sentenced to pay a fine of Rs. 6,30,000/- which includes interest at the rate of 6% p.a. on the cheque amount w.e.f. 17.10.2016, the date of issuance of cheque (Rs. 87,615/-) and 8,000/- litigation expenses and 3,385/- court fine. The petitioner was also sentenced to undergo simple imprisonment for a period of one year and three months. Out

of the total fine amount, Rs.6,26,615/- shall be paid to the complainant as compensation under section 357(1) Cr.P.C. and Rs.3,385/- shall be deposited as fine with the Court. In case of non payment of the fine, petitioner was further sentenced to undergo simple imprisonment for a period of two months, which shall be in addition to the substantive sentence.

2. During the pendency of the present petition, the petitioner has moved an application under Section 147 of the Negotiable Instruments Act 1881 read with Section 528 of the BNSS with a prayer to compound the offence between the parties. Learned counsel for the petitioner contends that the petitioner has entered into a compromise with the respondent and the amount, as directed by the Courts has been paid to the respondent and all claims have been settled. Thus, in view of the compromise between the parties, the parties may be allowed to compound the offences. Still further, the petitioner is an old man aged about 70 years and does not have sufficient income to pay any further fine in the present case.

3. On the other hand, learned counsel appearing on behalf of the respondent also submits that the parties have compromised the case in view of the settlement dated 03.12.2024 (Annexure R-1) and the respondent has received the entire amount. He has no objection in case the petitioner is ordered to be acquitted by this Court on the basis of the compromise between the parties.

4. Learned counsel for the petitioner by relying upon **Cochin Hotels Co.(P) Ltd. and others Vs. Kairali Granites and others, 2006(2) RCR (Criminal) 333 and K. Subramanian Vs. R. Rajathi represented by POAP Kaliappan, 2010 (1) RCR (Criminal) 184** contended that even after finalization of judgment of conviction and order of sentence, petitioner can resort to compounding mechanism in terms of Section 147 of Negotiable Instruments Act as the offence related to dishonouring of cheque is having compensatory profile and it should be given precedence over punitive mechanism. Offence is almost a civil wrong which has been clothed in a criminal overtone, therefore, the priority should be given to compensatory mechanism

5. Learned counsel also relied upon **Damodar S. Prabhu vs. Sayed Babalal H.(supra) Kaushalya Devi Massand vs. Roopkishore, 2011(2) RCR (Criminal) 298** and contended that the compromise in question would definitely go in long way to strengthen the mutual relationship between the parties and would serve as an ever lasting tool in their favour. This exercise would be in consonance with the spirit of Section 147 of the Negotiable Instruments Act as endorsed in **Damodar S. Prabhu's case (supra)**

6. For the reasons recorded hereinabove, I deem it appropriate to dispose of the present revision petition in terms of compromise. Consequently the impugned judgment and order dated 12.11.2024 passed by the Court of Sessions Judge, Rohtak and the

judgment and order dated 11.06.2019 passed by the Judicial Magistrate First Class, Rohtak, are set aside.

7. So far as 15% of the cheque amount in terms of ratio of **Damodar S. Prabhu's case (supra)** is concerned, I am of the view that Section 147 of the Negotiable Instruments Act does not contain any guideline or procedure for proceeding with the compounding of the offences. Since scheme under Section 320 Cr.P.C cannot be followed in stricto sensu, therefore, Hon’ble Apex Court has also clarified that in order to discourage chronic litigants from delaying the composition of the offence under Section 138 of the Act, the scheme for imposing costs is considered to be a valid means to encourage compounding at the earliest. Valuable time of the Court is also involved in the trial of the cases and the parties are not liable to pay any Court fee in such proceedings, even though the impact of the offence is largely confined to the private parties. The imposition of costs would be a matter of discretion of the Court.

8. In view of the fact that the parties have resolved their differences and have compromised the matter and also the fact that the petitioner is aged about 70 years and does not have sufficient income, I am of the view that 15% of the cheque amount towards cost(s) of litigation can be waived off in the interest of justice.

9. In view of the above discussion, the impugned judgments/order(s) are set aside and the parties are allowed to

compound the offence in terms of Section 147 of the Act and petitioner is ordered to be acquitted of the notice of accusation.

10. All pending applications, if any, are disposed off, accordingly.

24.03.2025 **(N.S.SHEKHAWAT)**

amit rana **JUDGE**

Whether reasoned/speaking : Yes/No
Whether reportable : Yes/No