

IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH

2025:PHHC:172235



106+210

CRR-2620-2024 (O&M)

Date of Decision: 10.12.2025.

Kamlesh Devi

...Petitioner.

Versus

State of Haryana and another

...Respondent.

CORAM: HON'BLE MRS. JUSTICE SUKHVINDER KAUR

.....

Present: Mr. S.S. Sahu, Advocate
for the petitioner.

Mr. R.K. Singla, Addl., A.G., Haryana.

Mr. Gaurav Gaur, Advocate
for respondents No.2-Bank.

SUKHVINDER KAUR, J. (Oral)

CRM-49761-2025

Prayer made in the application is for placing on record no dues certificate dated 11.03.2025 (Annexure A1) issued by the respondent-bank in terms of order dated 27.11.2025.

Application is allowed. Document Annexure A1 is taken on record, subject to all just exceptions.

Main case

1. By way of this revision petition, the petitioner has challenged judgment dated 04.11.2024 passed by learned Additional Sessions Judge, Fatehabad, vide which the judgment of conviction dated 12.01.2023 and order of sentence dated 16.01.2023 passed by learned Judicial Magistrate Ist Class, Fatehabad, has been upheld, whereby the petitioner held guilty for

offence under Section 138 of Negotiable Instruments Act and was convicted.

2. In CRR-2620-2024, an application i.e. CRM-47648-2025 for compounding of offence under Section 138 of N.I. Act has been filed on the basis of compromise dated 18.02.2025 and receipt dated 19.02.2025 (Annexure A1 and A2).

3. Learned counsel for the petitioner submitted that the compromise has been effected between the parties and as per the compromise all the dues had been paid by the petitioner as such, he prays for compounding of the offence and acceptance of the revision petition.

4. Learned counsel representing the respondent-Bank has admitted the factum of compromise and submits that he has specific instructions from the respondent-Bank that he has no objection in case the revision petition is allowed and the petitioner is acquitted of the notice of accusation.

5. I have heard learned counsel for the parties and have perused the relevant material placed on record.

6. As submitted by learned counsel for the petitioner, during the course of proceedings, settlement was effected between the parties. In CRR-2620-2024 compromise dated 18.02.2025 and no dues certificate dated 11.03.2025 issued by respondent/ complainant have been placed on record. Learned counsel for the petitioner has submitted that disputed cheque amount has already been paid by the petitioner to the respondent and now nothing is due towards them, which is conceded by learned counsel for the respondent.

7. The object and purpose of proceeding initiated under the Act is

to provide a compensatory mechanism for expeditious recovery of money and not just punishing the offender, which is a secondary concern.

8. The Hon'ble Supreme Court in **Meters and Instruments Private Limited and another Vs. Kanchan Mehta (2018) 1 SCC 560**, has held as under:-

“7. This Court has noted that the object of the statute was to facilitate smooth functioning of business transactions. The provision is necessary as in many transactions’ cheques were issued merely as a device to defraud the creditors. Dishonour of cheque causes incalculable loss, injury and inconvenience to the Vide the Banking, Public Financial Institutions and Negotiable Instruments Laws (Amendment) Act, 1988 payee and credibility of business transactions suffers a setback. At the same time, it was also noted that nature of offence under Section 138 primarily related to a civil wrong and the 2002 amendment specifically made it compoundable.....

xxxx xxxx xxxx

18.2. The object of the provision being primarily compensatory, punitive element being mainly with the object of enforcing the compensatory element, compounding at the initial stage has to be encouraged but is not debarred at later stage subject to appropriate compensation as may be found acceptable to the parties or the court.

18.3. Though compounding requires consent of both parties, even in absence of such consent, the court, in the interests of justice, on being satisfied that the complainant has been duly compensated, can in its discretion close the proceedings and discharge the accused.”

9. Offence punishable under Section 138 of the Act is a compoundable offence. As in the present case, parties have settled their

dispute with regard to dishonouring of cheque in question, in the given circumstances, the petitioner deserves to be acquitted of the offence punishable under Section 138 of the Act, by compounding the same.

10. For the foregoing reasons, the present petition is allowed and the impugned judgment dated 12.01.2023 and order of sentence dated 16.01.2023 passed by learned trial Court as well as the judgment dated 04.11.2024 passed by learned Appellate Court are set aside and the petitioner is acquitted of the notice of accusation. He be released from the custody if not required in any other case.

11. Pending CRM(s), if any, are also disposed of accordingly.

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

(SUKHVINDER KAUR)
JUDGE

10.12.2025.

Komal

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