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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

+ **CRL.REV.P. 542/2024 & CRL.M.A. 12124/2024**

AMIT CHAUDHARY

.....Petitioner

Through: Ms. Jaspreet Kaur, Advocate

versus

AMIT RANA

.....Respondent

Through: Mr. Amit Rana, Advocate

CORAM:

HON'BLE DR. JUSTICE SWARANA KANTA SHARMA

ORDER

23.07.2025

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1. By way of present revision petition, the petitioner seeks setting aside of the impugned judgment dated 28.03.2024 passed by learned ASJ (SFTC), Dwarka Courts in case CA No.364/2023 in case titled as ***Amit Chaudhary v. Amit Rana*** arising out of the proceedings initiated under Section 138 Negotiable Instrument, Act whereby the appeal filed by the petitioner was dismissed.
2. Issue notice. Mr. Amit Rana, learned counsel accepts notice on behalf of the State.
3. Petitioner and respondent are present before this Court and have been identified by their counsel.
4. Brief facts of the present case are that the petitioner and respondent were school friends and there were friendly relations between their families. In March 2015, the petitioner had made an offer of investment to respondent in diamond business run by the petitioner with his brothers. After discussion



with his family, respondent and his family had agreed to the said proposal and had made payment of Rs. 15 lakhs in cash as well as through bank transactions for the period from 15.03.2015 to 25.03.2015. The said payment was arranged by father and wife of respondent. The petitioner had promised to refund the entire amount with share in profit. It is further stated in the complaint that respondent and his wife had also paid Rs. 4 lakhs to the petitioner between 11.01.2017 to 07.10.2017. Out of which, Rs. 1.35 lakhs was transferred in account of Mohit Chaudhary, brother of the petitioner and Rs. 2.65 lakhs were transferred in the account of the petitioner. The petitioner had returned Rs. 1 lakh on 19.01.2018 and Rs. 2 lakh on 16.09.2019 in account of wife of respondent with profits and had sought time to pay the outstanding amount. The petitioner in order to discharge his liability, had issued 08 post dated cheques of Rs. 2 lakhs each in favour of respondent, his wife and his father. The cheque no. 043404 dated 15.06.2020 of Rs. 2 lakh was issued in favour of wife of respondent which was not presented for encashment at the request of the petitioner and later on, the petitioner had paid Rs. 2 lakh in the account of wife of respondent against the said cheque. The cheque no. 043405 dated 15.08.2020 of Rs. 2 lakhs was issued in favour of respondent. The respondent presented the cheque in his account which was returned with the remarks "*Funds Insufficient*" on 13.11.2020. Thereafter, respondent served a legal notice dated 12.12.2020 upon the accused demanding the said amount. Despite service of aforesaid notice, the money was not repaid by the petitioner herein. Thereafter, the complaint under Section 138 of NI Act was filed by the respondent before the learned Trial Court.

5. The petitioner was eventually convicted for offence under Section 138



of NI Act *vide* judgment dated 15.05.2023 and order on sentence dated 08.06.2023 by the learned Metropolitan Magistrate (NI Act) Digital Court-05, South West, Dwarka Courts, New Delhi in CC No. 4818/2021. The appeal against conviction preferred by the petitioner was dismissed *vide* the impugned judgment by the learned Appellate Court.

6. On a query made by this Court, respondent no.2 who has been identified his counsel, has categorically stated that he has received the entire amount as per Settlement Agreement dated 16.05.2024 from the petitioner and has no objection if the impugned order is set aside.

7. Though the present revision petition was filed by the petitioner assailing his conviction under Section 138 of NI Act, the matter now stands settled between the parties. As held by Hon'ble Supreme Court in catena of judgments, offence under Section 138 NI Act can be settled and compounded at any stage under Section 147 of the Act, and when a person is allowed to compound the offence, his conviction can be set aside [See ***Damodar S. Prabhu v. Sayed Babalal H. (2010) 5 SCC 663***; ***K.M. Ibrahim v. K.P. Mohammed & Ors (2010) 1 SCC 798***; ***Vinay Devanna Nayak v. Ryot Sewa Sahakari Bank Ltd. (2008) 2 SCC 305***]. Since the matter has been settled between the parties and petitioner has cleared all his dues towards the respondent, there is no legal impediment in allowing the present petition.

8. Considering the overall facts and circumstances of the case and the fact that the respondent has received the entire payment due to him as per Settlement Agreement dated 16.05.2024 and has no objection, if the impugned order is set aside.

9. Accordingly, impugned judgment dated 28.03.2024 passed by learned



ASJ (SFTC), Dwarka Courts in case CA No.364/2023 in case titled as ***Amit Chaudhary v. Amit Rana*** arising out of the proceedings initiated under Section 138 Negotiable Instrument, Act is set aside.

10. In view of above, the present petition stands disposed of.

11. The learned counsel for the petitioner states that she had deposited a sum of Rs.1 lakh with the learned Trial Court. Let the said amount with interest, if any, be released to the petitioner with proper receipt.

12. The order be uploaded on the website forthwith.

DR. SWARANA KANTA SHARMA, J

JULY 23, 2025/zp