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

\+ CRL.REV.P. 1029/2024 & CRL.M.A. 24236/2024

SHISHAN GARG .....Petitioner

Through: Mr. Nikhil Malhotra, Advocate along with petitioner in person.

versus

STATE OF NCT OF DELHI AND ANR .....Respondents

Through: Mr. Rajkumar, APP for State
Mr. Satyam Thareja and Mr. Shikhar Yadav, Advocate for R-2 and R-2 in person (through VC).

CORAM:
HON'BLE DR. JUSTICE SWARANA KANTA SHARMA

O R D E R

% 25.07.2025

1. The present petition has been filed on behalf of the petitioner against the judgment dated 27.07.2024 passed by the learned Additional Sessions Judge in Crl. Appeal. No. 199/2022, *vide* which the appeal filed against the order of conviction dated 06.10.2022 and order on sentence dated 10.10.2022 passed in Ct No. 5232/2017, under Section 138 of the Negotiable Instruments Act, 1881 has been dismissed.

2. The petitioner and respondent no. 2 have appeared before this Court and have been identified by their counsel and Investigating Officer (IO) concerned.

3. Brief facts of the present case are that the complainant is having visiting terms with the Petitioner/convict for a long time. It is further the case of the complainant that the Petitioner/convict was running business

under the name-and-style of M/s Jai Durga Plastic at J-2811, Narela Industrial Area, Delhi-110040. Thereafter, the petitioner/convict proposed to the complainant for being a partner in the said firm M/s Jai Durga Plastic and assured the complainant for earning huge profit. The petitioner/convict suggested the complainant to invest in the firm for being a partner in it and to invest a sum off Rs. 2,50,000/- on 15.12.2012, Rs. 5,00,000/- on 17.12.2012, Rs. 1,40,000/- on 22.12.2012, Rs. 1,00,000/- on 31.12.2012, Rs. 2,17,000/-on 14.01.2013, and Rs. 50,000/- on 29.01.2013 in cash. It is further the case of the complainant that upon the request of the Petitioner/convict the complainant transferred a sum of Rs. 5,00,000/- in the account of the wife of the Petitioner/convict. Thereafter, the complainant has requested the Petitioner/convict for reducing in writing the partnership firm so that no complications or differences would arise in future, but the petitioner/convict prolonged the matter and finally refused to make the complainant partner in the firm. That it is further the case of the complainant that in June 2013 the complainant requested the Petitioner/convict to repay the abovementioned amount upon which the Petitioner/convict made a part payment of Rs. 5,00,000/- through cheque bearing no. 079061 dated 15.06.2013 drawn on SBI, Rohini, Delhi towards discharge of his legal liability and the same was dishonoured with remarks "Funds Insufficient". Thereafter, the respondent had filed the present complaint against the petitioner herein.

4. The petitioner was convicted for offence under Section 138 of NI Act by the learned Metropolitan Magistrate-03 in Ct Case No. 5232/2017 and his conviction was upheld by the learned Additional Sessions Judge-03 in Crl. Appeal. No. 199/2022 *vide* judgment dated 27.07.2024. It is stated that

during the pendency of the case, the matter has amicably been settled between both the parties in Delhi High Court Mediation and Conciliation Centre, Delhi High Court, New Delhi *vide* Settlement Agreement dated 28.02.2025.

5. On a query made by this Court, the respondent no. 2 has categorically stated that she has entered into compromise out of his own free will and without any pressure, coercion or threat. She also states that he has received the entire amount as per the said settlement. Therefore, she has no objection if the present proceedings against the petitioner herein are quashed.

6. 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 30***5]. 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.

7. 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 28.02.2025 and has no objection, if the impugned order is set aside.

8. Accordingly, impugned judgment dated 27.07.2024 passed by the

learned Additional Sessions Judge in Crl. Appeal. No. 199/2022, as well as the order of conviction dated 06.10.2022 and order on sentence dated 10.10.2022 in Ct. No. 5232/2017, passed by the learned Magistrate are set aside.

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

10. The order be uploaded on the website forthwith.

DR. SWARANA KANTA SHARMA, J

JULY 25, 2025/vc