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

+ **CRL.REV.P.(NI) 223/2025**

PREMILA PILLAY

.....Petitioner

Through: Mr. Alok Singh, Advocate along with
the Petitioner in person.

versus

STATE GOVT OF NCT DELHI & ANR.

.....Respondents

Through: Mr. Hemant Mehla, APP for the State
along with SI Mitthan Lal, PS Sarita
Vihar.

CORAM:

HON'BLE MR. JUSTICE SANJEEV NARULA

ORDER

18.09.2025

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1. The present petition under Section 442 of the Bharatiya Nagarik Suraksha, 2023 (formerly Section 401 of the Code of Criminal Procedure, 1973) seeks revision of order on sentence dated 8th April, 2025, passed by JMFC (NI ACT) -01, South East, Saket Courts, New Delhi in CT No. 635010/2016 titled "*Rajiv Bhardwaj v. Premila Pillay*" under Section 138 of the Negotiable Instruments Act, 1881¹ and the judgement dated 1st September, 2025 passed by the Appellate Court in Crl. Appeal No. 141/2025, confirming the order on sentence and dismissing the Petitioner's appeal.

2. The Petitioner was convicted for the offence under Section 138 NI

¹ "NI Act"



Act by judgement dated 12th February, 2025. Subsequently by order dated 08th April, 2025, the Petitioner was sentenced as follows: -

12. Considering conditions of the convict, it is in the opinion of this Court, the scales of justice would be balanced, if convict Premila Pillay is sentenced to simple imprisonment for a period of 3 months and directed to pay. compensation of Rs.2,50,000/- with simple interest thereon at 9% per annum from the date of filing of complaint till making actual payment, within 30 days to the complainant. In default of payment of said compensation, convict Premila Pillay shall further undergo simple imprisonment for period of 1 month. Needless to say, that the benefit of Section 68 and 69 of Indian Penal Code, 1860 is available to the convict.

3. The appeal preferred by the Petitioner before the Sessions Court against the judgment of conviction, was dismissed by judgment dated 1st September, 2025, with no variation to the order of sentence. Pursuant to the dismissal of the appeal, on 2nd September, 2025, the Petitioner complied with the order of sentence by making the entire payment of compensation to the complainant. The total amount paid was INR 4,52,500/-, which included the cheque amount of INR 2,50,000/- and an interest component of INR 2,02,500/-. In addition to the payment of compensation, the Petitioner is also required to undergo simple imprisonment for a period of three months as the default sentence, in accordance with the trial court's order.

4. The complainant, who is present in Court and duly identified by the Investigating Officer, confirms that he has received the entire compensation amount of INR 4,52,500/-. He further states that all his grievances stand redressed and that he does not wish to pursue the enforcement of the order any further. Accordingly, he submits that the offence may be permitted to be compounded.

5. The legal position on the issue of compounding of offences under 138 of NI Act is now well-settled. Section 147 of the Negotiable Instruments Act



makes offences under Section 138 compoundable, notwithstanding any provisions to the contrary in Cr.P.C. The Supreme Court has consistently held that such compounding can be permitted at any stage of the proceedings, including after conviction.² Given that the primary objective of the statute is the recovery of money rather than the punishment by incarceration, the continuation of criminal proceedings after the grievance of the complainant has been addressed and the parties have reached a settlement would serve no meaningful purpose.

6. At the same time, in ***Damodar S. Prabhu***, the Supreme Court laid down guidelines for imposing costs while allowing compounding at various stages, with the aim of discouraging delayed settlements and preventing misuse of the process. However, the Court also made it clear that these guidelines are flexible and may be relaxed in appropriate cases to serve the ends of justice.

7. The Petitioner, a lady present in person, submits that her monthly income is merely INR 20,000/- and her family comprises of her husband and minor daughter. In view of her financial constraints and family responsibilities, she respectfully prays that the offence be compounded without imposition of any further costs.

8. Therefore, taking into account the Petitioner's financial condition as disclosed during the proceedings, the Court finds that imposing a higher cost would be unduly burdensome. Having regard to these peculiar circumstances, and in order to balance deterrence with fairness, the Petitioner is directed to deposit a cost of INR 7,500/- with the Delhi State

² ***Damodar S. Prabhu v. Sayed Babalal H.*** (2010) 5 SCC 663; ***K.M. Ibrahim v. K.P. Mohammed*** (2010) 1 SCC 798; ***O.P. Dholakia v. State of Haryana*** (2000) 1 SCC 762.



Legal Services Authority within four weeks. The proof of payment be filed before the Trial Court.

9. Accordingly, the offence is compounded and the order of conviction is set aside subject to a cost of INR 7,500/- to be deposited with the Delhi Police Welfare Fund. The amount be deposited and a receipt be furnished before the Trial Court on the date fixed i.e., 04th October, 2025.

10. With the above directions, the present petition is disposed of, along with pending applications.

SANJEEV NARULA, J

SEPTEMBER 18, 2025/MK