IN THE HIGH COURT OF HIMACHAL PRADESH, SHIMLA

Cr. MP(M) No. 2255 of 2026
Date of Decision: 20.11.2026

Uttam Chand ...Applicant/Petitioner

Versus

The New Shoolini Cooperative NATC Society Ltd.
...Non-applicant/Respondent

Coram
Hon'ble Mr Justice Chirag Bhanu Singh, Judge.
Whether approved for reporting?[1]

For the Applicant/Petitioner : Mr. Parikshit Sharma, Advocate.

For the Non-applicant/Respondent: Mr. Arvind Kumar Negi, Advocate.

Chirag Bhanu Singh, Judge (Oral)

Cr. MP(M) No. 2255 of 2026

2. No reply is intended to be filed on behalf of the non-applicant/respondent.

3. The present application has been filed for seeking condonation of delay in filing the revision, which is about 28 days. Learned counsel appearing for the respondent in all fairness submits that since the petitioner has paid the entire compensation of Rs.1,50,000/- out of which a demand draft of

[1] Whether reporters of Local Papers may be allowed to see the judgment? Yes.

Rs.1,20,000/- has been handed over to the learned counsel appearing for the respondent today in the Court. The balance amount of Rs.30,000/- is lying in deposit before the learned trial Court.

4. The learned counsel for the respondent thus has no objection to the delay being condoned.

5. For the reasons stated in the application and the submissions made by the learned counsel for the parties, the delay of 28 days in filing the revision is condoned.

6. Application is allowed and disposed of.

Cr. Revision Petition No.____ of 2026
(Cr.R ST 4993/2026)

7. Be registered.

8. The petitioner has preferred the present revision assailing the judgment passed by the Additional Sessions Judge(I) Solan, District Solan, H.P., in Criminal Appeal No. 53-S/10 of 2024, dated 03.01.2026, whereby the judgment of conviction dated 21.05.2024 and order of sentence dated 22.06.2024 passed by the learned Judicial Magistrate First Class, Court No.1, Solan, District Solan, H.P., in Criminal Case RBT No. 415/3 of 2016, stands affirmed under Section 138 of the Negotiable Instruments Act (NI Act), whereby the petitioner

stands convicted and sentenced to undergo simple imprisonment for six months and to pay compensation of Rs.1,50,000/- (Rs. One Lakh Fifty Thousand Only) to the complainant.

9. In pursuance to the aforesaid conviction and sentence, the present petitioner is stated to be lodged in District Jail Solan, District Solan, H.P.

10. Learned counsel appearing for the respondent submits that a draft of Rs.1,20,000/- has been received by the respondent today in the Court. The balance amount of Rs.30,000/- is lying in deposit before the learned trial Court. In case the said amount is ordered to be released in favour of the respondent, the entire compensation amount shall stand paid.

11. Seemingly, the parties have now buried the hatchet.

12. Since the parties have not only settled the matter but the respondet/complainant has also received the full and final settlement of the claim, the revision deserves to be allowed and the petitioner is entitled to be acquitted. In this behalf, reliance can be placed on the judgment passed by the

Hon'ble Supreme Court in the case titled as ***K.M. Ibrahim versus K.P. Mohammed and another, (2010) 1 SCC 798.***

13. It would be apposite to reproduce para-9 of the ***K.M. Ibrahim's case***, which reads as under:-

> *"9. The golden thread in all these decisions is that once a person is allowed to compound a case as provided for under Section 147 of the Negotiable Instruments Act, the conviction under Section 138 of the said Act should also be set aside. In the case of Vinay Devanna Nayak (supra), the issue was raised and after taking note of the provisions of Section 320 Cr.P.C., this Court held that since the matter had been compromised between the parties and payments had been made in full and final settlement of the dues of the Bank, the appeal deserved to be allowed and the appellant was entitled to acquittal. Consequently, the order of conviction and sentence recorded by all the courts were set aside and the appellant was acquitted of the charge leveled against him."*

14. It is thus crystal clear that, keeping in view the mandate of the aforesaid judgment and the provisions of Section 147 of the N. I. Act, there is no bar for the parties in compounding the offence under the provisions of Section 138 of the N.I. Act, even at the stage of present proceedings.

15. Thus, keeping in view the aforesaid judgment and the facts and circumstances discussed hereinabove, the parties having indeed buried their differences, and the petitioner/accused having made the full and final settlement of the claim, the parties are allowed to compound the offence, and, as a sequel, the judgments passed by the learned Courts

below are quashed and set aside. The accused is acquitted of the charges. Since the petitioner/accused is in judicial custody he may be released forthwith, in case the petitioner is not required in any other case. Release warrants be prepared accordingly. The learned trial Court is directed to release the amount of Rs.30,000/- so deposited by the petitioner in favour of the respondent/complainant.

16. Accordingly, the petition is disposed off in the aforesaid terms, pending application(s) so also, if any.

(Chirag Bhanu Singh)
Judge

20th November, 2026
(Subhash sharma)

RITU RANI
Digitally signed by RITU RANI
Date: 2026.11.20 15:10:03 +0545