



**In the High Court for the States of Punjab and Haryana
at Chandigarh**

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CRR-712-2026 (O&M)
Date of Decision:- 18.03.2026

Baljoyt Sidhu @ Baljoyt Sidhu ... Revisionist
Versus
State of Punjab and another ... Respondents

CORAM: HON'BLE MR. JUSTICE SUBHAS MEHLA

Present:- Mr. Aditya Anad, Advocate with
Mr. Vikram Rathore, Advocate and
Mr. Prince Pushpinder Rana, Advocate,
for the revisionist.

SUBHAS MEHLA, J. (Oral)

1. Present revision petition arising out of judgment dated judgment dated 27.01.2026 passed by learned Additional Sessions Judge, SAS Nagar, vide which the judgment of conviction/order of sentence dated 01.08.2024 passed by Judicial Magistrate Ist Class, SAS Nagar, had been upheld, whereby the accused was held guilty for offence under Section 138 of Negotiable Instruments Act and was convicted.
2. Notice of motion.
3. Mr. Jatin, Advocate has put in appearance on behalf of respondent No.2 and has filed power of attorney, which is taken on record.
4. At the very outset, learned counsel for the revisionist submitted that compromise has been effected between the parties and the revisionist has paid the compensation amount to complainant/respondent No.2 and prayed for compounding of offence under Section 138 of NI Act.



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5. Learned counsel for respondent No.2 admits the factum of compromise and submits that complainant/respondent No.2 has received the whole amount. He further submits that complainant/respondent No.2 has no objection in case, the offence under Section 138 of Negotiable Instruments Act, 1881 (for short 'NI Act') is compounded.

6. Heard.

7. For the reasons given in the application i.e. CRM-11707-2026 and in view of the fact that compromise has been effected between the parties and further respondent No.2 has received the entire amount due towards the applicant-revisionist and the respondent No.2 has no objection, the present application is allowed.

8. As the offences under the NI Act are compoundable as per the provisions of Section 147 of NI Act which is reproduced as under:-

“147. Offences to be compoundable.— Notwithstanding anything contained in the Code of Criminal Procedure, 1973 (2 of 1974), every offence punishable under this Act shall be compoundable.”

9. The offence under Section 138 of NI Act as a “Civil Sheep” in “Criminal Wolfs Clothing” which means issues agitated by the parties under the said provision are of private nature which are brought within the sweep of criminality jurisdiction in order to strengthen the credibility of the NI Act. The Hon’ble Apex Court in ***Gian Chand Garg vs. Harpal Singh, SLP (Crl.) No.8050 of 2025, decided on 11.08.2025*** held that it is very clear that although dishonour of cheque entails criminal consequence, the legislature by



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virtue of section 147 of the NI Act has made it compoundable notwithstanding the provisions of the Code of Criminal Procedure, 1973, and the same can be compounded at any stage of the proceedings especially because the legislature by virtue of section 147 of the NI Act has made it compoundable where the parties have themselves arrived at a voluntary compromise. Further, the Court observed that once the complainant has signed the compromise deed accepting the amount in full and final settlement of the default sum, the proceedings under Section 138 of the NI Act cannot hold water, therefore, the concurrent conviction rendered by the Courts below has to be set-aside.

10. While exercising powers under Section 528 of BNSS and in view of the aforestated position, the present application is allowed.

11. Keeping in view the fact that the application for compounding of offence in revision petition has been allowed, and the factum of compromise has been admitted by learned counsel for complainant/respondent no.2, and further submitted that complainant/respondent No.2 has received the entire amount due towards the revisionist and has no objection, in case the impugned judgments are set-aside, hence, the present revision petition is allowed and offence under Sections 138 of NI Act stands compounded. However, the composition of the offence is subject to cost of 7.5% of the cheque amount in question (i.e. Rs.86,250/- of cheque amounting Rs.11,50,000/-) to be deposited by the accused, in District Legal Services Authorities concerned within a period of one month from the date of receipt of certified copy of this order. Receipt thereof shall be presented before the learned trial Court. Accordingly, impugned judgments along with all

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subsequent proceedings arising therefrom are hereby set-aside, and convict is hereby acquitted.

12. The trial Court/successor Court is directed to issue release warrants of the convict after production of receipt of cost, as stated above, forthwith.

13. It is made clear that in case, the accused fails to deposit 7.5% of the compounding fee as aforesaid and to produce the receipt thereof, within the stipulated period i.e. one month, the present revision petition shall be deemed to be dismissed.

14. A copy of this order be sent to learned trial Court/successor Court for necessary compliance.

15. Pending miscellaneous application(s), if any, stands disposed of accordingly.

18.03.2026

Geeta

Whether speaking /reasoned

Whether Reportable

(SUBHAS MEHLA)

JUDGE

Yes / No

Yes / No