

CRR-889-2026 (O&M)

IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

CRR-889-2026 (O&M)

Surinder VasudevaPetitioner(s).

Versus

State of Haryana & anotherRespondent(s).

Judgment reserved on	Judgment pronounced on	Operative Part Pronounced or full	Uploaded on
06.04.2026	<u>27</u> .04.2026	Fully pronounced	<u>27</u> .04.2026

CORAM: HON'BLE MR. JUSTICE ANOOP CHITKARA,

Present: Ms. Puja Chopra, Sr. Advocate with
Mr. Tapish Gupta, Advocate and
Mr. Balraj, Advocate
for the petitioner(s).

Mr. Shiva Khurmi, DAG, Haryana.

Ms. Palak Sharma, Advocate
for respondent no.2.

ANOOP CHITKARA, J.

Criminal Complaint	CIS No.:NACT/7538/2019 CNR No.:HRFB030320512019 Date of decision: 19.11.2024
Criminal Appeal	CIS No.CRA-02-2025 CNR No.HRFB01-000062-2025 Date of decision: 23.03.2026

Convict's name	Penal provision	Sentence
Surinder Vasudeva	Section 138 of the Negotiable Instruments Act, 1881	Simple imprisonment for three months and to pay compensation of Rs.22,00,000/- to the complainant and in default, to further undergo simple imprisonment for two months.

1. The petitioner, who stands convicted for the commission of offence punishable under Section 138 of the Negotiable Instruments Act, 1881, (NIA), after dismissal of his appeal

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by the Appellate Court, has come up before this Court under Section 442 of the Bharatiya Nagarik Suraksha Sanhita (BNSS), 2023 for setting aside of impugned judgments and orders passed by the trial Court and the appellate Court, mentioned above, based on compromise between the parties.

2. The petitioner faced criminal prosecution at the hands of the private respondent, because of dishonour of the cheque(s) in question. Thus, the State is not a necessary party in this revision petition.

3. During the course of arguments, counsel for the petitioner submitted that the matter has been amicably settled between the parties and the entire outstanding amount has been paid to the respondent-complainant and now, nothing remains due or payable. It was also contended that the petitioner is 84 years of age, suffering from various ailments, and is incurring substantial medical expenses; therefore, he is not in a position to deposit 15% of the cheque amount, as directed in *Damodar S. Prabhu v. Sayed Babalal H.* (2010) 5 SCC 663.

4. On the other hand, counsel for respondent no.2-complainant submitted that she has instructions to submit that respondent no.2-complainant has no objection if the amount of costs/compensation, as directed in *Damodar S. Prabhu (Supra)*, is waived off.

5. The jurisprudence underlying the *Negotiable Instruments Act, 1881* is that commercial transactions must be honoured. The legislative intent is not to subject persons to incarceration merely because their cheques have been dishonoured. The object of such proceedings is primarily to secure recovery of the cheque amount by invoking the deterrent effect of a penal provision. In view of the judgment of the Hon'ble Supreme Court in *Damodar S. Prabhu v. Sayed Babalal H.*, (2010) 5 SCC 663, it is well settled that where the entire amount has been paid, the complainant ordinarily cannot object to compounding of the offence, though 15% of the cheque amount is to be deposited by the accused with the concerned State Legal Services Authority. The relevant extract from the said judgment reads as under:

[17]. "...Even though the imposition of costs by the competent court is a matter of discretion, the scale of costs has been suggested in the interest of uniformity. The competent Court can of course reduce the costs with regard to the specific facts and circumstances of a case, while recording reasons in writing for such variance."

6. Given above, because of the compromise, this is a fit case where the inherent jurisdiction of the High Court under Section 442 of the BNSS supported by Section 147 of the NIA is invoked to disrupt the prosecution and quash the proceedings mentioned above.

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The complaint, notice of accusation, and the proceedings captioned above are quashed and set aside. The petitioner is acquitted of the charges and he is also exempted from payment of 15% of the cheque amount, as per judgment of Apex Court in **Damodar S. Prabhu (Supra)**. The bail bonds are accordingly discharged.

The Revision Petition is allowed in the terms mentioned above. All pending applications, if any, stand closed.

The petitioner be released from prison in this matter, immediately.

There would be no need for a certified copy of this order for furnishing bonds, if any, and any Advocate for the accused can download this order along with case status from the official web page of this Court and attest it to be a true copy. In case the attesting officer wants to verify the authenticity, such an officer can also verify its authenticity and may download and use the downloaded copy for attesting bonds.

27.04.2026
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(ANOOP CHITKARA)
JUDGE

Whether speaking/reasoned	:	Yes
Whether reportable	:	No