



109+204

**IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH**

CRR-4058-2017 (O&M)

Date of Decision:15.05.2026

Kuldeep Singh

...Petitioner

Vs.

Malkiat Singh and Anr.

...Respondents

Coram : Hon'ble Mr. Justice N.S.Shekhawat

Present: Mr. Sandeep Kumar Passi, Advocate
for the petitioner.

Mr. Bhavesh Ola, Advocate for
Mr. Parvez Chugh, Advocate
for respondent No.1.

Mr. Charanpreet Singh, AAG, Punjab.

N.S.Shekhawat J.

CRM-2140-2026

1. Application is allowed as prayed for, subject to just all exceptions.
2. Annexure P-1 is taken on record.

Main case

1. The petitioner has filed the present revision petition against the impugned judgment dated 12.09.2017 passed by the Court of Additional Sessions Judge, Ferozepur, whereby, the appeal filed by the petitioner was ordered to be dismissed and the impugned judgment of conviction and order of sentence dated 20.05.2015, passed by the Court of Judicial Magistrate Ist Class, Ferozepur, whereby, the petitioner was ordered to be convicted for the offence punishable under Section 138 of Negotiable Instruments Act and was sentenced, accordingly.
2. During the pendency of the present revision petition before this



Court, the matter was referred to Mediation and Conciliation Centre of this Court on 22.07.2025. Ultimately, the parties appeared before the Mediation Centre and signed the settlement deed dated 20.11.2025 and no dispute is pending between the parties. Even, during the course of arguments, learned counsel for the petitioner contended that the matter has been compromised between the parties before the Mediation and Conciliation Centre of this Court and also vide the compromise deed (Annexure P-1). Consequently, the parties may be allowed to compound the offence and may be acquitted.

3. On the other hand, learned counsel appearing on behalf of respondent No.1 also filed an affidavit dated 14.05.2026 before this Court and stated that the respondent has settled the matter without any pressure or undue influence and has no surviving grievance against the petitioner. During the course of hearing, the learned State counsel has filed a Custody Certificate and as per the Custody Certificate, the petitioner has already undergone 03 months and 10 days of actual custody out of total sentence of one year imposed by the Trial Court.

4. Learned counsel for the petitioner by relying upon **Cochin Hotels Co.(P) Ltd. and others Vs. Kairali Granites and others, 2006(2) RCR (Criminal) 333** and **K. Subramanian Vs. R. Rajathi represented by POAP Kaliappan, 2010 (1) RCR (Criminal) 184** contended that even after finalization of judgment of conviction and order of sentence, petitioner can resort to compounding mechanism in terms of Section 147 of Negotiable Instruments Act as the offence related to dishonouring of cheque is having compensatory profile and it should be given precedence over punitive mechanism. Offence is almost a civil wrong which has been clothed in a



criminal overtone, therefore, the priority should be given to compensatory mechanism.

5. Learned counsel also relied upon **Damodar S. Prabhu vs. Sayed Babalal H.(supra) Kaushalya Devi Massand vs. Roopkishore, 2011(2) RCR (Criminal) 298** and contended that the compromise in question would definitely go a long way to strengthen the mutual relationship between the parties and would serve as an ever lasting tool in their favour. This exercise would be in consonance with the spirit of Section 147 of the Negotiable Instruments Act as endorsed in **Damodar S. Prabhu's case (supra)**.

6. For the reasons recorded hereinabove, I deem it appropriate to dispose off the present revision petition in terms of compromise consequently the impugned orders are set aside.

7. So far as 15% of the cheque amount in terms of ratio of **Damodar S. Prabhu's case (supra)** is concerned, I am of the view that Section 147 of the Negotiable Instruments Act does not contain any guideline or procedure for proceeding with the compounding of the offences. Since scheme under Section 320 Cr.P.C cannot be followed in stricto sensu, therefore, Hon'ble Apex Court has also clarified that in order to discourage chronic litigants from delaying the composition of the offence under Section 138 of the Act, the scheme for imposing costs is considered to be a valid means to encourage compounding at the earliest. Valuable time of the Court is also involved in the trial of the cases and the parties are not liable to pay any Court fee in such proceedings, even though the impact of the offence is largely confined to the private parties. The imposition of costs would be a matter of discretion of the Court.

8. In view of the fact that the parties have resolved their differences



and have compromised the matter and also the fact that the petitioner is a poor person and he is sole bread winner of the family, I am of the view that 15% of the cheque amount towards cost(s) of litigation can be waived off in the interest of justice.

9. In view of the above discussion, the impugned judgment dated 12.09.2017 passed by the Court of Additional Sessions Judge, Ferozepur and the impugned judgment of conviction and order of sentence dated 20.05.2015, passed by the Court of Judicial Magistrate Ist Class, Ferozepur are set aside and the parties are allowed to compound the offence in terms of Section 147 of the Negotiable Instruments Act and petitioner is ordered to be acquitted of the charge.

10. Pending application(s), if any, stand(s), disposed of, accordingly.

(N.S.SHEKHAWAT)
JUDGE

15.05.2026

hitesh

Whether speaking/reasoned	:	Yes/No
Whether reportable	:	Yes/No