



CRM-M-37282-2022

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IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

CRM-M-37282-2022

M/s Daminis Fashion and another

.....Petitioners

Versus

Mohinderjit Singh Sethi

.....Respondent

CRM-M-38977-2022

M/s Daminis Fashion and another

.....Petitioners

Versus

Mohinderjit Singh Sethi

.....Respondent

Decided on: 15.01.2026

CORAM: HON'BLE MR. JUSTICE SANJAY VASHISTH

Present: Mr. Suresh Kumar Arya, Advocate for
Mr. Satya Veer Singh, Advocate
for the petitioners

Mr. Satya Veer Sigh, Advocate and
Mr. Abhyudaya Paliwal, Advocate
for the respondent

SANJAY VASHISTH, J. (ORAL)

1. By way of this common order, both the above-mentioned petitions are being disposed of.

2. Petitioners – (i) M/s Daminis Fashion Proprietorship and (ii) Rahul Sobti have been filed CRM-M-54266-2023 for quashing the complaint No.15618/2019, whereby they have been summoned under Section 138 of

Negotiable Instruments Act, 1881 (Annexure P-3), summoning order dated



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29.10.2019 (Annexure P-4), order dated 25.11.2021 (Annexure P-7) and all subsequent proceedings arising therefrom.

3. On hearing, respective counsel for the parties, on 26.05.2025, the following order was recorded:

“(i) Proceedings in both the aforementioned petitions are continuing together.

(ii) In CRM-M-37282-2022, quashing has been sought by the summoned accused (petitioner herein) of the complaint No.15618/2019, whereby petitioners have been summoned u/s 138 of NI Act, therefore, said summoning order has also been assailed.

Similarly, CRM-M-38977-2022, has been filed by the complainant for quashing of the complaint No.15619 of 2019 and the summoning order dated 29.10.2019 issued thereon.

(iii) While hearing the petition, i.e., CRM-M-37282-2022, on 23.08.2022, following order was passed:

“ Prayer in the petition is for quashing of complaint No.15618/2019, under Section 138 of the Negotiable Instruments Act, 1881 as well as the summoning order dated 29.10.2019, order dated 25.11.2021 and all the subsequent proceedings arising therefrom.

Learned counsel for the petitioners submits that the application preferred by petitioner No. 2 for compounding the matter by way of payment of cheque amount and tendered three Demand Drafts of Rs.55,000/- i.e. the cheque amount, but the same was dismissed by the learned Judicial Magistrate 1st Class, Chandigarh. In support of his case, he relies upon Damodar S. Prabhu Babalal H. Vs. Sayed , 2010 (2) RCR (Criminal) 851 and M/s Meters and Instruments Private Limited and Anr. Vs. Kanchan Mehta , 2017 (4) RCR (Criminal)476.

Notice of motion for 12.12.2022.

In the meantime, the learned trial Court is directed to adjourn the case beyond the date fixed by this Court.”

(iv) Thereafter, proceedings in both the aforementioned petitions were taken up together on 25.03.2023 and onwards. On 27.03.2025, following order was passed:



“i) Present application has been filed under Section 528 of BNSS, seeking preponement of the date of hearing of main case i.e. CRM-M-37282-2022, which is fixed for 17.07.2025.

ii) Learned counsel for the applicants-petitioner submits that the plea of compounding of offence has been declined by the Court of learned Judicial Magistrate First Class, Chandigarh and against the said order revision petition has been preferred. Further submits that in a similar situation, where the plea for compounding of offence has been declined, another petition bearing CRM-M 38977-2022, between the parties is fixed for 01.04.2025, thus, prays for preponement of the main case.

iii) Notice of the application.

iv) Mr. Amit Singh Sethi, Advocate, accepts notice on behalf of respondent and raises no objection in case the prayer made by the applicant-petitioners for preponement is allowed.

v) For the reasons enumerated in the application, same is allowed and the main case is ordered to be preponed for 01.04.2025.

vi) To be shown in urgent list.

Vii) To be heard alongwith CRM-M-38977-2022.

Application stands disposed of.”

(v) To urge that despite there being compromise in the cases under Section 138 of NI Act, it is not mandatory to allow compounding of the offences, respondent relied upon few judgments and same were noticed in order dated 01.04.2025 and are reproduced here-below:

“ Learned counsel appearing for the respondent while defending the impugned order dated 25.11.2021 (P-7), submits that it is not binding upon the complainant to compound the offence as proposed by the accused in cases under section 138 of the Negotiable Instruments Act. In support of his submissions, he relied upon following judgments:

i) JIK Industries Limited and others Vs. Amarlal V. Jumani and another’, 2012(1) RCR (Criminal) 822, Law Finder Doc ID # 336622;

ii) M/s Anant Tools (Unit No.II) Pvt. Ltd. and others Vs. M/s Anant Tools Pvt. Ltd., Jalandhar, 2019(1) RCR (Criminal)137, Law Finder



Doc Id # 1251664;

iii) Surinder Kumar Bindal and another Vs. Satinder Nath Radhey Shyam and sons, 2024 NCPHHC 70383, Law Finder Doc ID #2608763;

iv) M/s Nidhi Knitwears (P) Ltd. and Anr Vs. Honey Hosiery Mills, passed in CRM-M-13193-2018, Dod:05.05.2022, Law Finder Doc Id #1986310;

v) A.S. Pharma Pvt. Ltd Vs. Nayati Medical Pvt. Ltd and others, 2025(1) RCR (Criminal) 714, Law Finder Doc Id # 2647410;

vi) Sarda Alloys Pvt. Ltd and others Vs. Bansal Alloys and Metal Pvt. Ltd., 2024(1) RCR (criminal) 574, Law Finder Doc Id # 2359247;

vii) In Re: Expeditious Trial of Cases under Section 138 of N.I. Act 1881 (SC) (Constitution Bench); Law Finder Doc Id # 1831532.

Adjourned to 07.05.2025, for further consideration.

To be taken up at 3:30 p.m.

A photocopy of this order be placed on the file of another connected case.”

(vi) Thereupon on 07.05.2025, both the sides agreed for some peaceful settlement between them and resultantly petitioners and respondents were directed to appear before the Mediation and Conciliation Center for deliberations to resolve the issued amicably. (vii) Report dated 20.05.2025 alongwith settlement agreement signed by the respective parties and their counsel has forwarded, which is appended with the record. As per the report, parties have resolved and settled their dispute as per settlement deed dated 20.05.2025 in paragraph No.7 following terms have been laid down:

“7. The following settlement has been arrived at between the parties hereto:

a) That the present petitioner will pay a total sum of Rs.5,00,000/ (Rupees Five Lakhs Only) within six month for full and final settlement qua the above mentioned litigation or any other litigation pending between the parties through the Territory of Union of India (civil or criminal).

b) The aforesaid settlement is full and final settlement between the parties and the second party will not claim anything more than the



aforesaid amount. If the first party fails to make the above mentioned payment of Rs.5,00,000/- within six months then second party is entitled for double the agreed amount and plus any process under the law to recover the said amount including revival of complaint.

c) That the first party will file an applications before the trial Court to withdraw the demand draft deposited by the first party and the second party will have no objection qua this.

d) The Settlement is with their own will and without any undue influence and pressure from any side.”

(viii) In view of the aforementioned circumstances, complainant appearing in-person prays for adjourning the proceedings for a period of six months, so that conduct of the petitioner can be examined, whether he will adhere the terms & conditions recorded in paragraph No.7 of the settlement agreement, recorded before the Mediation and Conciliation Centre of this Court on 20.05.2025.

(ix) Adjourned to 28.11.2025.

As far as, the proceedings before the lower Court are concerned, a joint request would be made by the parties in that regard.

To be taken up at 2:00 p.m.

A photocopy of this order be placed on the file of another connected case.”

3. On 28.11.2025, the following order was recorded:

“CRM-46250-2025

The present application has been filed for placing on record the Demand Draft of Rs. 5,00,000/- (Rupees Five Lakhs only) bearing No. 157534 dated 13.11.2025 drawn in favour of the LR's of the respondent namely Sh. Amit Singh Sethi, in compliance of settlement deed dated 20.05.2025 as well as in term of order dated 26.05.2025 passed by this Court.

Application is allowed and the copy of the Demand Draft of Rs. 5,00,000/- (Rupees Five Lakhs only) bearing No. 157534 dated 13.11.2025 drawn in favour of the LR's of the respondent namely Sh. Amit Singh Sethi is



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taken on record, subject to all just exceptions. Registry is directed to tag the same at appropriate place.

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Learned counsel for the petitioners submits that all the terms and conditions of the settlement deed have been complied with.

List on 01.12.2025.

To be shown in the urgent list.

A photocopy of this order be placed on the file of connected case.”

4. Learned counsel appearing on behalf of the respondent states at bar that the complaint filed by his client has already stands withdrawn, as the dispute has been resolved and the amount which was to be paid by the petitioners, as per settlement also stands paid and received by the complainant. The statement given by counsel representing the respondent has also been endorsed to be correct by the counsel representing the petitioners.

In view of the above, both the petitions are being disposed of as having been rendered infructuous.

A photocopy of this order be placed on the files of other connected cases.

15.01.2026

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**(SANJAY VASHISTH)
JUDGE**

Whether speaking/reasoned: Yes/No
Whether Reportable: Yes/No