SL. No.	Date	Office Notes, reports, orders or proceedings or directions and Registrar's order with Signatures	COURT'S OR JUDGE'S ORDERS
			C528/2299/2026 Mohd Ahmad --Applicant **Versus** M/s Shriram Transport Finance Company Limited --Respondent **Hon'ble Alok Mahra, J.** Mr. Mohd. Imran, learned counsel for the applicant. 2. Mr. Mohit Kumar Kashyap, learned counsel for respondent. 3. The present C-528 application has been filed seeking quashing of the judgment and order dated 20.11.2024 passed by the learned IVth Additional Civil Judge (Senior Division)/ACJM, Rudrapur, District Udham Singh Nagar, in Criminal Case No.10380 of 2018, as well as the judgment dated 25.05.2026 passed by the learned IIIrd Additional Sessions Judge, whereby Criminal Appeal No.246 of 2024 preferred by the applicant was dismissed and the judgment of conviction and order of sentence passed by the learned trial court were affirmed. 4. Learned counsel for the applicant would submit that the complainant instituted proceedings against the

			applicant under Section 138 of the Negotiable Instruments Act, 1881, alleging, inter alia, that an amount of ₹12,90,436/- was outstanding towards the applicant and, in discharge of the said liability, the applicant had issued a cheque in favour of the complainant firm, which, upon presentation, was dishonoured. He would further submit that the learned trial court, after conclusion of the trial, convicted and sentenced the applicant for the offence punishable under Section 138 of the Negotiable Instruments Act; that, being aggrieved thereby, the applicant preferred a criminal appeal, which also came to be dismissed by the learned appellate court, affirming the judgment of conviction and order of sentence passed by the learned trial court. 5. Learned counsel for the applicant would further submit that, during the pendency of the proceedings, the parties have amicably settled their dispute, as is evident from the joint compounding application (I.A. No.1 of 2026), duly supported by their respective affidavits. He would submit that the compromise has been entered into voluntarily, out of the free will of the parties and without any coercion, pressure or undue influence. It is further submitted that the applicant has paid the entire outstanding amount to the complainant firm and, in view of

			the full and final settlement, the complainant firm is no longer interested in pursuing the criminal proceedings against the applicant. 7. The applicant and the authorised representative/collection Manager of the respondent firm are present before this Court and have been duly identified by their respective learned counsel. Upon interaction with the authorised representative of the respondent firm, he has affirmed the factum of compromise and stated that the dispute between the parties has been amicably resolved. He has further stated that the respondent firm has received the entire amount in question from the applicant and that no amount remains outstanding against the applicant in respect of the transaction forming the subject matter of the complaint. He has also stated that, in view of the settlement arrived at between the parties, the respondent firm does not wish to pursue the criminal proceedings any further and has no objection if the impugned judgments and the proceedings arising out of the complaint are quashed by this Court in terms of the compromise. 8. Heard learned counsel for the parties and perused the material available on record. 9. From the material brought on record, as well as the statements made

			by the parties before this Court, it transpires that the dispute between the parties emanates from a financial/commercial transaction and is essentially private in nature. It is also evident that the entire amount forming the subject matter of the complaint has been paid by the applicant and received by the respondent firm, which has unequivocally acknowledged full and final satisfaction of its claim. The compromise arrived at between the parties appears to be genuine, voluntary and free from any coercion, pressure or undue influence. 10. It is well settled that the power of the High Court under Section 528 of the B.N.S.S., is distinct from the statutory power of compounding offences. The inherent jurisdiction may be exercised to quash criminal proceedings, even in cases involving non-compoundable offences, where the dispute is predominantly private or civil in nature, the parties have amicably settled their differences and the continuation of the criminal proceedings would not serve the ends of justice. 11. In *Gian Singh v. State of Punjab*, the Hon'ble Supreme Court has recognised the power of the High Court to quash criminal proceedings on the basis of a genuine settlement, having

			regard to the nature and gravity of the offence and its impact on society. The aforesaid principles have further been reiterated in *Narinder Singh v. State of Punjab* and *Parbatbhai Aahir v. State of Gujarat*, wherein the Hon'ble Supreme Court has elucidated the parameters governing the exercise of inherent jurisdiction for quashing criminal proceedings on the basis of compromise. 12. Having regard to the nature of the allegations, the fact that the dispute arises out of a financial transaction, the payment of the entire amount in question and the categorical stand of the respondent firm that it has no subsisting grievance against the applicant, this Court is of the considered opinion that the parties have resolved their dispute in its entirety. In the peculiar facts and circumstances of the present case, continuation of the criminal proceedings, despite full and final settlement between the parties, would serve no useful purpose and would amount to an abuse of the process of the Court. Consequently, this is a fit case for exercise of the inherent jurisdiction of this Court to secure the ends of justice. 13. Accordingly, the joint compounding application (I.A. No.1 of 2026) is allowed.

13. Consequently, the judgment and order dated 20.11.2024 passed by the learned IVth Additional Civil Judge (Senior Division)/ACJM, Rudrapur, District Udham Singh Nagar, in Criminal Case No.10380 of 2018, as well as the judgment dated 25.05.2026 passed by the learned IIIrd Additional Sessions Judge in Criminal Appeal No.246 of 2024, are hereby quashed and set aside. The applicant stands acquitted of the charge under Section 138 of the Negotiable Instruments Act, 1881.

14. The present C-528 application is, accordingly, allowed.

15. Pending applications, if any, stand disposed of.

(Alok Mahra, J.)
18.11.2026

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