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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

+ CRL.M.C. 828/2026

M/S MANU PATEL KRISHI SEWA KENDRA AND ORS

.....Petitioners

Through: Mr. Prateek with Ms. Vandana Rana,
Advocates.

versus

STATE (NCT OF DELHI) AND ORS

.....Respondents

Through: Ms. Richa Dhawan, APP for the
State.

Mr. Ashok Sharma, AR for R-3 *via*
video-conferencing.

CORAM:

HON'BLE MR. JUSTICE ANUP JAIRAM BHAMBHANI

ORDER

30.01.2026

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By way of the present petition filed under section 528 of the Bharatiya Nagarik Suraksha Sanhita 2023, the petitioners seek setting-aside of judgment dated 07.11.2023 passed by the learned Metropolitan Magistrate (NI Act)-02, (Central), Tis Hazari Courts, Delhi in CC No. 543769/2016, whereby petitioner No. 2 (Sushil Kumar), being the sole proprietor of petitioner No.1 proprietorship concern, has been convicted under section 138 of the Negotiable Instruments Act, 1881 ('NI Act'). The petitioners also impugn judgment dated 20.01.2026, whereby appeal bearing CA No. 29/2024 filed against the impugned judgment of conviction dated 07.11.2023 has been dismissed by the learned Additional Sessions Judge-04, Central, Tis Hazari Courts, Delhi.



2. Though the sentencing order has not been placed on record, the learned sessions court records that petitioner No.2 had been sentenced to 03 months simple imprisonment alongwith a fine of Rs.6.35 lacs *plus simple interest* at the rate of 9% per annum from the date of filing of the complaint *i.e.* 06.12.2016 till 07.11.2023, *i.e.*, the date of conviction.
3. Upon query, learned counsel submits, that the subject cheque was drawn by petitioner No.2 on the bank account of petitioner No.1; and that petitioner No.3 is only the *paikar* of petitioner No.2, being his brother, who has filed the present petition. Though petitioner No.3 ought not to have been impleaded as a party to the present matter, considering the order that this court proposes to pass, that fact is irrelevant.
4. Furthermore, regardless of the fact that the learned Magistrate could not have awarded interest on the amount of fine imposed, again by reason of the order that this court proposes to pass, that fact is also ignored.
5. Mr. Prateek, learned counsel appearing for the petitioners submits, that upon dismissal of their appeal, petitioner No.2 was sent to judicial custody and has been there since 20.01.2026.
6. Learned counsel submits, that the parties have now settled the matter by way of a Detailed Settlement Agreement-cum-Compromise Deed dated 28.01.2026, under which, in full-and-final settlement of the cheque amount, respondent No.3 (complainant) has accepted Rs.04 lacs from petitioners Nos. 1 and 2.
7. A copy of the compromise deed is appended to the petition.



8. The terms of the settlement *inter-alia* narrate that:

“6. The First Party grants unconditional consent for compounding under Section 138 NI and quashing of judgments dated 07.11.2023 and 20.01.2026;”

9. Issue notice.

10. Learned APP appears on behalf of the State on advance copy; accepts notice; and submits, that they have no role in the matter.

11. The Authorised Representative of respondent No.3, Mr. Ashok Sharma, has joined the proceedings *via* video-conferencing; and upon being queried, confirms that respondent No.3 has settled the matter with petitioners Nos. 1 and 2 in the terms contained in the compromise deed. He also confirms that respondent No.3 has received the sum of Rs.04 lacs in full-and-final settlement of the amount comprised in the subject cheque and consents to the compounding of the offence under section 138 of the NI Act and to the quashing of judgments dated 07.11.2023 and 20.01.2026.

12. In view of the compromise arrived at between the parties, and considering the nature of the dispute, this court is inclined to allow the present petition.

13. Accordingly, judgment dated 07.11.2023 passed by the learned Magistrate and judgment dated 20.01.2026 passed by the learned Sessions Court are set-aside.

14. Petitioners Nos. 1 and 2 are acquitted of the offence under section 138 NI Act.

15. The concerned Jail Superintendent is directed to release petitioner No.2 from custody *forthwith*.



16. Let a copy of this order be communicated to the concerned Jail Superintendent *expeditiously*.
17. Petition stands disposed-of.
18. Pending applications, if any, also stand disposed-of.
19. A copy of the order be given *dasti* under signatures of the Court Master.

ANUP JAIRAM BHAMBHANI, J

JANUARY 30, 2026

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