

03.06.2026

Present: Shri V. S. Chauhan, Ld. LADC for appellant along with appellant
Shri Girish Kumar Manhas, Ld. Addl. PP for State. / R-1.
Respondent No. 2 in person.

Matter is listed today for making payment of the remaining amount i.e Rs. 20,000/- by the appellant to R2 / Inderpal in terms of settlement arrived at between the appellant/convict and respondent no. 2/complainant.

Today, further payment of Rs. 20,000/- has been made by the appellant to respondent no. 2 / Inderpal in Court. Respondent no. 2 has acknowledged receipt of the said amount.

Respondent no. 2/complainant has submitted that till date he has now received the entire settled amount of Rs. 1,50,000/- from the appellant in terms of settlement recorded before this Court on 23.09.2024. He has further submitted that nothing remains due and payable by the appellant to him and he has no objection if the present appeal is disposed of as compounded/settled.

Learned LADC for the appellant has also submitted that the appellant has complied with the settlement in its entirety and has paid the complete settled amount of Rs. 1,50,000/- to respondent no. 2. It is prayed that the appeal may accordingly be disposed of as compounded.

Separate statements of the appellant and respondent no. 2 have been recorded in Court today in this regard.

Heard. Record perused.

Perusal of the record reveals that the present appeal has been preferred by the appellant against the judgment of conviction dated 08.06.2022 and order on sentence dated 28.06.2022, whereby the appellant was convicted for the offence punishable under Section 138 of the Negotiable Instruments Act, 1881 (*herein after said as 'N.I Act'*) and was sentenced to undergo simple imprisonment for a period of one year. He was further directed to pay fine of Rs. 6,60,000/-, out of which Rs. 6,50,000/- was directed to be paid to the complainant as compensation within 30 days and in default of payment, the appellant was directed to undergo simple imprisonment for a further period of three months.

During pendency of the present appeal, the matter was amicably settled between the appellant / convict and respondent no. 2/complainant on 23.09.2024 for a total sum of Rs. 1,50,000/-. The said amount has now admittedly been paid by the appellant and received by respondent no. 2/ complainant in full and final satisfaction of his claim.

Section 147 of the N.I Act makes the offence under Section 138 of the NI Act compoundable. It is also trite law that the offence under Section 138 of the NI Act can be compounded even at the appellate stage and once the offence is compounded, the effect thereof is acquittal of the accused in terms of the settled principles governing compounding of offences.

In view of the voluntary settlement between the parties, the receipt of entire settled amount by respondent no. 2/complainant from the appellant / convict and the categorical

statement of respondent no. 2 / complainant that he has no objection to compounding of the offence, this Court finds no impediment in accepting the compromise/ settlement which has been arrived at between the parties.

Accordingly, the offence punishable under Section 138 of the NI Act is permitted to be compounded/ settled between the appellant/ convict and respondent no. 2/ complainant. Consequently, the judgment of conviction dated 08.06.2022 and order on sentence dated 28.06.2022 passed by the Ld. Trial Court are hereby set aside.

The appellant stands acquitted of the offence punishable under Section 138 of the N.I Act on account of compounding.

Bail bond and surety bond of the appellant stand discharged. Original documents of the surety, if any, lying on record be released to the rightful claimant against proper acknowledgment after retaining copies thereof on record.

Trial Court Record be sent back forthwith along with copy of this order.

Appeal file be consigned to Record Room after due compliance.

Copy of this order be given dasti to the parties, as prayed.

(Ravinder Singh - II)
ASJ-05/South-West District,
Dwarka/ Delhi/03.06.2026