



**IN THE COURT OF 5TH ADDITIONAL SESSIONS JUDGE
AT GANDHINAGAR**

Criminal Appeal No.469 / 2025

Exh.16

Ramshankar Panchal,
Age : 57, Occupation : Labour,
Residing at A-403, Pramukh Elisiya,
P. S. Y. Road, Taluka & District : Gandhinagar.

...Appellant

Vs.

1. The State of Gujarat
Through O/o Dist. Govt. Pleader,
District Court, Gandhinagar.
2. Gaorgan Ishwarbhai Parmar,
Age : Adult, Occupation : Business,
Residing at 936/1, Sector - 5C,
Taluka & District : Gandhinagar.

...Respondents

Subject : Criminal Appeal under Section 374 of the Criminal Procedure Code.

ADVOCATES

Mr. D. K. Chauhan,	learned advocate for the appellant.
Mr. R. S. Patel,	learned A.P.P. for respondent no.1-State.
Mr. H. J. Shrimali,	for the respondent no.2.

:: JUDGMENT ::

1. The present criminal appeal Under Section 374 of Cr.P.C. has been preferred by the appellant/original accused praying to quash and set aside the impugned judgment and order dated 08/12/2025 passed by the learned 8th Addl. Judicial Magistrate First Class, Gandhinagar in **Criminal Case**

No.3762 / 2024, convicting the appellant/accused for the offence punishable under section 138 of the Negotiable Instrument Act and sentenced to undergo simple imprisonment for a period of 6 months and ordered to pay amount of Rs.,60,000/- as fine, if failed to pay the said amount accused shall go further imprisonment of one month/s.

2. During pending the hearing and final disposal of this appeal, the settlement with regard to the amount of the disputed cheque has been arrived at by and between the accused and the original complainant. They have submitted the joint compromise pursis at **Exh.13** duly signed by them and their respective Ld. Advocates and the same is read over and explained to them. They have admitted the contents of the compromise pursis **Exh.13** and also admitted their signatures made therein. By way of tendering the compromise pursis, both the parties have admitted that the dispute has been amicably settled between them. Now, no any kind of dispute is pending between them and thus, the appellant/accused has requested this Court to acquit him as the matter is settled.
3. Section 147 of the Negotiable Instrument Act, 1881 provides compounding of the offence at any stage. Section 147 reproduced as under:
"147. Offences to be compoundable:- Notwithstanding anything contained in the Code of Criminal Procedure Code, 1973 (2 of 1974), every offence punishable under this Act shall be compoundable."
4. As the original complainant and the accused have compromised the matter under section 147 of the N.I. Act, the compromise pursis is ordered to be recorded. Section 147 of the Act permits compounding of such offences.
5. Further, considering the ratio laid down by the Hon'ble Apex Court in 2014(10) SCC 690 Madhya Pradesh State Legal Services Authority V Prateek Jain it has been held that in appropriate case the court has power to

waive the cost in Lok Adalat if due to positive attitude of the parties settlement is arrived in Lok Adalat. Hence, considering the fact that the present appeal is settled, parties have amicably settled the dispute it be just and proper to waive the cost so as to avoid hardship to the appellant. Moreover, Hon'ble Supreme Court has in the case of Rajeev Khandelwal V/s. State of Maharashtra and Anr. in Slp (Cri) No.1430 of 2025 held that when complainant does not want any further amount and if the appellant held has expressed his inability to comply the cost on the appellant to be paid to Legal Services Authority cannot be sustained. When complainant has no objection, cost can be waived.

6. Considering the aforesaid facts, it is crystal clear that the dispute between the complainant and the accused has been amicably resolved and settled between them. The Ld. Advocates appearing on behalf of the complainant and the accused have confirmed the said fact also. Thus, it seems that the matter has been settled amicably between the parties. The parties have settled their disputes in respect of the disputed cheque and Ld. Advocate for the complainant has confirmed the said fact also. Considering the facts and circumstances of this appeal and also considering the fact that the dispute between the complainant and the accused have been resolved and settled amicably in Lok-adalat and further considering the financial condition of the accused and facts and circumstances of the case, this Court do not find it proper to impose any cost and/or penalty on the appellant. Hence, the dispute between the parties have been resolved, the judgment and order passed by the learned trial court convicting the appellant/accused deserves to be quashed and set aside. Hence, in view of the above, I pass the following order:-

:: O R D E R ::

1. This **Criminal Appeal No.469 of 2025** is hereby allowed.

2. The impugned judgment and order dated 08/12/2025 passed by the learned 8th Addl. Judicial Magistrate First Class, Gandhinagar in **Criminal Case No.3762 / 2024**, is hereby quashed and set aside and consequently, the appellant-accused is ordered to be acquitted of the charges under section 138 of the N.I.Act.
3. R & P, if any, be sent back to the trial court forthwith.
4. Bail and bond stands cancelled.

Order signed and pronounced in the open Court today on this National Lok-Adalat held on 14th day of March, 2026.

Date : 14/03/2026
Place: Gandhinagar.

Dilip P. Purohit
5th Additional Sessions Judge
Gandhinagar (GJ00928)