

GJNV010026382024



Order below Exh.1 in Criminal Appeal No.110/2024

1. The present Criminal Appeal is preferred by the appellant-accused, challenging the Judgment and Order of conviction and sentence passed by the Ld.Trial Court in Criminal Case No.7714/2022, whereby the appellant was convicted for the offence punishable u/s.138 of the Negotiable Instrument Act, 1881.
2. During the pendency of the present appeal, today, in General Lok Adalat, the appellant-accused and the respondent-complainant have filed a joint compromise pursis vide Exh.23, and stated that the dispute between them has been amicably settled outside the Court. The complainant has acknowledged receipt of the entire cheque amount and has stated that he has no grievance remaining against the accused. Both parties have requested the Court to permit compounding of the offence and to dispose off the appeal accordingly.
3. Heard Ld.Advocates appearing for both the sides. The offence u/s.138 of the N.I.Act is compoundable in view of section 147 of the said Act. In view of the settlement arrived at between the parties, this Court finds that the request for compounding deserves to be accepted.

4. While permitting compounding of the offence, this Court has considered the guidelines laid down by the Hon'ble Supreme Court in the case of *Damodar S.Prabhu V/s. Sahiyad Babalal H.*, regarding levy of graded cost at the time of compounding of offences u/s.138 of the Act. However, the said judgment also clarifies that the Court may reduce or waive such cost by recording appropriate reasons.
5. In the present case, the dispute has been amicably resolved between the parties and the complainant has already received the entire amount. The compromise appears to be voluntary and genuine. Considering the peculiar facts of the case and in order to give quietus to the litigation between the parties, this Court is of the opinion that it would be appropriate to permit compounding of the offence without imposing any cost.
6. Hence, the compromise pursis deserves to be accepted and conviction recorded by the Ld.Trial Court is required to be set aside. In view of above, following order is passed in interest of justice.

Order.

- (1) Criminal Appeal is hereby allowed.
- (2) The compromise pursis filed by the parties vide Exh.23 is accepted and the offence punishable u/s.138 of the N.I.Act, 1881 is permitted to be compounded.
- (3) The judgment and order of conviction and

sentence passed by Ld.Trial Court in criminal case no.7714/2022 is hereby quashed and set aside.

- (4) The appellant-accused is acquitted of the offence punishable u/s.138 of the N.I.Act, 1881.
- (5) In view of the facts and circumstances of the case and the settlement arrived at between the parties, no cost is imposed, though the compounding is permitted at the appellate stage.
- (6) Bail bond, if any, stands cancelled.
- (7) R. & P., if any, be sent back to the Ld.Trial Court.

Pronounced in open Court today, on this 25th day of March, 2026.

Date :25/03/2026
Place: Navsari.

(**Chinmay Ghanshyambhai Mehta**)
Additional Sessions Judge,
Navsari.
UID. No.GJ 00534.

jas/-