

GJSK030024532023



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**IN THE COURT OF ADDITIONAL CHIEF JUDICIAL  
MAGISTRATE, PRANTIJ**

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**C.C. No.: 1989/2023**

**: Order below Ex-1 :**

Present application is filed by the parties wherein there were compromise between the parties and they want to settle the matter in a lok adalat today. In a lok adalat there is a compromise the award may be declared and as per the procedure of the Civil Procedure Code execution can be done.

As per the Hon'ble Supreme Court in the recent Judgement M/S Meters and Instruments Pvt. Ltd. V/s. Kanchan Mehta (AIR 2017 SC 4594) in the said judgement mention that object of Negotiable Instrument Act is comepensatory not punishment oriented. If the accused pays the amount in the court that he may be discharged. Further stated that if accused does not pay than the court may order punishment and compensation amount can be recovered.

As per the observation of the court that at the time of final disposal of the case, parties came for settlement of the case, in a settlement they gives again cheque for compromise. There is no surety that cheque will be cleared and again complinant has to

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follow the procedure again. Honble S.C. held in a Judgment M/S Meters and Instrument Pvt.Ltd V/s Kanchan Mehta (AIR 2007 SC 4549) in a para 7 it held that if accuse is not paying than court may order punishment.

Hon'ble Supreme Court held in a Judgement of K. N. Govindan Kutty Menon V/s C.D. Shaji in Para 14 & 17 held that:

A statutory support as evidence in the statement of objects and reason of the act would not only reduce the burden of arrears of work in regular courts but would also take justice to the door step of poor and needy and make justice quicker and less expensive. In the case on hand, the courts below ended in holding that only if the matter was one which was refferred by civil court it could be a decree and if the matter was refferred by criminal court it will only be an order of the criminal court and a decree under section 21 of the act. The act does not make our any such distinction between the reference made by civil court and criminal court. There is no restriction the power of lok adalat to pass an award based on the compromise arrived at between the parties. In the case refferred by criminal court under section 138 of N.I.Act and by virtue of the deemig provision, it has to be treated as a decreecapable of execution by civil court.

While looking to the para-17 following point Emerges:

1. As per the Section 21 of the act every award of the lok adalat shall be deemed to be decree of civil court and it is executable by the court.
2. The act does not make out any such distiction between reference made by civil court and criminal court.

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3. There is no restriction on the power of the lok adalat to pass an award based on compromise arrived at the parties.
4. Even if a matter is referred by criminal court under section 138 of N.I.Act 1881, and by virtue of the deeming provision, the award passed by the lok-adalat based on a compromise has to be treated as a decree capable of execution by civil court. Hence, I pass the following order;

**:AWARD:**

1. There is a compromise between accused and complainant for the payment accused assured that he will pay the amount of money within **1 month** from today.
2. In case of failure of any installments or cheque return than accused is liable to pay interest of 9% and complainant can execute as per the civil remedy.
3. Case disposed as compromise in National Lok Adalat today.

Signed and pronounced in National Lok Adalat on the **18<sup>th</sup>** day of **July, 2026**

Date : 18/07/2026

Place : Prantij

KJP

**( I. M. Shaikh )**

Addl. Chief Judi. Magistrate, Prantij  
(Judge Code No. GJ01485)