

IN THE COURT OF MR. HARGURVARINDER SINGH JAGGI,
ADDL. SESSIONS JUDGE (FTC– 01), SOUTH DISTRICT,
SAKET COURTS, NEW DELHI

CA No:	799/2025	
CNR No.:	DLST01-020700-2025	
CT Case No.:	474004/2016	
Section:	138 NI Act, 1881	

IN THE MATTER OF:

1. Sidharth Sharma)
Sole Proprietor M/s Sidhartha's)
S/o Sh. Subhash Sharma)
Registered Office at –)
14/3, Main Market, Trikuta Nagar)
Jammu, U.T. Jammu & Kashmir – 180020)
... Appellant
Through – Mr. Sourabh Malhotra and Ms.
Ankita Lohchab, Advocates.

v.

1. M/s Fabrrika Retails Partnership Firm)
Through its partner – Manoj Barman)
Having its Office at – 416/A, First Floor)
M.G. Road, Ghitorni)
New Delhi – 110030)
... Respondent
Through – Mr. Arvind Chaudhary,
Advocate through video
conferencing (VC).

Date of filing of appeal:	19.12.2025
Date of reserving judgment:	16.04.2026
Date of pronouncement of judgment:	16.04.2026

J U D G M E N T

16.04.2026

1. The appellant, Sidharth Sharma, a sole proprietor of a proprietorship firm under the name and style of M/s Sidhartha's has preferred an appeal challenging the judgment dated 10.06.2025 (impugned judgment) and sentencing order dated 27.11.2025 (sentencing order) passed by the Court of Judicial Magistrate First Class (NI Act) – 05, South District, Saket Courts, New Delhi (Trial Court) in a complaint case titled as *M/s Fabrrika Retails v. Sidharth Sharma* (complaint case).

2. The respondent, M/s Fabrrika Retails is a partnership firm, represented by its partner, Manoj Barman, who was the complainant before the Trial Court.

3. The Trial Court by the judgment convicted the appellant/accused under Section 138 of the Negotiable Instruments Act, 1881 (NI Act), where M/s Fabrrika Retails proved that a cheque for ₹2,50,000/- issued by Sidharth Sharma was dishonoured, demand notice served, and the accused failed to pay, satisfying the statutory ingredients and presumption of liability. The Trial Court evaluated

invoices, delivery notes, email admissions, and bank records to establish enforceable debt and reject the accused's defenses.

4. The Trial Court passed the sentencing order against Sidharth by awarding him simple imprisonment for one month and directed Sidharth Sharma to pay a fine of ₹4,52,500 (including interest @ 9% per annum) to the complainant within 30 days, with one month default imprisonment in case of non-payment.

5. The Trial Court by separate order (read as record of proceedings) dated 27.11.2025 allowed an application moved by Sidharth under Section 389 of the Code of Criminal Procedure, 1973 (CrPC) admitted him on bail for a sum of ₹50,000/- and suspended the sentencing order for a period of 30 days.

6. The Trial Court also ordered that the unpaid compensation shall be recoverable as fine under Sections 421 and 431, CrPC. The Trial Court by record of proceedings dated 27.11.2025 and directed an issuance of show cause notice under Section 379 of the Bharatiya Nagarik Suraksha Sanhita, 2023 (BNSS) :: Section 340, CrPC.

7. On 19.12.2025, Sidharth Sharma preferred a composite appeal challenging not only the impugned judgment but also the sentencing order and the record of proceedings dated 27.11.2025.

8. The Appellate Court by order dated 20.12.2025 in compliance with the mandate of Section 148, NI Act directed the appellant, Sidharth to deposit a sum of ₹75,000/- in lieu of fine imposed by the Trial Court by way of a fixed deposit receipt (FDR) and also admitted

him on bail bond of ₹25,000/- and surety bond of like amount by deposit of a FDR.

9. Pursuant to issuance of notice, the respondent, M/s Fabrrika filed appearance through counsel, Arvind Chaudhary *vide* order dated 02.04.2026.

10. Today, both the parties through their learned counsels submitted in unison that the present matter has been amicably settled between the parties for a sum of ₹4,52,500/- (Four Lakhs Fifty Two Thousand Five Hundred Only) as full and final payment. The amount of ₹4,52,500/- has been accepted by the respondent Manoj Barman as he is one of the partners in partnership firm M/s Fabrrika Retails.

11. The statements of appellant, Sidharth Sharma and respondent, Manoj Barman during the course of hearing earlier today were recorded separately to the said effect.

12. Section 147 of the NI Act states, notwithstanding anything contained in CrPC, every offence punishable under the NI Act shall be compoundable.

13. With the appellant, Sidharth Sharma having paid the entire fine amount of ₹4,52,500/- to the respondent, M/s Fabrrika Retails, no purpose would be served to keep the present appeal pending.

14. Accordingly, the Court is of the considered opinion to exercise the power vested under Section 147 and compound the offence under Section 138, NI Act *qua* the appellant/accused, Sidharth Sharma.

15. **ACCORDINGLY, IT IS ALSO ORDERED AS BELOW —**

15.1. The impugned judgment dated 10.06.2025, sentencing order dated 27.11.2025 and order (read as record of proceedings) dated 27.11.2025 passed by the Trial Court in a complaint case titled as ***M/s Fabrrika Retails v. Sidharth Sharma*** (complaint case) are set at naught. The same are set aside.

15.2. The bail bonds and surety bonds tendered by appellant, Sidharth Sharma before the Appellate Court and the Trial Court stand discharged. Liberty is granted to the appellant, Sidharth Sharma to approach the Trial Court for compliance of the aforesaid order, directions in accordance with law.

15.3. The FDR deposited by Sidharth Sharma in compliance with order dated 20.12.2025 and 23.02.2026 be returned to him with permission to approach the concerned bank through its branch manager with liberty to liquidate the same. The concerned branch manager must comply with the aforesaid directions.

16. The captioned appeal ***Sidharth Sharma v. M/s Fabrrika Retails Partnership Firm – CA 799/2025*** is disposed of as settled and an offence under Section 138, NI Act stands compounded. All pending application(s), if any, stand disposed of.

17. Let a copy of this judgment along with the TCR be transmitted *forthwith* to the Trial Court for information and compliance, if any, as per rules.

18. File be consigned to the Record Room on compliance of directions and as per applicable rules.

**Pronounced in the open Court
on April 16, 2026**

**(Hargurvarinder Singh Jaggi)
Addl. Sessions Judge (FTC-01)
South District
Saket Courts, New Delhi**

Note: This order comprises of **6** pages in total. The electronic signature certificate (digital signature) of the Presiding Officer has been appended on the last page of the electronic or digital copy (PDF) of this document.