



2026:HHC:9810

IN THE HIGH COURT OF HIMACHAL PRADESH, SHIMLA

Cr. Revision No.121 of 2026
Date of Decision: 01.04.2026

Dinesh Kumar

.....Petitioner

Versus

H.P. Co-Operative Agriculture & Rural Development Bank

.....Respondent

Coram

Hon'ble Mr. Justice Sandeep Sharma, Judge.
Whether approved for reporting?

For the Petitioner: Mr. Naresh Sharma, Advocate.

For the Respondent: Mr. Narender Singh Thakur, Advocate.

Sandeep Sharma, J. *(Oral)*

Instant criminal revision petition filed under Section 438 & 442 of the BNSS, lays challenge to judgment dated 01.01.2026, passed by the learned Sessions Judge, Sirmaur, District at Nahan, Himachal Pradesh, in Criminal Appeal No.85-Cr.A./10 of 2025, titled *Dinesh Kumar Vs. H.P. Co-operative Agricultural and Rural Development Bank*, affirming judgment of conviction and order of sentence dated 25.07.2025, passed by the learned Judicial Magistrate First Class, Rajgarh, District Sirmaur, Himachal Pradesh, whereby the learned trial Court while holding the petitioner-accused (hereinafter, 'accused') guilty of having committed offence punishable under Section 138 of the Negotiable Instruments Act (in short the "Act"), convicted and sentenced him to undergo simple imprisonment



for a period of one year and pay compensation to the tune of ₹3,00,000/- to the complainant.

2. Precisely, the facts of the case, as emerge from the record are that respondent-complainant (hereinafter, '*complainant*') instituted a complaint under Section 138 of the Act, in the Court of learned Judicial Magistrate First Class, Rajgarh, District Sirmaur, Himachal Pradesh, alleging therein that accused with a view to discharge his liability issued Cheque for a sum of Rs.2,85,915/-, but fact remains that aforesaid Cheque on its presentation, was dishonoured. Since petitioner-accused failed to make the payment good within the time stipulated in the legal notice, respondent/complainant was compelled to initiate proceedings before the competent Court of law under Section 138 of the Act.

3. Learned trial Court on the basis of material adduced on record by the respective parties, vide judgment/order dated 25.07.2025, held the petitioner-accused guilty of having committed offence under Section 138 of the Act and accordingly, convicted and sentenced him, as per the description given hereinabove.

4. Being aggrieved and dissatisfied with the aforesaid judgment of conviction recorded by the Court below, accused preferred an appeal in the Court of learned Sessions Judge, Sirmaur, District at Nahan, Himachal Pradesh, which also came to be dismissed vide judgment dated 01.01.2026,



as a consequence of which, judgment of conviction recorded by the learned trial Court came to be upheld. In the aforesaid background, petitioner-accused has approached this Court by way of instant proceedings, seeking therein his acquittal after setting aside the judgments of conviction recorded by the Courts below.

5. Before case at hand could be heard and decided on its own merits, parties have entered into compromise, whereby respondent/complainant has agreed to settle the dispute with the petitioner/accused. Counsel representing the petitioner, on instructions, states that amount of ₹60,000/- lying deposited with the trial Court has been agreed to be released in favour of respondent/complainant and besides above, he has already deposited sum of ₹2,40,000/- with the respondent-Bank. He states that since petitioner/accused has agreed to pay sum of ₹3,00,000/-, as per the compromise, detailed hereinabove, this Court, while exercising power under Section 147 of the Act may proceed to compound the offence.

6. Mr. Narender Singh Thakur, learned counsel representing the respondent/complainant, states that he has instructions to depose on behalf of respondent. He states that complainant-Bank has compromised the matter with the petitioner-accused and as per the compromise, sum of ₹2,40,000/- has been deposited with the complainant-Bank and in case,



remaining amount of ₹60,000/- lying deposited with the learned trial Court is ordered to be released in favour of complainant, it shall have no objection in case the judgments of conviction and order of sentence passed by the learned Courts below are quashed and set aside and the petitioner is acquitted of the charge framed against him. However, some amount of litigation charges may be awarded in favour of complainant because it was unnecessarily dragged into litigation for realization of its own money. His statement is taken on record.

7. Since parties have resolved to settle their dispute amicably *inter se* them, as has been taken note hereinabove, coupled with the fact that respondent/complainant has no objection in compounding the offence, in the event of its being released the amount lying deposited with the learned trial Court, this Court sees no impediment in accepting the prayer made on behalf of the petitioner for compounding of offence, while exercising power under Section 147 of the Act as well as in terms of guidelines issued by the Hon'ble Apex Court in **Damodar S. Prabhu V. Sayed Babalal H. (2010) 5 SCC 663**, wherein it has been categorically held that Court, while exercising power under Section 147 of the Act, can proceed to compound the offence even after recording of conviction by the Courts below.



8. Consequently, in view of the above, present matter is ordered to be compounded and impugned judgments of conviction and sentence dated 01.01.2026 and 25.07.2025, passed by the Courts below are quashed and set aside and the petitioner-accused is acquitted of the charge framed against him under Section 138 of the Act. Interim order, if any, is vacated. Bail bonds, if any, are discharged. Amount of ₹60,000/- lying deposited with the learned trial Court is ordered to be released in favour of the respondent-complainant by remitting the same in its bank account, detail whereof shall be furnished by its counsel within one week.

9. Since respondent/complainant was compelled to engage in unwarranted litigation with the petitioner/accused for realization of its own money, petitioner-accused is directed to pay a sum of ₹5000/- as litigation charges in favour of respondent/complainant and further to deposit ₹5000/- with the H.P. State Legal Service Authority as compounding fee, within a period of eight weeks, failing which petitioner/accused shall render himself for penal consequences as well as Contempt of Court.

**(Sandeep Sharma),
Judge**

April 01, 2026
(Rajeev Raturi)