

2024 LiveLaw (SC) 23

**IN THE SUPREME COURT OF INDIA
CRIMINAL APPELLATE JURISDICTION**

VIKRAM NATH; J., SATISH CHANDRA SHARMA; J.

**CRIMINAL APPEAL NO. OF 2024 (@SLP(CrI.) No(s). 3289 OF 2018); JANUARY 04, 2024
GHANSHYAM GAUTAM & ANR. *Versus* USHA RANI (SINCE DECEASED) THROUGH L.R.S.**

Negotiable Instruments Act, 1881; Section 138 - Once the settlement has been arrived at and the complainant has signed the deed accepting a particular amount in full and final settlement of the default amount and the fine amount awarded by the Trial Court, the proceedings under Section 138 of the NI Act need to be quashed.
(Para 4)

(Arising out of impugned final judgment and order dated 13-09-2017 in CRMMO No. 178/2016 passed by the High Court of Himachal Pradesh at Shimla)

For Petitioner(s) Ms. Radhika Gautam, AOR

ORDER

Leave granted.

2. In proceedings under Section 138 of the Negotiable Instruments Act ('NI' Act), 1881, the appellant was convicted and was further sentenced.
3. In the meantime, the parties have settled their scores and have filed a compromise deed dated 16th January, 2018, according to which, the respondent-complainant agreed to accept the amount of Rs. 1,14,000/- (Rupees One Lakh and Fourteen Thousand) as full and final settlement of the cheque amount and the fine imposed by the Trial Court, which had been confirmed by the High Court. The compromise deed is filed as Annexure P-6 to the special leave petition and a photocopy of the same is also filed along with a typed copy. Paragraph 2 of the said compromise deed mentions that the amount of Rs. 1,14,000/- (Rupees One Lakh and Fourteen Thousand) has been paid in two parts; initially Rs. 80,000/- (Rupees Eighty Thousand) was paid and Rs. 34,000/- (Rupees Thirty-Four Thousand) has been deposited in the bank account later.
3. Notices were issued and stay was granted by this Court. However, no one has put in appearance on behalf of the respondents, maybe for the reason that there has been a settlement. This matter is pending since 2018.
4. Considering the overall facts and circumstances of the case, we are of the view that once the settlement has been arrived at and the complainant has signed the deed accepting a particular amount in full and final settlement of the default amount and the fine amount awarded by the Trial Court, the proceedings under Section 138 of the NI Act need to be quashed.
5. Accordingly, the appeal is allowed and the proceedings under Section 138 of the NI Act, along with impugned orders passed, stand quashed.
6. Pending applications stand disposed of accordingly.

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