



Hon'ble Supreme Court in a criminal appeal 3289 of 2018 *Ghanshyam Gautam and Anr versus Usha Rani (since deceased) through L. R. S*, compromising of Section 138 of the Negotiable Instruments Act, 1881 recently upheld that if a complainant signs a deed agreeing to a complete and final settlement amount, the proceedings under Section 138 of the Negotiable Instruments Act must be quashed.

Hon'ble Supreme Court noted that "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."

IN THE SUPREME COURT OF INDIA
CRIMINAL APPELLATE JURISDICTION

CRIMINAL APPEAL NO. _____ OF 2024
(@SLP (Cr1.)) No (s) . 3289 OF 2018)

GHANSHYAM GAUTAM & ANR. PETITIONER (S)

Versus

USHA RANI (SINCE DECEASED) THROUGH L.R.S ... RESPONDENT (S)

O R D E R


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

Signature Not Verified

Digitally signed by
SONIA BHARIN
Date: 2024.01.08
10:22:10 IST
Reason: 

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.

.....J.
[VIKRAM NATH]

.....J.
[SATISH CHANDRA SHARMA]

NEW DELHI;
JANUARY 04, 2024.



ITEM NO.33

COURT NO.8

SECTION II-C

S U P R E M E C O U R T O F I N D I A
R E C O R D O F P R O C E E D I N G S

Petition(s) for Special Leave to Appeal (Crl.) No(s). 3289/2018
(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)

GHANSHYAM GAUTAM & ANR.

Petitioner(s)

VERSUS

USHA RANI (SINCE DECEASED) THROUGH L.R.S

Respondent(s)

(IA No. 35899/2018 - EXEMPTION FROM FILING C/C OF THE IMPUGNED
JUDGMENT

IA No. 35898/2018 - PERMISSION TO FILE ADDITIONAL
DOCUMENTS/FACTS/ANNEXURES)

Date : 04-01-2024 This petition was called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE VIKRAM NATH

HON'BLE MR. JUSTICE SATISH CHANDRA SHARMA

For Petitioner(s) Ms. Radhika Gautam, AOR

For Respondent(s)

UPON hearing the counsel the Court made the following
O R D E R

Leave granted.

The appeal is allowed in terms of the signed
order.

Pending application(s), if any, shall stand
disposed of.

(SONIA BHASIN)
COURT MASTER (SH)

(RANJANA SHAILEY)
COURT MASTER (NSH)

[Signed Order is placed on the file]



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