

**2023 STPL(WEB) 17 SC  
SUPREME COURT OF INDIA**

(VIKRAM NATH AND SANJAY KUMAR, JJ.)

**R VARATHARAJAN**

Appellant

*VERSUS*

**RAMASAMY**

Respondent

Criminal Appeal No. 1698 of 2023 (Arising Out of SLP (CrI) No 7204 of 2023 @ SLP (CrI) Diary No 21728 of 2023) with Criminal Appeal No 1699 of 2023 (Arising Out of SLP (CrI) No 7205 of 2023 @ SLP (CrI) Diary No 21726 of 2023)-Decided on 05-06-2023

**Dishonour of Cheque – Settlement after Conviction - Compounding Allowed**

Advocate(s): Mr. T. Harish Kumar, Advocate, Mr. Navneet Dugar, Advocate and Mr. Subham Kothari, Advocate, for the Appellant;  
Ms. Priya, Advocate and Mr. Raghunatha Sethupathy B , Advocate, for the Respondent.

**ORDER**

1. Delay condoned.
2. Leave granted.
3. Heard learned counsel appearing on behalf of the appellant and learned counsel for the respondents on caveat.
4. In both the appeals, the appellant has been convicted under Section 138 of the Negotiable Instruments Act 1881, and such conviction has been held up to the High Court. However, after the judgment of the High Court, the parties have entered into a settlement and the balance amount of fine has since been paid to the respondents, which the learned counsel appearing on behalf of the respondents acknowledges.
5. Learned counsel for the respondents further submits that she has instructions to state that in case relief is granted to the appellant, the respondents will have no objection as the outstanding amount has already been received by them.
6. Considering the facts and circumstances of the case and the settlement arrived at between the parties as recorded above, we allow the appeals and set aside the conviction and sentence under Section 138 of the Negotiable Instruments Act.
7. The appellant is in custody in both the cases. He shall be released forthwith if not required in any other case.
8. The appeals are accordingly allowed.
9. Pending applications, if any, stand disposed of.

-----