

NIA S. 138, 147 – Once a person is allowed to compound a case as provided for under Section 147 of the Negotiable Instruments Act, the conviction under Section 138 of the said Act should also be set aside.

[nia s. 138](#) – NIA S. 147

Once a person is allowed to compound a case as provided for under Section 147 of the Negotiable Instruments Act, the conviction under [Section 138](#) of the said Act should also be set aside. In the case of *Vinay Devanna Nayak* (supra), the issue was raised and after taking note of the provisions of Section 320 Cr.P.C., this Court held that since the matter had been compromised between the parties and payments had been made in full and final [settlement](#) of the dues of the Bank, the appeal deserved to be allowed and the appellant was entitled to acquittal. Consequently, the order of conviction and [sentence](#) recorded by all the courts were set aside and the appellant was acquitted of the charge leveled against him.

*K.M. Ibrahim v. K.P. Mohammed* , (2010) 1, SCC 798,

Tags: [NIA S. 138](#), [NIA S. 138 - Compounding](#), [NIA S. 147](#)