

2025 LiveLaw (SC) 1103

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

M.M. SUNDRESH; J., SATISH CHANDRA SHARMA; J.

SLP (CrL.) No.14340/2025; 4 NOVEMBER, 2025

RAJEEV KHANDELWAL *versus* STATE OF MAHARASHTRA & ANR.

Negotiable Instruments Act, 1881; Section 138 – Dishonour of Cheque – Settlement at Revisional Stage – Acquittal subject to condition of depositing cost with Legal Services Authority – Held, the direction imposing costs on the appellant, to be paid to the Legal Services Authority, cannot be sustained in the eye of law, particularly when the complainant does not want any further amount, and the appellant has expressed inability to comply with the same, which is not in dispute - Held that the case *Damodar S. Prabhu v. Sayed Babalal H.* [(2010) 5 SCC 663] which provide for imposition of costs in NI Act depending on at which stage the case was compounded, could not be treated as binding. [Para 5-7]

[Arising out of impugned final judgment and order dated 06-08-2025 in RA No. 528/2018 passed by the High Court of Judicature at Bombay]

For Petitioner(s) Mr. Navin Pahwa, Sr. Adv. Mr. S.s. Sobti, Adv. Mr. Mohit D. Ram, Adv. Ms. Sthavi Asthana, AOR

For Respondent(s) Mr. Anand Dilip Landge, Adv. Mr. Siddharth Dharmadhikari, Adv. Mr. Aaditya Aniruddha Pande, AOR Mr. Shrirang B. Varma, Adv. Mr. Ashwani Kumar, AOR Ms. Iti Sharma, Adv. Mr. Puneet Sharma, Adv.

ORDER

- 1.** Leave granted.
- 2.** The appellant was convicted for the offence punishable under Section 138 of the Negotiable Instruments Act, 1881. His appeal before the Sessions Court was dismissed. A review petition was thereafter preferred before the High Court by the appellant. During the pendency of the revision, the appellant and the respondent entered into an agreement. In view of the same, the appellant was acquitted, subject to the condition that he shall deposit the cost with the State Legal Services Authority in accordance with the judgment of this Court in *Damodar S. Prabhu v. Sayed Babalal H.* reported in (2010) 5 SCC 663.
- 3.** The short issue for consideration in this appeal is with respect to the cost imposed by the High Court by placing reliance upon the aforementioned judgment.
- 4.** Heard the learned Senior counsel appearing for the appellant as well as the learned counsel appearing for the respondents. It is submitted by the learned Senior counsel appearing for the appellant that the Court had invoked Article 142 of the Constitution of India in the aforesaid decision and therefore, the same cannot be treated as a law.
- 5.** Construing it to be a law would discourage settlements at the revisional stage. The appellant is not in a position to comply with the order passed. In any case, the direction is not to make payment to the complainant, the private respondent herein, but to the Legal Services Authority. Thus, when the complainant has no objection, there cannot be any mandate of law directing the appellant to pay any further amount.
- 6.** We find force in the submissions made by learned Senior counsel appearing for the appellant. The learned counsel for the respondents does not have any objection to appropriate orders being passed.

7. The law laid down in the aforementioned judgment cannot be regarded as a binding precedent, as every case must be considered on its own facts. In the present case, we are inclined to hold that the direction imposing costs on the appellant, to be paid to the Legal Services Authority cannot be sustained in the eye of law, particularly when the complainant does not want any further amount and the appellant has expressed his inability to comply with the same, which aspect is not in dispute.

8. The appeal is disposed of, accordingly.

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

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