



CNR: KAHC010234362023

NC: 2026:KHC:48092
CRL.RP No. 604 of 2023
C/W CRL.RP No. 605 of 2023

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 3RD DAY OF SEPTEMBER, 2026

BEFORE

THE HON'BLE MR. JUSTICE VENKATESH NAIK T
CRIMINAL REVISION PETITION NO. 604 OF 2023
(397(Cr.PC) / 438(BNSS))

C/W
CRIMINAL REVISION PETITION NO. 605 OF 2023
(397(Cr.PC) / 438(BNSS))

IN CRL.RP No. 604/2023

BETWEEN:

1. SHRI SHANMUGAM
AGED ABOUT 67 YEARS
MANAGING DIRECTOR
SREE SHANMUGA MODERN RICE MILLS PVT LTD
DESHIHALLI, BANGARPET-563114

...PETITIONER

(BY SRI.CHETAN.A, ADVOCATE)

AND:

1. SRI.T.S KRISHNA PRASAD
S/O T V SRINIVASAN
AGED ABOUT 64 YEARS
R/A NO.1185, 1ST CROSS
1ST MAIN, 5TH STAGE
BEML LAYOUT, RAJA RAJESHWARI NAGAR
BANGALORE-560098

...RESPONDENT

(BY SRI. LAKSHMIPATHY N, ADVOCATE FOR
SRI.B.C.PARAMESH, ADVOCATE)

Digitally
signed by
NAGARATHNA
M
Location: High
Court of
Karnataka



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THIS CRL.RP IS FILED U/S. 397 R/W 401 CR.P.C BY THE ADVOCATE FOR THE PETITIONER PRAYING THAT THIS HONBLE COURT MAY BE PLEASED TO SET ASIDE THE JUDGMENT OF CONVICTION PASSED IN C.C.NO.229/2019 DATED 03.12.2022 BY HONBLE COURT OF THE PRINCIPLE CIVIL JUDGE AND ADDL. JMFC, KGF AND CONFIRMED IN CRIMINAL APPEAL NO.90/2022 BY HONBLE III ADDITIONAL DISTRICT AND SESSION JUDGE AT KOLAR, SITTING AT KGF ON 20.04.2023 FOR THE OFFENCE P/U/S 138 OF NEGOTIABLE INSTRUMENT ACT SENTENCING HIM TO PAY FINE OF A SUM OF RS.6,10,000/- AND TO UNDERGO SIMPLE IMPRISONMENT FOR A PERIOD OF 6 MONTHS. IN DEFAULT TO PAY FINE AMOUNT THE ACCUSED SHALL UNDERGO SIMPLE IMPRISONMENT FOR A PERIOD OF ANOTHER 6 MONTHS, AND ACQUIT THE PETITIONER.

IN CRL.RP NO. 605/2023

BETWEEN:

1. SRI SHANMUGAM
AGED ABOUT 67 YEARS
MANAGING DIRECTOR
SREE SHANMUGA MODERN RICE MILLS PVT LTD
DESHIHALLI, BANGARPET-563114

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(BY SRI.A.CHETAN, ADVOCATE)

AND:

1. SRI T.S. KRISHNA PRASAD
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AGED ABOUT 64 YEARS
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BANGALORE-560098

...RESPONDENT

(BY SRI.B.C.PARAMESH, ADVOCATE)

THIS CRL.RP IS FILED U/S. 397 R/W 401 CR.P.C BY THE ADVOCATE FOR THE PETITIONER PRAYING THAT THIS HONBLE COURT MAY BE PLEASED TO SET ASIDE THE JUDGMENT OF CONVICTION PASSED IN C.C.NO.92/2019 DATED 03.12.2022 BY HONBLE COURT OF THE PRINCIPLE CIVIL JUDGE AND ADDL. JMFC, KGF AND CONFIRMED IN CRIMINAL APPEAL NO.89/2022 BY HONBLE III ADDITIONAL DISTRICT AND SESSION JUDGE, KOLAR SITTING AT KGF ON 20.04.2023 FOR THE OFFENCE P/U/S 138 OF NEGOTIABLE INSTRUMENT ACT SENTENCING HIM TO PAY FINE OF A SUM OF RS.25,10,000/- AND TO UNDERGO SIMPLE IMPRISONMENT FOR A PERIOD OF 6 MONTHS. IN DEFAULT TO PAY FINE AMOUNT THE ACCUSED SHALL UNDERGO SIMPLE IMPRISONMENT FOR A PERIOD OF ANOTHER 6 MONTHS, AND ACQUIT THE PETITIONER.

THESE PETITIONS, COMING ON FOR HEARING, THIS DAY, ORDER WAS MADE THEREIN AS UNDER:

CORAM: HON'BLE MR. JUSTICE VENKATESH NAIK T

ORAL ORDER

Heard Sri Chethan A, learned counsel for the petitioner and Sri Lakshmipathy N., learned counsel for Sri B.C.Paramesh, learned counsel for respondent. The parties are present before the Court and are duly identified by their respective counsel.



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2. These Criminal Revision Petitions are filed under Section 397 read with Section 401 of the Code of Criminal Procedure, 1973, challenging the concurrent findings of the trial Court as well as First Appellate Court.

3. Now, the petitioner and the respondent have resolved their disputes with the intervention of elders and well-wishers from both the families.

4. In view of settlement, the petitioner and respondent have filed an application under Section 147 of the Negotiable Instruments Act, 1881, for compounding offence in both the cases. The contents of application filed in Crl.RP.No.604/2023 read as under:

"The Applicants respectfully submit as follows:

1. For sake of convenience, the parties are referred to their rankings before the Trial Court.

2. The Accused No. 1 being a director of Accused No.2 company, signed and issued a Cheque bearing No. 118033 dated 28.01.2019 for a sum of Rs.5,00,000/-(Rupees Five Lakh Only) drawn on Canara Bank, Bangarpet Branch, Bangarpet in favour of complainant. The Said cheque was dishonoured. Therefore, the Complainant, initiated proceedings



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under Section 138 of Negotiable Instruments Act and the Criminal Complaint in C.C.No.229/2019 before the learned Prl. Civil Judge and Addl. JMFC Court at KGF was filed against the Accused for the offence under Section 138 of the Negotiable Instruments Act.

3. Accused was convicted for the offence under Section 138 of the negotiable instruments Act in CC No.229/2019 on 03.12.2022 and it was held that the accused is liable to pay a totally a sum of Rs.6,10,000/- (Six Lakh Ten Thousand Only) which includes fine amount of Rs.10,000/-(Rupees Ten Thousand Only) as compensation to the complainant failing which to undergo imprisonment for a period of 6 Months. The Order of the learned Prl. Civil Judge and Addl. JMFC Court at KGF was confirmed by the learned III-Addl District and Sessions Judge, KGF in Crl.A.90/2022 vide order dated 20.04.2023. The said orders dated 03.12.2022 and 20.04.2023 were challenged before this Hon'ble Court in Crl.R.P.No.604/2023.

4. This Hon'ble Court vide its order dated 18.05.2023 was pleased to allow I. A. No. 1/2023 filed by the Appellant seeking to stay the operation, execution and enforcement of the judgment and suspended the sentence imposed on him, subject to condition that Appellant shall deposit 50% of fine amount before the trial court within a period of Six weeks from the date of the order.

5. In compliance of the same, the Appellant had deposited a sum of Rs.3,05,000/- (Rupees Three lakh five thousand only) before the trial court. Subsequently, the Respondent had filed an application IA NO.1/2024 seeking permission to withdraw the said amount deposited by the Appellant and the same was withdrawn by the respondent as



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per the orders dated 28.03.2025 passed by this Hon'ble court.

6. The Parties in negotiation agree to settle the dispute as full and final settlement towards the Claims for a total sum of Rs.3,05,000/- (Rupees Three lakh five thousand only/-) which has already been withdrawn by the Respondent herein.

7. It is submitted that the Offence under the Section 138 of the Negotiable Instruments Act is compoundable in nature as per Section 147 of the Negotiable Instruments Act.

8. It is submitted in view of the above agreement/Compromise, this Honourable Court may be pleased to record the compromise and dispose the present petition as compounded/fully settled in the Interest of justice.

Wherefore, this Honourable Court may be pleased to record the compromise, permit the petitioner and respondent to compound the offence under Section 138 of the Negotiable Instruments Act and set aside the judgment of conviction dated 03.12.2022 passed by the learned Prl. Civil Judge and Addl. JMFC Court, KGF in CC No.229/2019, in-view of the compromise entered into between them in the interest of justice."

5. The contents of application filed in

Crl.RP.No.605/2023 read as under:

"The Applicants respectfully submit as follows:

1. For sake of convenience, the parties are referred to their rankings before the Trial Court.



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2. *The Accused No. 1 being a director of Accused No.2 company, signed and issued a Cheque bearing No. 217048 dated 29.10.2018 for a sum of Rs.21,00,000/-(Rupees Twenty One Lakhs Only) drawn on Canara Bank, Bangarpet Branch, Bangarpet in favour of complainant. The Said cheque was dishonoured. Therefore, the Complainant, initiated proceedings under Section 138 of Negotiable Instruments Act and the Criminal Complaint in C.C.No.92/2019 before the learned Prl. Civil Judge and Addl. JMFC Court at KGF was filed against the Accused for the offence under Section 138 of the Negotiable Instruments Act.*

3. *Accused was convicted for the offence under Section 138 of the negotiable instruments Act in CC No.92/2019 on 03.12.2022 and it was held that the accused is liable to pay a totally a sum of Rs.25,10,000/- (Rupees Twenty Five Lakh Ten Thousand Only) which includes fine amount of Rs.10,000/-(Rupees Ten Thousand Only) as compensation to the complainant failing which to undergo imprisonment for a period of 6 Months. The Order of the learned Prl. Civil Judge and Addl. JMFC Court at KGF was confirmed by the learned III-Addl District and Sessions Judge, KGF in CrI.A.89/2022 vide order dated 20.04.2023. The said orders dated 03.12.2022 and 20.04.2023 were challenged before this Hon'ble Court in CrI.R.P.No.605/2023.*

4. *This Hon'ble Court vide its order dated 18.05.2023 was pleased to allow I. A. No. 1/2023 filed by the Appellant seeking to stay the operation, execution and enforcement of the judgment and suspended the sentence imposed on him, subject to condition that Appellant shall deposit 50% of fine amount before the trial court within a period of Six weeks from the date of the order.*



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5. *In compliance of the same, the Appellant had deposited a sum of Rs.12,55,000/- (Rupees Twelve lakh fifty five thousand only) before the trial court. Subsequently, the Respondent had filed an application IA NO.1/2024 seeking permission to withdraw the said amount deposited by the Appellant and the same was withdrawn by the respondent as per the orders dated 28.03.2025 passed by this Hon'ble court.*

6. *The Parties in negotiation agree to settle the dispute as full and final settlement towards the Claims for a total sum of Rs.12,55,000/- (Rupees Twelve lakh fifty five thousand only/-) which has already been withdrawn by the Respondent herein.*

7. *It is submitted that the Offence under the Section 138 of the Negotiable Instruments Act is compoundable in nature as per Section 147 of the Negotiable Instruments Act.*

8. *It is submitted in view of the above agreement/Compromise, this Honourable Court may be pleased to record the compromise and dispose the present petition as compounded/fully settled in the Interest of justice.*

Wherefore, this Honourable Court may be pleased to record the compromise, permit the petitioner and respondent to compound the offence under Section 138 of the Negotiable Instruments Act and set aside the judgment of conviction dated 03.12.2022 passed by the learned Prl. Civil Judge and Addl. JMFC Court, KGF in CC No.92/2019, in-view of the compromise entered into between them in the interest of justice."



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6. In view of the settlement arrived between the parties, the matter is compounded. Accordingly, the Criminal Revision Petition is ***disposed of*** and the concurrent finding of the trial court and first appellate court is hereby set aside.

In view of the disposal of the criminal petition, pending applications, if any, do not survive for consideration and the same stand disposed of.

**Sd/-
(VENKATESH NAIK T)
JUDGE**

AM
List No.: 1 Sl No.: 33