



Crl.R.C(MD)No.1036 of 2025

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: **17.08.2026**

CORAM

THE HONOURABLE **MR.JUSTICE N.GUNASEKARAN**

Crl.RC(MD).No.1036 of 2025

and

Crl.M.P.(MD)No.16906 of 2026

M.Kandasamy

... Petitioner

vs.

M.Ramasamy

... Respondent

PRAYER: Criminal Revision Petition is filed under Section 438 r/w 442 of BNSS, 2023, to call for the records relating to the set aside the judgment in S.T.C.No.328 of 2022 on the file of the learned Judicial Magistrate No.2 (FAC), Kodaikanal dated 09.07.2024 which is confirmed by the judgment dated 22.07.2025 in Crl.A.No.74 of 2024 on the file of the learned Additional District Court (Fast Track Court), Palani.

For Petitioner : Mr.T.Antony Arulraj

For Respondent : Mr.J.M.Hassanul Bazari

ORDER

Heard Mr.T.Antony Arulraj, learned Counsel for the Revision Petitioner and Mr.J.M.Hassanul Bazari, learned Counsel for the Respondent.



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2. This Criminal Revision Petition has been filed to set aside the judgment in S.T.C.No.328 of 2022 on the file of the learned Judicial Magistrate No.2 (FAC), Kodaikanal dated 09.07.2024 which is confirmed by the judgment dated 22.07.2025 in Crl.A.No.74 of 2024 on the file of the learned Additional District Court (Fast Track Court), Palani.

3. The Respondent/complainant herein filed a complaint as against petitioner alleging that petitioner herein committed offence under Section 138 of Negotiable Instruments Act (herein after referred to as “the NI Act”) and the same was taken on file by the Judicial Magistrate No.2 (FAC), Kodaikanal in S.T.C.No.328 of 2022, where the petitioner herein is the sole accused. Both Trial Court and First Appellate Court concurrently held that the petitioner was guilty of offence under Section 138 of NI Act, convicted and sentenced to undergo simple imprisonment for six months and also pay compensation of Rs.7,00,000/- to Respondent/complainant and in default, to undergo further three months simple imprisonment. Aggrieved, the petitioner/accused filed the present Criminal Revision Petition.



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4. Today, when this Criminal Revision Case was taken up for hearing, it is informed by both learned counsel for petitioner as well as respondent that during pendency of this Criminal Revision case, they resolved/decided to settle their disputes. Both revision petitioner/accused and respondent/complainant, were present before this Court along with Identity Cards (Aadhar Cards). Both of them filed a copy of undertaking deed/compromise deed dated 10.07.2026 stating that dispute under Section 138 of NI Act is amicably settled out of Court.

5. Learned Counsel for the petitioner submits that on the basis of undertaking deed/compromise deed, the petitioner also filed a petition in Crl.M.P.(MD)No.16906 of 2026 along with this petition seeking to compound the offence.

6. Learned Counsel for the Respondent on instructions from the Respondent submits that he has no objection in allowing the above petition and further, the respondent also agreed to withdraw the case as against petitioner, as no amount is due against the petitioner.



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7. Section 147 of the Negotiable Instruments Act, 1881 reads as follows:-

“147. Offences to be compoundable.—

Notwithstanding anything contained in the Code of Criminal Procedure, 1973 (2 of 1974), every offence punishable under this Act shall be compoundable].”

In view of the aforesaid provision, offence under Section 138 of the Negotiable Instruments Act becomes compoundable at any stage of the case.

8. The Hon'ble Apex Court had formulated the guidelines for compounding the offence under section 138 N.I. Act in the following cases: (i) in the case of Damodar S. Prabhu vs. Sayed Babalal H reported at 2010 (2) SCC (Cri) 1328, (ii) in the case of M/s Meters and Instruments Private Limited and another vs. Kanchan Mehta reported at 2017 (7) Supreme 558 and (iii) in the case of Virender Singh Donowal vs. Manju Aggarwal in Criminal Appeal No.5060 OF 2025, dated 18.11.2025.

9. In view of the above, as the present offence committed by petitioner/accused under Section 138 of NI Act, stands compounded



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under Section 147 of the Act. Contents of the compromise deed/undertaking deed dated 10.07.2026, was read out to both parties and same has been agreed by either side as found correct, this Court is inclined to pass the following orders :-

- (i) The judgment of conviction and sentence passed by both Courts are **set aside** and accused is acquitted of the charge under Section 138 of the NI Act.
- ii) CrI.M.P.(MD)No.16906 of 2026, is hereby **allowed**.
- (iii) The Compromise deed/undertaking deed dated 10.07.2026 shall form part and parcel of this Order.

10. The Respondent is permitted to file an appropriate application before the learned Judicial Magistrate No.II (FAC), Kodaikanal seeking withdrawal of the amount deposited by the Petitioner. Upon receipt of such application, the learned Judicial Magistrate No.II (FAC), Kodaikanal, is directed to process the same and release the amount to the Respondent, if not already withdrawn, within a period of ten (10) days from the date of receipt of the application.



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11. With the above directions, this Criminal Revision Petition is
disposed of.

17.08.2026

Index :Yes / No
Internet :Yes / No
NCC :Yes / No
Nsr

To:

- 1.The Additional District Court (Fast Track Court), Palani.
- 2.The Judicial Magistrate No.2 (FAC), Kodaikanal.
- 3.The Inspector of Police,
Kombai Police Station,
Theni District.
4. The Additional Public Prosecutor,
Madurai Bench of Madras High Court, Madurai.



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N.GUNASEKARAN, J.

Nsr

Order made in
CrI.R.C.(MD)No.1036 of 2025

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