



Crl.R.C(MD)No.801 of 2019

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

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DATED: 05.02.2026

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THE HONOURABLE MR.JUSTICE MOHAMMED SHAFFIQ

CRL.R.C.(MD)No.801 of 2019

1. M/s. Surya Plastics

Rep by its proprietor and Authorized Singnatory

R. Murali @ Muthukumarasan

No. 3/313, Attukaranur post

Muthunaickanpatti Via

Omalur Taluk,

Salem.

2. R.Murali @ Muthukumaresan,

Proprietor and Authorized signatory of M/S. Surya Plastics

S/o. Rajamanickam

No. 3/313m Attukaranaur post

Muthunaickanpatti Via

Omalur Taluk, Salem District-636304.

... Petitioners

vs.

K. Madhavan

S/o. R.Krishnan

... Respondent

PRAYER in Crl.RC(MD).No.801 of 2019: Criminal Revision case is filed under Section 397 r/w.401 of Cr.P.C., to call of the records of the learned Additional Sessions Judge, Karur in Crl.A.No.11 of 2019 by Judgement dated 20.05.2019, confirming the conviction and modifying the sentence of imprisonment imposed by the learned Judicial Magistrate, Fast Track Court at Magisterial Level, Karur in C.C.No.354



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of 2016 by the judgement dated 04.02.2019 and set aside the judgements of Courts below and acquit the petitioner.

For Petitioner : Mr.G.Karuppasamy Pandian

For Respondent : M/s.S.Gokul Raj

ORDER

Heard Mr.G.Karuppasamy Pandian, learned Counsel for petitioner and M/s.S.Gokul Raj, learned Counsel for Respondent.

2. Criminal Revision case has been filed to set aside the judgment dated 20.05.2019 made in Crl.A.No.11 of 2019 on the file of Additional Sessions Judge, Karur, confirming the judgment passed by Judicial Magistrate Court, Fast Track Court at Magisterial Level, Karur in C.C.No.354 of 2016 vide order dated 04.02.2019.

3. Respondent/complainant herein filed a complaint as against petitioners, alleging that petitioners herein committed an offence under Section 138 of Negotiable Instruments Act (hereinafter referred to as “NI Act”) for the cheque amount to a tune of Rs.7,00,000/- and the same was taken on file by Judicial Magistrate Court, Fast Track Court at



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Magisterial Level, Karur in C.C.No.354 of 2016, in which, petitioners herein are the accused. Both trial Court and first appellate Court concurrently held that petitioners were found guilty of offence under Section 138 of NI Act and they convicted and sentenced as follows:

a) 1st petitioner/company is directed to pay a fine of Rs.3000/-, in default, the 2nd petitioner is directed to undergo 30 days simple imprisonment on behalf of the 1st petitioner/company.

b) 2nd petitioner to undergo one year simple imprisonment and to pay a fine of Rs.3000/-, in default, to undergo 30 days simple imprisonment.

Aggrieved, petitioners/accused filed the present Criminal Revision Case.

4. Today, when this Criminal Revision Case was taken up for hearing, it is informed by learned Counsel for petitioners as well as respondent that during pendency of this Criminal Revision case, they resolved/decided to settle their disputes. Both revision petitioners/accused and respondent/complainant, filed a affidavit to compound the offence, dated Nil.02.2026 stating that dispute under



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Section 138 of NI Act is amicably settled out of Court and prayed to compound the offence. Further stated that at the time of granting suspension of sentence this Court directed the petitioners to deposit 30% cheque amount i.e., Rs.2,10,000/- to the credit of C.C.No.354 of 2016 on the file of Judicial Magistrate, Fast Track Court at Magisterial Level, Karur. Accordingly, petitioners had deposited the above said amount on 11.02.2020 and the said amount is under the custody of the trial Court. The amount of Rs.4,90,000/- has already been given to the complainant through demand draft bearing No.007810 and remaining amount is under the custody of the trial Court.

5. At this juncture, learned counsel for Respondent, prays this Court to permit the Respondent to withdraw the amount which has already been deposited by Revision Petitioner before the Trial Court, within the time period stipulated by this Court, to which learned Counsel for Revision Petitioner has no objection.

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



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“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.

7. The Hon'ble Apex Court had formulated guidelines for compounding the offence under section 138 N.I. Act in the following cases:

(i) Damodar S.Prabhu vs. Sayed Babalal H reported in 2010 (2) SCC (Cri) 1328,

(ii) M/s Meters and Instruments Private Limited and another vs. Kanchan Mehta reported in (2018) 1 SCC 560 and

(iii) Virender Singh Donowal vs. Manju Aggarwal in Criminal Appeal No.5060 of 2025, dated 18.11.2025.



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8. In view of the submission made by the learned Counsel for respondent, respondent is permitted to file an appropriate application before Judicial Magistrate, Fast Track Court Magisterial Level, Karur seeking withdrawal of the amount, which was already deposited by Revision Petitioners before the Trial Court. On receipt of such application, Judicial Magistrate, Fast Track Court Magisterial Level, Karur, is directed to process the same and release the aforesaid amount to Respondent within a period of ten (10) days thereafter, in accordance with law.

9. In view of the above, the offence committed by petitioners/accused under Section 138 of NI Act, stands compounded under Section 147 of the Act. Contents of the affidavit to compound the offence dated Nil.02.2026 was read out to both parties, and the same were agreed to by either side. Accordingly, this Court is inclined to pass the following orders :-

(i) The judgment of conviction and sentence passed by Judicial Magistrate Court, Fast Track Court Magisterial Level, Karur in C.C.No. 354 of 2016 dated 04.02.2019 is set aside and Petitioners/Accused is acquitted of the charge under Section 138 of NI Act.



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(ii) The affidavit to compound the offence dated Nil.02.2026 shall form part and parcel of this Order.

10. With the above directions, this Criminal Revision Case is **disposed of.**

Index :Yes / No
Internet :Yes / No
NCC :Yes / No
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05.02.2026

To:

- 1.The Additional Sessions Judge, Karur
- 2.The Judicial Magistrate Court,
Fast Track Court at Magisterial Level, Karur



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MOHAMMED SHAFFIQ, J.

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Order made in
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05.02.2026