

APHC010617102015



**IN THE HIGH COURT OF ANDHRA PRADESH
AT AMARAVATI
(Special Original Jurisdiction)**

[3604]

FRIDAY, THE 17th DAY OF JULY 2026

PRESENT

THE HONOURABLE SMT JUSTICE SUNITHA GANDHAM

CRIMINAL REVISION CASE NO: 430/2015

Between:

1. JILLELA NAGA LAKSHMI, W/O. N.RAMA KRISHNA, H.M. M.P.P. SCHOOL, VEMULAVADA, KARAPA MANDAL, E.G.DISTRICT.

...PETITIONER

AND

1. THE STATE OF ANDHRA PRADESH, REPT. BY THE PUBLIC PROSECUTOR, HIGH COURT OF JUDICATURE AT HYDERABAD FOR THE STATE OF TELANGANA AND THE STATE OF ANDHRA PRADESH.

2. NALLAMALLI SRINIVASA REDDY, S/O. SURYA BHASKARA RAO, BUSINESS, R/O. D.NO. 3-328, PASALAPADU VILLAGE, RAYAVARAM MANDAL, EAST GODAVARI DISTRICT.

...RESPONDENT(S):

Revision filed under Section 397/401 of CrPC praying that in the circumstances stated in the affidavit filed in support of the CriminalRevisionCase, the High Court may be pleased to allow the present criminal revision case by setting aside the calendar and judgment dated 16-04-2013 in CrI.A.No. 436 of 2012 passed by the VIII Addl. Sessions Judge, E.G.District, Rajahmundry by confirming the conviction and sentence under calendar and judgment dated 25-10-2012 in CC.No. 44 of 2012 passed by the Addl. J.F.C.M. Ramachandrapuram, E.G.District in the interest of justice.

IA NO: 1 OF 2015(CRLRCMP 695 OF 2015)

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to

pass an order by condoning the delay of 608 days in filing the criminal revision case on the file of this Hon'ble Court against the calendar and judgment dated 06-04-2013 in Crl.Appeal No. 436 of 2012 passed by the lower Appellate Court- VIII Addl. Sessions Judge (FTC) East Godavari District, Rajahmundry in the interest of justice.

IA NO: 2 OF 2015(CRLRCMP 701 OF 2015)

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased

IA NO: 3 OF 2015(CRLRCMP 702 OF 2015)

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to enlarge the petitioner herein on bail by suspending the calendar and Judgment dt. 16-04-2013 in Crl.A.No. 436 of 2012 passed by the VIII Addl. Sessions Judge, E.G.District, Rajahmundry, pending disposal of the main Crl.RC.

IA NO: 1 OF 2016(CRLRCMP 4257 OF 2016)

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to pass an order by permitting the petitioner and the 2nd respondent herein to compound with the offence section 138 of NI Act in Crl.RC.No.430 of 2015 as compromise pending on the file of this Hon'ble Court in the interest of justice.

Counsel for the Petitioner:

1.CHANDRA SEKHAR ILAPAKURTI

Counsel for the Respondent(S):

1.PITHANI CHANDRA SEKHARA REDDY

2.PUBLIC PROSECUTOR (AP)

The Court made the following:

HON'BLE SMT. JUSTICE SUNITHA GANDHAM**CRIMINAL REVISION CASE NO: 430/2015****ORDER:**

1. This Criminal Revision Case is filed under Sections 397 and 401 of the Code of Criminal Procedure, 1973 challenging the Judgment dated 16.04.2013 in CrI.A.No.436 of 2012 passed by the learned VIII Additional Sessions Judge, Rajahmundry, wherein conviction and sentence passed by the learned Additional Judicial I Class Magistrate, Ramachandrapuram *vide* order dated 25.10.2012 in C.C.No.44 of 2012 for the offence under Section 138 of the Negotiable Instrument Act (hereinafter referred to as 'the Act') is confirmed by dismissing the appeal filed by the appellant/petitioner.

2. Case of the respondent No.2/complainant is, on 20.02.2011, petitioner/accused borrowed an amount of Rs.2,50,000/-, to meet her family expenses and discharge sundry debts, agreeing to repay the same with interest at 24% per annum and on repeated demands, accused issued a cheque bearing No.019005 dated 26.10.2011 for an amount of Rs.2,00,000/- towards part satisfaction of the above debt and when he presented the said cheque for collection, State Bank of Hyderabad, Ramachandrapuram returned the same with endorsement 'insufficient funds', and having received notice also, petitioner/accused didn't repay the said amount.

3. As seen from the docket proceedings dated 12.07.2016 and 05.09.2017, the petitioner/accused paid an amount of Rs.65,000/- to the respondent No.2 towards full and final settlement and that there are no further amounts due and payable by the petitioner/accused to the respondent No.2 and in view of the settlement between both the parties, this Court directed the petitioner to pay 10% of the cheque amount by way of demand draft drawn in favour of the Secretary, High Court Legal Services Committee, Hyderabad. Learned counsel for the revision petitioner submitted that the cheque amount

is of Rs.2,00,000/- and 10% of cheque amount is already paid by way of Demand Draft dated 25.07.2017 and requested to allow the appeal by acquitting the revision petitioner of the offence under Section 138 of the Act .

4. Since there is no proof regarding payment of 10% of cheque amount, this Court called for report from the Secretary, High Court Legal Services Committee and in turn, the Secretary submitted letter along with the letter of the Secretary, High Court Legal Services Committee for the State of Telangana and photocopy of Demand Draft dated 25.07.2017. As per the said letters, learned counsel for the revision petitioner paid an amount of Rs.20,000/- vide Demand Draft bearing No.446938 dated 25.07.2017 and the same is acknowledged by the Secretary, High Court Legal Services Committee for the State of Telangana.

5. So, it can safely be concluded that the matter was settled before this Court on 12.07.2016 itself and thereafter, the revision petitioner also complied with the direction of this Court by paying 10% of the cheque amount as per the decision of the Hon'ble Apex Court in ***Damodar S Prabhu v. Sayed Babalal***¹ and ***R.Vijayan v. Baby***².

6. In this regard, it is to be noted that in ***K.M.Ibrahim Vs. K.P.Mohammad and another***³, the Hon'ble Apex Court held thus:

"If the offence under Section 138 of Negotiable Instruments Act is compromised, during the pendency of appeal, the conviction and sentence have to be set aside, in view of the compromise between both the parties and Section 147 of the Negotiable Instruments Act applies to the appellate court also".

7. Further, in ***M/s.Meters and Instruments Private Limited and another Vs. Manchan Mehta***⁴, the Hon'ble Apex Court held thus:

¹ [(2010) 5 SCC 663]

² [(2012) 1 SCC 260]

³ [2010 (1) SCC 798]

⁴ [2018 (1) SCC 560]

"This court has noticed that the object of the statute was to facilitate smooth functioning of business transactions. The provision is necessary as in many transactions' cheques were issued merely as a device to defraud the creditors. Dishonour of cheque causes incalculable loss, injury and inconvenience to the Vide the Banking, Public Financial Institutions and Negotiable Instruments Laws (Amendment) Act, 1988 payee and credibility of business transactions suffers a setback. At the same time, it was also noticed that nature of offence under Section 138 primarily related to a civil wrong and the 2002 amendment specifically made it compoundable".

8. For the foregoing reasons coupled with the authorities, this Court came to conclusion that permission may be accorded to both the parties, to compound the offence, to meet ends of justice.

9. In the result, this Criminal Revision Case is allowed and judgment dated 16.04.2013 in Criminal Appeal No.436 of 2012 passed by the learned VIII Additional Sessions Judge, Rajahmundry is be and hereby set aside, and that the petitioner/accused is acquitted of the offence under Section 138 of the Act.

As a sequel thereto, pending miscellaneous petitions, if any, shall stand closed.

SUNITHA GANDHAM, J

17.07.2026
Vns