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*Crl.O.P.No.15994 of 2026 etc., (batch cases)***IN THE HIGH COURT OF JUDICATURE AT MADRAS**

Orders reserved on : 23.07.2026

Orders pronounced on : **05.08.2026**

CORAM :

**THE HON'BLE MR.JUSTICE D.BHARATHA CHAKRAVARTHY**

Crl.O.P.Nos.15994, 16008, 16012, 16015, 16017, 16019, 16021, 16095,  
16104, 16106, 16108, 16113, 16097, 16099, 16100, 16133, 16139, 16143,  
16148, 16151, 16153 and 16154 of 2026  
and Crl.M.P.Nos.10480, 10489, 10492, 10493, 10495, 10498, 10502,  
10584, 10597, 10599, 10602, 10607, 10588, 10589, 10590, 10621, 10623,  
10624, 10626, 10628, 10630 and 10631 of 2026

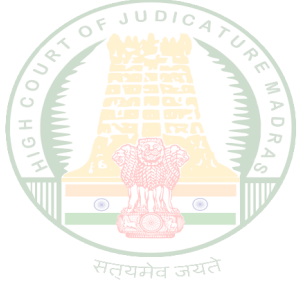
**Crl.O.P.No.15994 of 2026:-**

1. M/s.Wave Aquatic Private Limited,  
Rep by its Director Ashitkumar Rajaikant Joshi
2. Ashitkumar Rajanikant Joshi .. Petitioners

**Versus**

M/s.The Water Base Limited,  
Rep., by its Authorized Signatory, M.Kumaravel .. Respondent

**Prayer in Crl.O.P.No.15994 of 2026 :** Criminal Original Petition filed under Section 528 of BNSS, 2023, to set aside the order of condition to deposit 20% of the total compensation amount imposed by the Trial Court passed in M.P.No.1 of 2026 in Crl.A.No.588 of 2026 dated 28.04.2026 on the file of the XXI Additional Sessions Court at Allikulam, Chennai and consequently allow the petition.



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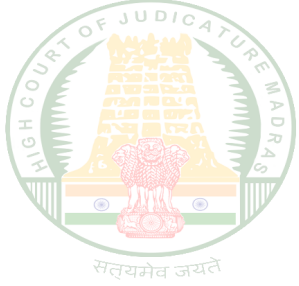
For Petitioners : Mr.J.P.karunakaran  
(in both the cases)

For Respondent : Mr.K.M.Balaji  
(in both the cases)

### **COMMON ORDER**

All these Criminal Original Petitions are connected to each other as the issue is between the same parties and relate to identical subject matters, and, as such, are taken up and disposed of by this common order.

2. The petitioners herein are accused in the private complaints filed by the respondent, who has complained of the offence under Section 138 of the Negotiable Instruments Act, 1881. In all these cases, the complainant's case is that there was a dealership agreement between the respondent/complainant and the petitioners for the sale of prawn feeds. The prawn feeds are supplied by the respondent/complainant to the dealer, who, in turn, has to supply them to the farmers in the area of the dealership in operation. Even though the goods were supplied, the amounts were not paid. It is alleged that various cheques have been issued for the amounts mentioned in the respective individual complaints, being the outstanding balance.

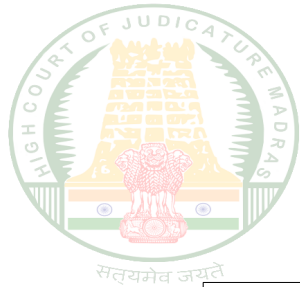


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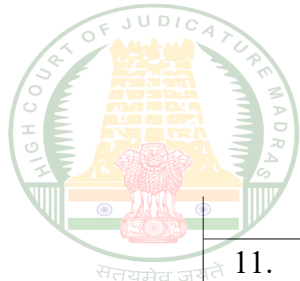
3. Upon presentation, the cheques were dishonoured. After issuance of a statutory notice, private complaints were filed for the prosecution of the petitioners for the offence under Section 138 of the Negotiable Instruments Act, 1881. By separate but identical judgments dated 27.03.2026, the Trial Court convicted the petitioners and sentenced them to undergo 11 months of Simple Imprisonment, and also ordered payment of the cheque amounts as compensation. Aggrieved thereby, the petitioners filed appeals before the Appellate Court. While suspending the sentence, in exercise of power under Section 148 of the Negotiable Instruments Act, 1881, the Appellate Court ordered, by individual and identical orders in separate appeals filed by the petitioners, the deposit of 20% of the compensation amount. Aggrieved by which, the present set of petitions is filed.

4. The following table details the Criminal Original Petition number, the Miscellaneous Petition in Appeal number, the S.T.C number, the dates and amounts of the cheques, and the total amount in respect of each case, in which the Appellate Court passed the order and the petitioners were convicted:



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| S.No. | Crl.O.P. No.  | Crl.M.P.No. and Crl.A.No.                    | S.T.C. No.                                  | Cheque Date(s) & Amount(s)                                    | Total Cheque Amount (Rs.) |
|-------|---------------|----------------------------------------------|---------------------------------------------|---------------------------------------------------------------|---------------------------|
| 1.    | 16100 of 2026 | Crl.M.P.No.1 of 2026 in Crl.A.No.595 of 2026 | S.T.C.No.799 of 2023, Ordered on 27.03.2026 | 21.08.2020 – Rs.17,25,000/- + Rs.17,26,250/- + Rs.17,25,625/- | Rs.51,76,875/-            |
| 2.    | 16133 of 2026 | Crl.M.P.No.2 of 2026 in Crl.A.No.595 of 2026 |                                             |                                                               |                           |
| 3.    | 16019 of 2026 | Crl.M.P.No.1 of 2026 in Crl.A.No.589 of 2026 | S.T.C.No.812 of 2023, Ordered on 27.03.2026 | 24.08.2020 – Rs.17,25,000/- × 3                               | Rs.51,75,000/-            |
| 4.    | 16104 of 2026 | Crl.M.P.No.2 of 2026 in Crl.A.No.589 of 2026 |                                             |                                                               |                           |
| 5.    | 16017 of 2026 | Crl.M.P.No.1 of 2026 in Crl.A.No.593 of 2026 | S.T.C.No.813 of 2023, Ordered on 27.03.2026 | 25.08.2020 – Rs.17,25,000/- + Rs.17,26,000/- + Rs.2,76,000/-  | Rs.37,27,000/-            |
| 6.    | 16153 of 2026 | Crl.M.P.No.2 of 2026 in Crl.A.No.593 of 2026 |                                             |                                                               |                           |
| 7.    | 16106 of 2026 | Crl.M.P.No.2 of 2026 in Crl.A.No.590 of 2026 | S.T.C.No.968 of 2023, Ordered on 27.03.2026 | 26.08.2020 – 2 cheques × Rs.17,25,000/-                       | Rs.51,75,000/-            |
| 8.    | 16021 of 2026 | Crl.M.P.No.1 of 2026 in Crl.A.No.590 of 2026 |                                             |                                                               |                           |
| 9.    | 16008 of 2026 | Crl.M.P.No.1 of 2026 in Crl.A.No.591 of 2026 | S.T.C.No.969 of 2023, Ordered on 27.03.2026 | 26.08.2020 – Single cheque                                    | Rs.17,25,000/-            |
| 10.   | 16113 of 2026 | Crl.M.P.No.2 of 2026 in Crl.A.No.591 of 2026 |                                             |                                                               |                           |



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|     |               |                                              |                                               |                                                               |                 |
|-----|---------------|----------------------------------------------|-----------------------------------------------|---------------------------------------------------------------|-----------------|
| 11. | 16099 of 2026 | Crl.M.P.No.1 of 2026 in Crl.A.No.597 of 2026 | S.T.C.No.3 105 of 2023, Ordered on 27.03.2026 | 10.08.2020 – Single cheque                                    | Rs.17,29,687.50 |
| 12. | 16108 of 2026 | Crl.M.P.No.2 of 2026 in Crl.A.No.597 of 2026 |                                               |                                                               |                 |
| 13. | 16015 of 2026 | Crl.M.P.No.1 of 2026 in Crl.A.No.592 of 2026 | S.T.C.No.3 388 of 2022, Ordered on 27.03.2026 | 17.08.2020 – Rs.17,26,875/- + Rs.17,25,000/- + Rs.17,26,000/- | Rs.51,77,875/-  |
| 14. | 16139 of 2026 | Crl.M.P.No.2 of 2026 in Crl.A.No.592 of 2026 |                                               |                                                               |                 |
| 15. | 16095 of 2026 | Crl.M.P.No.1 of 2026 in Crl.A.No.598 of 2026 | S.T.C.No.3 811 of 2022, Ordered on 27.03.2026 | 10.08.2020 – Rs.17,25,000/- + Rs.17,34,937.50                 | Rs.34,59,937.50 |
| 16. | 16143 of 2026 | Crl.M.P.No.2 of 2026 in Crl.A.No.598 of 2026 |                                               |                                                               |                 |
| 17. | 15994 of 2026 | Crl.M.P.No.1 of 2026 in Crl.A.No.588 of 2026 | S.T.C.No.3 962 of 2022, Ordered on 27.03.2026 | 14.08.2020 – Rs.17,26,250/- + Rs.17,26,250/- + Rs.17,28,000/- | Rs.51,80,500/-  |
| 18. | 16151 of 2026 | Crl.M.P.No.2 of 2026 in Crl.A.No.588 of 2026 |                                               |                                                               |                 |
| 19. | 16012 of 2026 | Crl.M.P.No.1 of 2026 in Crl.A.No.594 of 2026 | S.T.C.No.3 990 of 2022, Ordered on 27.03.2026 | 19.08.2020 – Rs.17,25,000/- × 3                               | Rs.51,75,000/-  |
| 20. | 16148 of 2026 | Crl.M.P.No.2 of 2026 in Crl.A.No.594 of 2026 |                                               |                                                               |                 |
| 21. | 16097 of 2026 | Crl.M.P.No.1 of 2026 in Crl.A.No.596 of 2026 | S.T.C.No.8 00 of 2023, Ordered on             | 22.08.2020 – Rs.17,25,000/- + Rs.17,25,375/-                  | Rs.51,75,375/-  |

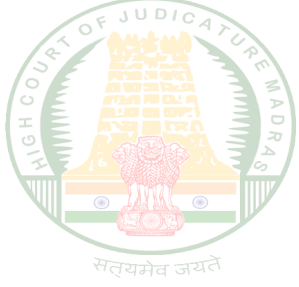


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|     |               |                                              |            |   |                |  |
|-----|---------------|----------------------------------------------|------------|---|----------------|--|
| 22. | 16154 of 2026 | Crl.M.P.No.2 of 2026 in Crl.A.No.596 of 2026 | 27.03.2026 | + | Rs.17,25,000/- |  |
|-----|---------------|----------------------------------------------|------------|---|----------------|--|

5. The learned Counsel for the petitioners, by relying upon the judgment of the Hon'ble Supreme Court of India in ***Jamboo Bhandari Vs. M.P. State Industrial Development Corporation Limited and Ors.***<sup>1</sup> and other judgments in this regard, would submit that although the statute enjoins the imposition of 20%, the Hon'ble Supreme Court of India has now held that the Appellate Court shall apply its mind to the facts of the case and pass orders with reference to the deposit of 20% of the compensation amount. The primary contention of the learned Counsel for the petitioners is that, in these cases, arbitration proceedings are also invoked simultaneously. It is the case of the petitioners/accused that they are only intermediaries for a commission, and after the supply of prawn feeds, due to the COVID-19 pandemic, the farmers did not repay the amount. Instead of joining the petitioners in duly collecting the amounts from the farmers, the cheques given by way of security have been misused, and the cases have been filed.

<sup>1</sup> MANU/SC/1005/2023



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6. It is the contention that in the connected arbitration proceedings, applications were filed in O.A.No.32 of 2021, etc., under Section 9 of the Arbitration and Conciliation Act, 1995 and an interim injunction was obtained against these petitioners, restraining them from collecting any amounts from the farmers. On the one hand, the petitioners, even though alleged to be dealers, cannot collect the amounts from the ultimate beneficiaries from whom the prawn feeds were supplied and thereafter make it over to the complainant. On the other hand, despite the defence being taken, the Trial Court did not consider it in proper perspective, and the Appellate Court directed the deposit of 20% of the entire amount due. Therefore, the petitioners cannot be made to suffer both ways. This factor was neither taken into account by the Trial Court while finding the accused guilty nor by the Appellate Court while imposing the condition of payment of 20% of the compensation amount.

7. Per *contra*, the learned Counsel for the respondent would submit that the Trial Court considered the issue in detail and found that the petitioners are dealers who are only responsible for paying the amounts as far as the complainants are concerned. Despite the *de facto* complainant supplying the goods, the amounts were not paid by the dealers.



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Considering the agreement between the parties and the supply of goods, the Trial Court held that there is a legally enforceable liability and convicted the petitioners. Once the petitioners are liable to pay the huge sum as the cheque amounts, only in order to, at least, partly mollify the complainants' suffering, Section 148 of the Negotiable Instruments Act, 1881 was brought into the statute books, and the Appellate Court has rightly exercised its power in ordering the 20% to be paid as compensation.

8. I have considered the rival submissions made on either side and perused the material records of the case.

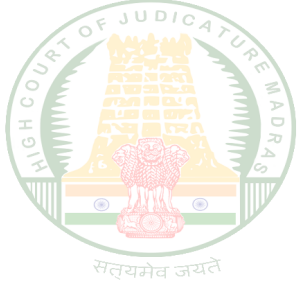
9. It is true that, by the judgment referred to by the learned Counsel for the petitioners in ***Jamboo Bhandari***'s case (cited *supra*) and other cases, it is held that, in every case, 20% need not be ordered mandatorily, and the Court can apply its mind and exercise its discretion. In the instant case, the very defence of the accused is two-fold. Firstly, it is stated that they worked only for a commission and the balance outstanding due should be collected only from the farmers. The Trial Court has taken into account the relevant clauses of the agreement and found that it is a



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dealership agreement and therefore the dealer is liable for the goods supplied. The said finding is agitated in the appeal by pointing out certain clauses in the agreement. Similarly, when it is pleaded that even if the liability is there on the petitioners, then, when the respondent/complainant has gone ahead and obtained an injunction in the arbitral proceedings restraining the collection of any amount from the farmers, then no liability can arise, the said contention is also dealt with by the Trial Court. The Trial Court has given the following findings:-

“Further the another defense raised on the side of A1, A2, A4 that the complainant approached the Hon’ble High Court Madras and obtained interim injunction to restrain the farmers/customers to pay the due amount to the A1 company vide Ex.D4, D5. On perusal of Ex.D4 and Ex.D5 it reveals that the complainant filed petition under section 9 of arbitration and conciliation act 1996 to grant interim injunction restraining the farmers/customers from making any payments to the A1 company and also sought direction to deposit the due amount to the A1 company. The Hon’ble High Court, Madras on 21.01.2021 ordered interim injunction from restrain the farmers/customers from paying the amount due to the first accused company. The above order obtained by the complainant on 21.01.2021, when being so, even assuming of A1 A2 A4 are not personally liable to pay the due amount to the complainant and farmers alone liable to pay the due amount to the A1 company. But as per clause 11 of Dealership agreement, it is duty of A1 to collect money from farmers/customers and when the complainant obtained interim injunction in the year 2021, why the accused not taken steps to set aside the order of interim injunction to restrain the farmers/customers to pay the due amount to the A1 company. Without taking any legal action against the order of interim injunction and mere



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denying the liability is not valid under eye of law.”

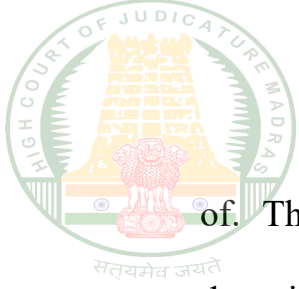
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Thus, it can be seen that the said finding is also now being agitated by the petitioners before the Appellate Court.

10. In the conspectus of facts, when the petitioners do not specifically plead how much of the amount is lying with the farmers from whom the petitioners are unable to collect, and what happened until the order of injunction was passed and subsequently, etc. Therefore, the contention raised with reference to non-payment of 20% of the compensation amount also overlaps their defence on the merits and has to be tested only by the Appellate Court.

11. In view of the above, considering the overall facts and circumstances of the case and the plea made, I am of the view that the condition imposed by the Appellate Court in all these matters, to deposit 20% of the compensation amount, shall stand modified to 10% of the cheque amounts.

12. In the result, these Criminal Original Petitions stand disposed



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of. The impugned orders shall stand modified inasmuch as they direct the deposit of 20% of the compensation amount and to the effect that they shall be read as 10% of the compensation amount and one month's time, from the date of receipt of a web-copy of this order, is granted to the petitioners to deposit the said 10% of the compensation amount. The observations made are only with reference to disposal of this application and the lower Appellate Court shall consider the appeal on its own merits without being in any manner influenced by the findings or observations in this order. Consequently, connected miscellaneous petitions are closed.

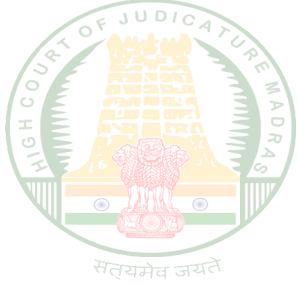
05.08.2026

Neutral Citation : yes  
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***Note:- Registry is directed to type cause title and prayer in all the cases.***

To

The XXI Additional Sessions Court,  
Allikulam, Chennai.



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**D.BHARATHA CHAKRAVARTHY, J.**

grs

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05.08.2026