

KABC020381192022



**IN THE COURT OF THE JUDGE COURT OF SMALL  
CAUSES AND A.C.J.M, AT BENGALURU**

**DATED THIS THE 1<sup>st</sup> DAY OF APRIL - 2026**

**PRESENT:**

**Smt.Nirmala M.C.,B.Com.,L.L.B  
JUDGE SMALL CAUSES, ACJM**

**CC No.14481/2022**

**Complainant:** Sri. Ziaulla,  
S/o Late Fazalu Baig,  
Aged about 44 years,  
No.14/2, II Main,  
II Cross, J.J.R. Nagar,  
Bengaluru – 560018.  
**(By Sri. Narayanaswamy.M - Adv.)**

-Vs-

**Accused:** Sri. V. Faisal Ahmed,  
S/o. V. Imtiyaz Ahmed,  
Aged about 31 years,  
No.18, 1<sup>st</sup> Cross, 1<sup>st</sup> floor,  
P&T Colony, Venkateshpuram,  
K.G. Halli, Bangalore – 560045.  
**(By Sri. Muniraja.S.M - Adv.)**

## **JUDGMENT**

The present complaint is filed under section 200 of Cr.P.C. against the accused for the offence punishable under section 138 of N.I. Act.

### **2. The factual matrix of the complaint is summarized as under:**

It is alleged in the complaint that, the accused and complainant are well acquainted with each other. The accused informed that, he is carrying on the business of family pharmacy and also suppliers of daily provisions at wholesale rate. The accused on the said reliability and intimacy, conveyed his financial difficulties and had requested some advance amount from complainant for his personal and for business purpose and he has

borrowed an amount of Rs.19,00,000/- as advance and he also promised the complainant to supply the goods or to return the said amount to complainant if accused fail to supply the aforesaid goods from him. The complainant lend an amount of Rs.19,00,000/- as hand loan in the form of advance. By pledging gold in Muthoot finance and taking Rs.9,00,000/- as gold loan and Rs.6,00,000/- the lease amount given by complainant tenant and also by borrowing Rs.4,00,000/- from complainant relative who is a rice merchant. The aforesaid amount of Rs.19,00,000/- was given to accused with an assurance that accused will supply the goods in wholesale price. But, accused has failed to supply the goods/materials to when the

complainant demanded the accused to supply the goods or to return the amount the accused executed Settlement agreement dated 18.06.2022 in favour of complainant and agreed to repay the amount as per the settlement agreement. After repeated demand, accused had issued cheque bearing No.473285 dated 12.09.2022 for Rs.4,90,000/- drawn on Indian Bank. The aforesaid cheque while writing the amount in words the accused instead of writing lakh the accused by mistake written as thouso and it was striked by putting a line by accused and issued to complainant stating that it will be honoured. On presentation of the No.473285 dated 12.09.2022 for Rs.4,90,000/- through his Banker which was returned dishonoured

by the bank for the reasons  
**"Alteration/correction in instrument  
restricted in CTS"** on 13.09.2022.

Thereafter, complainant got issued a legal notice dated 23.09.2022 through his counsel to the accused calling upon him to pay the cheque amount. But postal envelop returned with acknowledgment as no such person on 24.09.2022. Hence, it is alleged that the accused has committed an offence punishable Under Section 138 of N.I.Act.

3. My Predecessor in Office by taking cognizance for the offence punishable U/Sec.138 of N.I. Act, registered the case as PCR. Sworn statement of complainant was recorded. Thereafter, by perusing the averments of complaint, documents, this court

has registered the case as CC in register No.3 and issued summons to accused. In pursuance of summons accused appeared through his Advocate and he is on bail. Plea read over to accused pleaded not guilty and claimed to be tried.

4. Thereafter, complainant in order to prove his case, examined himself as PW1 and got marked documents at ExP1 to 6. Thereafter, statement of accused u/Sec. 313 of Cr.P.C was recorded. During the course of trial, the parties and their counsel filed joint memo and submitted that, judgment may be passed in accordance with said memo.

5. Heard the arguments of learned counsel for complainant.

6. The following points are arise for my consideration:

1. Whether the accused is liable to be convicted in terms of joint memo dated 16.03.2026?

2. What Order?

7. My findings on the above points are as under:

Point No.1 : In the **Affirmative;**

Point No.2 : As per the final order;  
for the following:

### **REASONS**

8. **Point No.1:-** Complainant has filed this complaint alleging that accused has committed offence under section U/Sec.138 of N.I Act. He pleads and asserts that, towards discharge of his liability, accused has issued a Cheque bearing No.473285 dtd.12.09.2022

for Rs.4,90,000/-. The said cheque came to be dishonoured on presentation. Complainant has issued notice within time stipulated calling upon the accused to pay the amount covered under cheques. In spite of service of notice accused has not paid the amount within 15 days, which gave rise cause of action to file this complaint. He further relied on the documents from Ex.P1 to 6.

9. In this scenario, let us scrutinize the documents relied by complainant in order to examine the compliance of statutory requirements envisaged under section 138 of N.I. Act. Ex.P1 is the original Cheque, Ex.P1(a) is the signature of accused on the cheque, Ex.P2 is the Endorsement issued by the bank, Ex.P3 is the legal notice, Ex.P4 is the Postal

receipt, Ex.P5 is the postal cover and Ex.P6 is the settlement agreement. A careful scrutiny of the documents relied by the complainant goes to show that, statutory requirements of section 138 of N.I. Act is complied with and this complaint is filed within time. Thus, complainant relied on the statutory presumptions enshrined under section 118 read with section 139 of N.I. Act.

10. The presumption under Sec.118 and 139 of the Act is in favour of the complainant. To rebut presumption, accused neither cross-examined PW1 nor adduced any evidence on his behalf. Thus, chief-examination version of PW1 remains uncontroverted. On 16.03.2026, parties have filed a joint memo stating that the matter is settled between themselves for a

sum of Rs.4,00,000/- as full and final settlement out of cheque amount of Rs.4,90,000/-.

As per joint memo, the accused has already paid a sum of Rs.1,00,000/- by way of online transfer to the complainant and the accused has agreed to pay the balance amount of Rs.3,00,000/- in the following manner:

<b>Sl.No.</b>	<b>Amount</b>	<b>Payment</b>	<b>Date</b>
1	Rs.25,000/-	By way of cash	05.04.2026
2	Rs.25,000/-	By way of cash	05.05.2026
3	Rs.25,000/-	By way of cash	05.06.2026
4	Rs.25,000/-	By way of cash	05.07.2026
5	Rs.25,000/-	By way of cash	05.08.2026
6	Rs.25,000/-	By way of cash	05.09.2026
7	Rs.25,000/-	By way of cash	05.10.2026
8	Rs.25,000/-	By way of cash	05.11.2026
9	Rs.25,000/-	By way of cash	05.12.2026
10	Rs.25,000/-	By way of cash	05.01.2027
11	Rs.25,000/-	By way of cash	05.02.2027
12	Rs.25,000/-	By way of cash	05.03.2027

For which the complainant also agreed to receive the said amount from the accused in the above said manner and the complainant has no other further claims in the above case whatsoever against the accused. In case of any default in payment, the complainant reserves the right to initiate appropriate legal action under the relevant provisions of law.

11. Considering the joint memo and submission of learned counsel for complainant and the accused, I deem it proper to grant time to the accused for payment of the amount to the complainant. Thus, material available on record clearly discloses that the complainant has complied all the ingredients of section 138 of Negotiable Instrument Act.

12. In view of foregoing discussions, I am of the opinion that, the complainant has established that the accused has committed an offence punishable under section 138 of Negotiable Instrument Act. The memo filed by the complainant and accused is sufficient to answer point No.1 in the **Affirmative**.

13. **POINT NO.2:** For the aforesaid reasons, I proceed to pass the following;

**ORDER**

Acting under section 255(2) of Cr.P.C., accused is hereby convicted for the offence punishable under section 138 of Negotiable Instrument Act and is sentenced to pay a fine of **Rs.3,00,000/- (Rupees three Lakhs Only)** as settled in the joint memo.

When the said amount is deposited, same shall be released to the complainant as compensation.

Terms and conditions of the joint memo becomes part and parcel of this order.

In default of payment of the fine amount as agreed upon, accused shall undergo simple imprisonment for 6 (Six) months.

The bail bond of the accused is hereby stands canceled.

(Dictated to the stenographer on computer, corrected and then pronounced by me in the open court on this the **1<sup>st</sup> day of April, 2026.**)

**(Nirmala.M.C)**  
**Judge, ACJM,**  
**Court of Small Causes,**  
**Bengaluru.**

**ANNEXURE****List of Witnesses examined on behalf of complainant:**

PW1                      Mr. Ziaulla

**List of Documents marked on behalf of complainant:**

Ex.P1                      Cheque  
Ex.P1(a)                      Signature of accused  
Ex.P2                      Bank endorsement  
Ex.P3                      Legal notice  
Ex.P4                      Postal receipt  
Ex.P5                      Postal cover  
Ex.P6                      Settlement agreement

**List of Witnesses examined on behalf of accused:**

NIL

**List of documents marked on behalf of accused:**

NIL

**(Nirmala.M.C)  
Judge, ACJM,  
Court of Small Causes,  
Bengaluru.**

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