IN THE COURT OF THE JUDICIAL FIRST CLASS MAGISTRATE-I, PALA
Present: Smt. Shermin S.S.,
Judicial First Class Magistrate Court- I, Pala

Saturday the 18th day of April, 2026/ 28th day of Chaithra, 1948

CC.193/2018

Complainant	:	State represented by the Sub Inspector of Police, Pala Police Station in Crime No.4133/2017 (Rep.By Smt. H ima A.R, APP, Pala)
Accused	:	Thomas, aged 44 yrs, S/o Augusthy, Mankarayil House, Pravithanam. (Rep. By Adv. Thomas V.T)
Offence		Punishable U/s. 17,18(A) of Kerala Money Lenders Act, and Sec. 9 of Kerala Prohibition of Charging Exorbitant Interest Act.
Plea	:	Not guilty.
Finding	:	Not guilty.
Sentence/Order	:	The accused is acquitted U/s.248(1) Cr.P.C for the offences punishable under section 17,18(A) of KML Act & Sec.9 of KPCEI Act. His bail bond stands cancelled and he is set at liberty.

Description of accused

Name	Father's/ Husband's name	Age	Calling	Residence	Taluk
Thomas	Augusthy	44	-	Mankarayil	Meenachil

DATE OF

offence	Report of complaint	Apprehension of accused	Released on bail	Commencement of trial	Close of trial	Sentence or order	Expln.for delay and remarks
23.12.17	23.12.17	21.9.23	21.9.2023	21.9.2023	7.4.26	18.4.26	No sitting

This case having been finally heard and on this day, the court delivered the following:-

JUDGMENT

This case is instituted on a final report filed by S.I of police, Pala and the accused was put to trial under sections 17,18(A) of KML Act & Sec.9 of KPCEI Act.

2. **The case of the prosecution is as follows:** The accused doing money lending business without any valid license or authority, lend money for interest by receiving blank stamp papers and have advanced loan in order to realize exorbitant interest. It is further alleged that the accused kept the aforesaid documents in his residential house. Thereby accused is alleged to have committed offences punishable u/s 17,18(A) of Kerala Money Lenders Act, and Sec. 9 of Kerala Prohibition of Charging Exorbitant Interest Act.

3. On appearance of the accused, copies of relevant prosecution records were furnished to him. After considering the police report, documents submitted along with that report and after hearing both sides, on being satisfied that there were grounds to proceed against the accused, charge framed, read over, explained and asked to the accused for the offence punishable U/s.17,18(A) of KML Act & Sec.9 of KPCEI Act to which he pleaded not guilty and claim to be tried.

4. The case was posted for prosecution evidence. On the prosecution side, PW1 to PW7 were examined and Exhibits P1 to P8 were marked. On closing of the prosecution evidence, accused was examined u/s 313(1)(b) of the Code of Criminal Procedure, 1973 regarding the incriminating circumstances made out against him in the prosecution evidence. He denied the allegations levelled

against him and pleaded innocence. Even though sufficient opportunities had given, no evidence adduced from the side of defence.

5. Heard both sides.

6. From the above facts and evidence, following points are raised for consideration:-

1. *Whether the accused carry money lending business without any license or in violation of the conditions of the license as alleged by the prosecution and thereby committed offence punishable U/s.17 of Kerala Money Lenders Act ?*
2. *Whether the accused contravenes any of the provisions of Kerala Money Lenders Act and thereby committed offence punishable u/s 18 of the Act?*
3. *Whether accused charged exorbitant interest on any loan advanced by him and thereby committed offence punishable u/s 9 of Kerala Prohibition of Charging Exorbitant Interest Act ?*
4. *Sentence or order?*

7. **<u>Point Nos. 1 to 3</u>:-** For the brevity of discussion, these points are considering together.

8. CW2 is examined as PW1. His evidence is that he know accused, but he turned hostile to the prosecution case. CW1 is examined as PW2. According to

his version accused is the vehicle broker. He also turned hostile to the prosecution case.

9. CW6 is examined as PW3. He is the Senior Superintendent of Pala Revenue Division. His evidence is that as per the order of Kottayam District Collector, he accompanied Pala police in inspecting accused house. On inspection, seized a stamp paper for Rs.100, and 2 stamp papers value of Rs.50, 2 stamp pampers value of Rs.20 and a 10 rupees stamp paper from accused bed room. He put his signature in Ext.P1 seizure mahazer. He identified Ext.P2 series stamp papers.

10. CW4 is examined as PW4. He is the accompanying officer in search along with SI of police, Pala on 23/12/2017. His evidence is that he along with SI participated in search of the accused house and seized 6 stamp papers. He identified Ext.P2 series stamp papers.

11. CW8 is examined as PW5. His evidence is that while he was working as Sub Inspector, Pala on 23/12/2017 based on the information of keeping stamp papers by one Mr. Thomas, after obtaining search warrant from the Hon'ble Court, he searched accused house. He identified Ext.P3 search warrant. For search, he prepared a report. It is marked as Ext.P4. On search, from the bed room of accused, seized a stamp paper of Rs.100, 2 stamp papers of Rs.50, 2 stamp papers of Rs.20, for which he prepared search list. He identified Ext.P2 series stamp papers. He filed FIR u/s 17, 18 of KML Act & Sec.9 of KPCEI Act. FIR is marked as Ext.P5. Form 15 is marked as Ext.P6. The accused is released

o n bail as per Ext.P7 bail bond. He produced letter from CW7, stating that the accused have no license to lend money. That letter is marked as Ext.P8, subject to proof. He deposed that he know the accused. Identity of the accused was not disputed by the defence. After investigation, he filed final report.

12. CW5 is examined as PW6. She is the CPO who accompanied the search process on 23/12/2017 and seized stamp papers from the almirah of accused. She identified Ext.P2 series stamp papers. In the cross examination, she stated that no document is produced to prove the ownership of house of the accused.

13. CW7 is examined as PW7. She is the Assistant Commissioner GST Department. She filed a report stating that accused have no license to conduct money lending business. He identified his signature and it is marked as Ext.P8.

14. Prosecution relies on the above evidence to prove the prosecution case. On the other hand, the accused contented that he is innocent of the allegations levelled against him. Hence it is necessary to put the evidence to scrutiny.

15. The evidence of PW3 is that as per the order of Kottayam District Collector, he accompanied Pala police in inspecting accused house. On inspection, seized a stamp paper for Rs.100, and 2 stamp papers value of Rs.50, 2 stamp pampers value of Rs.20 and a 10 rupees stamp paper from accused bed room. He put his signature in Ext.P1 seizure mahazer. He identified Ext.P2 series stamp papers. In the cross-examination he deposed that no documents to show the ownership of house is seen.

16. The evidence of PW4 is that he along with SI participated in search of the accused house and seized 6 stamp papers. He identified Ext.P2 series stamp papers.

17. In the cross-examination, PW5 deposed that all the stamp papers are in the name of accused. No document is produced to show any financial transaction and only the signature of the wife of the accused is obtained in search list.

18. PW1 and PW2 turned hostile to the prosecution case. Evidence of PW3 & PW4 are that they accompanied the search process and put their signature in seizure mahazer. These version shows that in the search 6 stamp papers were seized. From the evidence of PW5 it is clear that ownership of the house of the accused is not produced. All the stamp papers are in the name of the accused. No document is seized in order to prove any financial transaction. As per section 17 & 18 of KML Act, whoever carries on the business of money lending without a licence or in violation of the conditions of the license or otherwise than in conformity with the terms and conditions of the license, be liable to be punished. Int he case in hand, prosecution is failed to produce cogent evidence to prove the fact of business of money lending without license by the accused. Stamp papers seized from the house of the accused are in the name of the accused. No other documents to prove the money lending business is discovered as part of investigation. Moreover, ownership of building is not proved. Prosecution failed to produce any evidence regarding charging of exorbitant interest on any loan advanced by him. This itself shows that prosecution failed to produce evidence to prove the fact of charging exorbitant

interest on any loan advanced by him. All the occurrence witnesses turned hostile to the prosecution case. Due to this reasons itself, there is no direct evidence to connect the accused with the crime. Hence, from the oral as well as documentary evidence, there is no connecting evidence to prove the guilt of the accused. So the prosecution failed to produce cogent evidence to connect the accused with the crime.

19. Hence I am of the view that the evidence tendered by the prosecution is not sufficient to prove the guilt of the accused. There is no other reliable evidence is produced to establish the guilt of the accused. On evaluation of the entire oral and documentary evidence adduced in this case, I came to a conclusion that prosecution has failed to prove that the accused had committed the offences as alleged by the prosecution. Hence, in the absence of reliable evidence to connect the accused with the crime benefit of doubt is give in favour of the accused and the point nos.1 to 3 is found against the prosecution.

20. **Point No.4:-** In view of the findings of the above said points, accused is entitled for an acquittal and hence these point does not arise for consideration.

In the result, accused is found not guilty of the offences punishable U/ss. 17,18(A) of KML Act & Sec.9 of KPCEI Act and thereby acquitted Us 248(1)CrPC. His bail bond stands cancelled and he is set at liberty.

(Dictated to the Confidential Assistant transcribed and typed by her, corrected and pronounced by me in open court on this the 18th day of April, 2026)

Judicial First Class Magistrate-I,
Pala.

Appendix

Witnesses examined for the prosecution

PW1: Jose K John(CW2)

PW2: Saji K.P(CW1)

PW3: Jolly Joseph(CW6)

PW4: Baiju P.M(CW4)

PW5: Abhilash kumar(CW8)

PW6:Binumol(CW6)

PW7:Annamma Joseph(CW7)

Exhibits marked for the prosecution:

Ext. P1	: Mahazer with Search list proved by PW1
P2 series	: Stamp papers(6 nos) proved by PW1
P3	: search warrant proved by PW5
P4	: Report proved by PW5
P5	: FIR proved by PW5
P6	: Form 15 proved by PW5
P7	: Bail Kacheetu bond proved by PW5
P8	: Letter from CW7(subject to proof) PW5

Witnesses examined for the defence: NIL

Exhibits marked for the defence: NIL

Material Object Marked : NIL

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//True Copy//

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