



CNR: KAHC010313002026

NC: 2026:KHC:48817
CRL.RP No. 704 of 2026

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 8TH DAY OF SEPTEMBER, 2026

BEFORE

THE HON'BLE MRS. JUSTICE GEETHA K.B.

CRIMINAL REVISION PETITION NO. 704 OF 2026

(397(Cr.PC) / 438(BNSS))

BETWEEN:

1. UNITED BUILDERS AND DEVELOPERS
NO. 83/1, 4TH CROSS,
MALLAPPA LAYOUT, BABUSAPALYA,
KALYANANAGAR, BENGALURU 560 043
REP BY ITS MANAGING PARTNERS
2. SRI VENKATARAM M
S/O LATE MUNIYAPPA,
AGED ABOUT 59 YEARS,
R/AT NO. 83/1, 4TH CROSS,
MALLAPPA LAYOUT, BABUSAPALYA,
KALYANNAGAR, BENGALURU 560 043
3. SMT SOWBHAGYA
W/O LATE B S VIJYA KUMAR
AGED ABOUT 49 YEARS
R/AT NO. 83/1, 4TH CROSS, MALLAPPA LAYOUT,
BABUSAPALYA, KALYANNAGAR,
BENGALURU 560 043
4. SRI ASHOK KUMAR N
S/O NARAYANASWAMY,
AGED ABOUT 48 YEARS,
R/AT NO. 83/1, 4TH CROSS, MALLAPPA LAYOUT,

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Location:
HIGH
COURT OF
KARNATAKA



CNR: KAHC010313002026

NC: 2026:KHC:48817
CRL.RP No. 704 of 2026

BABUSAPALYA, KALYANNAGAR,
BENGALURU 560 043

...PETITIONERS

(BY SRI.N.R.RAGHAVAN, ADVOCATE FOR
SRI. K VISHWANATHA.,ADVOCATE)

AND:

1. SRI PRADEEP JADHAV V
S/O K VITTAL RAO,
AGED ABOUT 48 YEARS,
RESIDING AT NO. 462, 7TH A MAIN ROAD,
OUTER RING ROAD, HRBR 2ND BLOCK,
KALYANNAGAR, NEW ROYAL CONCORDE SCHOOL,
BENGALURU 560 043

...RESPONDENT

(BY MS.AISWARYA.S.M, ADVOCATE FOR
SRI. MAHESHA P.,ADVOCATE)

THIS CRL.RP IS FILED U/S.397 R/W 401 CR.P.C (U/S 438 R/W 442 BNSS) BY THE ADVOCATE FOR THE PETITIONER PRAYING TO SET ASIDE THE JUDGMENT OF CONVICTION AND SENTENCE PASSED BY THE BY THE V ADDITIONAL SMALL CAUSES JUDGE AND XXIV ADDL. CHIEF JUDICIAL MAGISTRATE, MAYO HALL UNIT, AT BENGALURU, IN C.C. NO. 54891/2021, DATED 12.06.2024 AND ALSO BY CONFORMING THE JUDGMENT OF TRIAL COURT PASSED BY THE LXXIII ADDL. CITY CIVIL AND SESSION JUDGE, MAYO-HALL UNIT, BENGALURU CITY (CCH-74) IN CRL. APPEAL. NO. 25245/2024, DATED 24.02.2026, FOR THE OFFENCE UNDER SECTION 138 OF N.I. ACT, BY ALLOWING THE ABOVE CRIMINAL REVISION PETITION, AND ACQUITTED THE PETITIONER/ ACCUSED.

THIS PETITION, COMING ON FOR ADMISSION, THIS DAY,
ORDER WAS MADE THEREIN AS UNDER:

CORAM: HON'BLE MRS. JUSTICE GEETHA K.B.

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CNR: KAHC010313002026

NC: 2026:KHC:48817
CRL.RP No. 704 of 2026

ORAL ORDER

This is the criminal revision petition filed under Section 438 r/w Section 442 of Bharatiya Nagarik Suraksha Sanhita, 2023 (in short 'BNSS') (Section 397 of the Code of Criminal Procedure, 1973) (in short 'Cr.P.C') by the revision petitioners/accused persons praying for setting aside the judgment dated 24.02.2026 passed in Criminal Appeal No.25245/2024 on the file of the LXXIII Additional City Civil and Sessions Judge, Mayo Hall Unit, Bengaluru City (CCH-74) (in short 'Appellate Court') and to set aside the judgment of conviction and order of sentence dated 12.06.2024 passed in C.C.No.54891/2021 on the file of V Additional Small Causes Judge & XXIV Additional Chief Judicial Magistrate, Mayo hall Unit, Bengaluru (in short 'trial Court').

2. Parties would be referred with their ranks as they were before the Trial Court for sake of convenience and clarity.

3. The case of complainant in nutshell is that, the complainant has filed the private complaint under Section 200 Cr.P.C. before the trial Court alleging the offence punishable

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CNR: KAHC010313002026

NC: 2026:KHC:48817
CRL.RP No. 704 of 2026

under Section 138 of the Negotiable Instruments Act, 1881 (in short 'NI Act').

The facts narrated in the complaint are that, accused No.1 is the partnership firm represented by accused No.2 to 4, the managing partners; engaged in the business of land developing and building construction. One Mr Sathya Teja, the brother of accused No.2 introduced accused No.2 to 4 to the complainant that they are land developers and builders. Similarly, Sathya Teja invested Rs.25,00,000/- in residential apartment project and complainant and accused persons have entered into an agreement for the said project dated 30.05.2015. As per the terms and conditions of the said agreement, accused persons have to complete the project work within 18 months; failing which, they have to repay the amount with interest and costs. Accused persons failed to complete the project as agreed upon. Accordingly, they have issued the cheque for a sum of Rs.37,50,000/-. The accused collected back the said cheque; then, the complainant who is one of the signatories to the agreement, requested to repay his investment of Rs.25,00,000/-. But accused persons have not

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CNR: KAHC010313002026

heeded for his request. Ultimately, in December 2020, they have issued the cheque bearing No.105885 dated 11.12.2020 in favour of complainant for a sum of Rs.25,00,000/- drawn on Canara Bank, Bengaluru. The said cheque was presented for encashment through the banker of complainant; it was dishonoured and returned with an endorsement 'account blocked'; the same was intimated to the complainant by the banker on 14.12.2020. Then, complainant has issued legal notice dated 12.01.2021 to accused persons, which was served on them on 13.01.2021, but they failed to repay the cheque amount as agreed and they intentionally blocked the account only to cheat the complainant. Hence, legal notice was issued and after service of legal notice, which was served upon them, but they failed to give reply and have not repaid the amount. Hence, the complaint.

4. After recording the sworn statement of the complainant, summons was issued to the accused/revision petitioners, after their appearance; accusation levelled against accused persons; they pleaded not guilty, trial commenced and accused persons have cross-examined PW.1. Accused persons have denied the



CNR: KAHC010313002026

case of complainant in the statement recorder under Section 313 Cr.P.C. However, no defence evidence was let in.

5. Considering the available evidence, the trial Court came to the conclusion that the Complainant has established that accused persons have committed the offence under Section 138 of the NI Act and passed the judgment of conviction and order of sentence directing accused persons to pay fine of Rs.25,05,000/- within 2 months; out of said amount, Rs.25,00,000 shall be payable to the complainant as compensation and remaining amount of Rs.5,000/- shall be confiscated to the State towards litigation purposes.

6. Aggrieved by the said judgment of conviction and order of sentence, accused persons/revision petitioners have filed criminal appeal before the appellate Court.

7. After hearing arguments of both sides, the Appellate Court dismissed the appeal by confirming the judgment of conviction and order of sentence.

8. Aggrieved by the same, accused persons/revision petitioners are before this Court.

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CNR: KAHC010313002026

9. Heard arguments of both sides.

10. Learned counsel for the revision petitioners, Sri N.R.Raghavendra would submit that as per Exhibit P.1, the dispute between parties is civil in nature. The complainant ought to have approached the arbitrator and file an arbitration petition to recover the amount; instead of doing so, they have concocted the cheque issued as on the date of Agreement and implicated the accused persons. Accused No.3 and 4 are not signatories to the cheque in question but they are also made as parties, which is not correct. Furthermore, brother of accused No.2-Sathya Teja is one of the parties to the agreement along with this complainant but he has not filed any case and he is not made as party to the case. Thus, only from the cross-examination of the complainant, accused have elicited that the amount in question is not pertaining to the suit transaction. Furthermore, only after the case is posted for arguments, complainant recalled himself and produced the alleged reply given on behalf of accused persons, which is denied by accused persons. Furthermore, the cross-examination of complainant establishes that the legal notice said to have been issued on



CNR: KAHC010313002026

behalf of the complainant is not signed either by the complainant or by his advocate. Hence there is no legal notice as required under Section 138 of the NI Act. Hence, the offence under Section 138 of the NI Act is not attracted. Even though the complainant in his cross-examination submitted that he would examine the brother of accused No.2 - Sathya Teja, no effort is made to examine him. The said Sathya Teja is the primary cause for filing this case and creating the cheque in question. It is a time-barred debt. These facts are not considered by the trial Court as well as the appellate Court. Hence prayed for allowing the revision petition.

11. Learned counsel for respondent-Smt.Aiswarya S.M, would submit that, there is a clear indication in the agreement that Rs.25 lakhs is paid by Sathya Teja and Rs.25 lakhs is paid by the complainant. The complainant has filed the case in his individual capacity because the cheque is issued in the name of complainant individually. The trial Court as well as the appellate Court have examined the documents produced in this case and the contention taken by the accused persons before the trial Court as well as the appellate Court is the contention taken in



CNR: KAHC010313002026

this appeal and those contentions were met out by the trial Court as well as by the appellate Court. Hence, revision petition does not survive for consideration. Arbitration clause is not included in the agreement as per Exhibit P.1. Examination of Sathya Teja does not arise because he is the brother of accused No.2 and always blood is thicker than water. Furthermore, accused persons could have examined him if they really wanted his evidence but they also intentionally not examined Sathya Teja and also not examined themselves to disprove the contention taken by the complainant. The presumption available in favour of complainant under Sections 118 and 138 of NI Act were not at all rebut by the accused persons. Accused persons have not filed any complaint or taken any legal action for misuse of the cheque as alleged in their cross-examination to PW.1. Hence, she supports the judgment of trial Court as well as the appellate Court and prays to dismiss the petition.

12. Having heard arguments of both sides, verifying the revision petition papers, the Trial Court and the appellate Court records, the point that arises for consideration is:

Digitally Signed By:
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CNR: KAHC010313002026

NC: 2026:KHC:48817
CRL.RP No. 704 of 2026

"whether the revision petitioner establishes any perversity or gross erroneous finding or glaring unreasonable, wholly unreliable, untenable points in the judgment of the Trial Court as well as the appellate Court?"

Finding of this Court on above point is in '**Negative**' for the following:

REASONS

13. The revisional jurisdiction of this court is very limited. In this regard, this court places reliance on the recent judgment of the Hon'ble Apex Court in ***Kuntegowda v/s Thurubaiah in Criminal Appeal No..2026, (Arising out of Special Leave Petition (Criminal) No.2247 of 2024 dated 04.08.2026*** wherein in paragraph 7.3 it is held as follows :

" 7.3. The contours for exercise of revisional jurisdiction has been well settled by the judicial dicta of this Court wherein time and again it has been observed that the High Court shall not interfere with the orders of the lower court unless:

i. The order or finding of the lower court is perverse, grossly erroneous, glaringly unreasonable or wholly unreliable or untenable in law.

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CNR: KAHC010313002026

ii. The lower court has passed the impugned order after considering an immaterial or irrelevant material or no material at all.

iii. There is a non-consideration of any relevant material or the judicial discretion has been exercised arbitrarily or capriciously."

14. Thus, only if the finding of the trial Court and appellate Court is perverse, grossly erroneous, glaringly unreasonable, wholly unreliable or untenable or it has not considered the relevant material; or it has considered the material which is immaterial or no material at all while passing the judgment; then and then only this Court can interfere with the order passed by the trial Court confirmed by the appellate Court. When there is concurrent finding by both the Courts, the revisional Court cannot give its own reasoning to set aside those judgments until and unless they are perverse or for any other reasons mentioned in the aforesaid paragraph.

15. To attract the offence under Section 138 of NI Act, the complainant has to satisfy the following ingredients:

(i) that there is legally enforceable debt;



CNR: KAHC010313002026

(ii) that the cheque was drawn from the account of bank for the discharge in whole or in part of any debt or other liability;

(iii) that cheque has been presented to the bank within a period of six months from the date on which it is drawn or within the period of its validity, whichever is earlier;

(iv) that cheque so issued had been returned due to insufficiency of funds;

(v) the payee or the holder in due course of the cheque makes a demand for the payment of the said amount of money by giving a notice in writing, to the drawer of the cheque, within 15 days of the receipt of information by him from the bank regarding the return of the cheque as unpaid;

(vi) the drawer of such cheque fails to make payment of the said amount of money to the payee or the holder in due course of the cheque within 15 days of the receipt of the said notice.

16. If the aforementioned ingredients are satisfied then the person who has drawn the cheque shall be deemed to have

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CNR: KAHC010313002026

committed an offence as there exist presumption under section 118 and 139 of the NI Act.

17. With this background, the facts of the present case are to be analysed.

18. Accused No.1 is a partnership firm represented by accused No.2 to 4 -partners. They are engaged in the business of land developing and building construction. According to complainant Sri Sathya Teja, the brother of accused No.2 introduced accused persons to the complainant that, they are land developers and builders. As per the say of Sathya Teja, complainant had invested Rs.25,00,000/- in the residential apartment project which was taken by the accused persons. Accordingly, the complainant and accused persons have entered into an agreement dated 30.05.2015. According to the terms and conditions of the said agreement, accused persons have to complete the project work within 18 months from the date of agreement, failing which they have to refund the amount to the investor-complainant including the costs and interest. But accused persons have not completed the project within that stipulated period. Hence, complainant demanded to

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K B GEETHA



CNR: KAHC010313002026

repay his amount. Accused persons have issued cheque for Rs.37,50,000/-. But they have not complied. Later during first week of December, they take back the said cheque bearing No.105885 dated 11.12.2020 in favour of complainant for a sum of Rs.25,00,000/- drawn on Canara Bank, Bengaluru. As per the instructions of accused persons, complainant presented the said cheque for encashment through his banker which is returned dishonoured with an endorsement 'account blocked'. Complainant received his banker's memo on 14.12.2020, intimated the same to accused persons and issued legal notice dated 12.1.2021 calling upon accused persons to pay the cheque amount; it was served on them on 13.01.2021, but they failed to repay the amount. Hence, the complaint for appropriate reliefs.

19. The above set of facts made it clear that, the cheque has been presented to the Bank within a period of 6 months or within a period of its validity from the date on which it was drawn, because, the cheque is dated 11.12.2020 and it was presented for encashment on 14.12.2020; the same was intimated to the complainant on 16.01.2021; he has issued



CNR: KAHC010313002026

legal notice dated 12.01.2021 i.e. within 30 days from the date of intimation to the accused persons as per Exhibit P.1. In this regard, the said notice was served upon accused No.2 to 4, who are representing accused No.1, the partnership firm.

20. After service of said notice, they have given reply as per Exhibit P.16 dated 11.02.2021. However, the learned counsel for the revision petitioners would vehemently submit that said reply notice was not issued as per the instructions of accused No.2 to 4. However, to substantiate it, accused No.2 to 4 have not stepped into witness box. There is no mention about the reply notice in the complaint but complainant was permitted to produce this document and it was marked at his instance.

21. Even though Exhibit P.5-legal notice does not bear the signature of the learned counsel for the complainant and the complainant, it is only an office copy and the original was sent to accused No.2 to 4. It is not stated in the reply that the said notice was not signed. Hence, the said contention of accused cannot be accepted. Thus, the service of notice demanding the cheque amount is fulfilled.

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CNR: KAHC010313002026

22. Admittedly, within 15 days from the date of receipt of said legal notice, accused No.2 to 4 have not paid the amount mentioned in the cheque to the complainant. The complaint is presented before the trial Court on 12.2.2021 i.e., within 30 days after 15 days from the date of receipt of legal notice. Thus, all the ingredients of Section 138 of the NI Act are fulfilled.

23. When the complainant fulfils all these conditions, a presumption is available in favour of complainant under Section 118 of the NI Act as well as under Section 139 of the NI Act. According to these presumptions, the cheque in question is issued for consideration and the cheque in question is issued on the date mentioned on it. Further, the cheque is issued towards discharge of legally recoverable debt or liability either wholly or partially.

24. These presumptions are rebuttal presumptions. The accused persons by cross-examining PW.1 have to rebut this presumption and they can also lead defence evidence. In the instant case, accused persons have not let-in their evidence. But they have only cross-examined PW.1. Even in the

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CNR: KAHC010313002026

statement under Section 313 Cr.P.C, except denying the contention of complainant, they have not explained that under what circumstance, the cheque in question came into the hands of the complainant.

25. The defence taken by accused while cross-examining PW.1 is that, the dispute between parties is civil in nature and no suit or arbitration proceedings is initiated by the complainant for non-compliance of the terms and conditions mentioned in Exhibit P.1, the agreement between parties.

26. It is not in dispute that the cheque in question is issued by accused No.2, who is authorized signatory of accused No.1-firm.

27. The accused persons have admitted the existence of Exhibit P.1-agreement. According to this agreement, the accused persons have to complete the construction work within 18 months from the date of agreement. In case, they fail to complete the construction work then, they have to pay Rs.50,00,000/- i.e., Rs.25,00,000/- each to complainant and Sathya Teja and they have also to pay Rs.25,00,000/- as cost,



CNR: KAHC010313002026

NC: 2026:KHC:48817
CRL.RP No. 704 of 2026

totally Rs.75,00,000/- to the complainant and another person and if they failed to pay the amount as agreed then, they have to pay the interest at 3% on Rs.75,00,000/-. In this regard, they have issued a cheque No.105885 for a sum of Rs.37,50,000/-. However, according to complainant, the said cheque was taken back and cheque for the principal amount of Rs.25,00,000/- was issued by the accused persons on 11.05.2020. No material is produced by the accused persons to say that it was issued in the year 2015 at the time of agreement. Thus, the presumption in favour of complainant was not rebutted by the accused persons.

28. From the cross-examination of PW.1, nothing was elicited from them to lead their evidence or to examine Sathya Teja to substantiate their contention. Furthermore, they have not taken any action against the complainant for misuse of the cheque as alleged in the cross-examination of PW.1. Considering all these aspects in the right and proper perspective, the trial Court has convicted the accused persons, which is confirmed by the appellate Court, which requires no interference.

29. Hence, this Court passes the following order :

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CNR: KAHC010313002026

NC: 2026:KHC:48817
CRL.RP No. 704 of 2026

ORDER

Revision petition is ***dismissed***.

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(GEETHA K.B.)
JUDGE

RS
List No.: 1 Sl No.: 22