HC-KAR

NC: 2026:KHC:60539
CRL.P No. 10614 of 2026
C/W CRL.P No. 10517 of 2026

CNR: KAHC010484042026

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 30TH DAY OF OCTOBER, 2026

BEFORE

THE HON'BLE MR. JUSTICE ANANT RAMANATH HEGDE

CRIMINAL PETITION NO. 10614 OF 2026

C/W

CRIMINAL PETITION NO. 10517 OF 2026

IN CRL.P No. 10614/2026

BETWEEN:

SHIVARAMAKRISHNA M
S/O. ESHWARIAH MOLLAGUDAM
AGED ABOUT 45 YEARS,
R/AT D.NO.8-2-332,
PLOT NO.202, 2ND FLOOR,
ROAD NO.3, BANJARA HILLS
KHAIRATABAD, HYDERABAD,
TELANGANA -500081.
SOLE PROPRIETOR
M/S FLYCHEM INDIA,
PL.NO.97, 4TH FLOOR,
DIVYASREE APARTMENT,
GAFOOR NAGAR, MADHAPUR,
HYDERRABAD - 500081.

…PETITIONER

(BY SRI. SACHIN B S.,ADVOCATE)

AND:

M/S.ECOCHEM
A PROPRIETORSHIP FIRM,
R/O. NO.25 AND 26/160,
BYRAVESWARA INDUSTRIAL ESTATE,
ANDRAHALLI MAIN ROAD,
NEAR PEENYA 2ND STAGE,

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BENGALURU - 560091.
REP BY ITS SOLE PROPRIETOR,
MAKAM CHANDRAPRAKSH
S/O. LATE MAKAN SUNDAR RAJ SHETTY,
AGED ABOUT 67 YEARS,
R/O. NO.25 AND 26/160,
BYRAVESWARA INDUSTRIAL ESTATE,
ANDRAHALLI MAIN ROAD,
NEAR PEENYA 2ND STAGE,
BENGALURU - 560091.

…RESPONDENT

(BY SRI. VISHNU PALASAMUDRAM VENKATESH.,ADVOCATE)

THIS CRL.P IS FILED U/S 482 CR.PC (FILED U/S 528 BNNS) BY THE ADVOCATE FOR THE PETITIONER PRAYING THAT THIS HONOURABLE COURT MAY BE PLEASED TO QUASH THE ENTIRE PROCEEDINGS IN CC.NO.21939/2026 PENDING ON THE FILE OF XVI ADDITIONAL CJM, BENGALURU INITIATED BY THE RESPONDENT / COMPLAINANT FOR THE OFFENCE U/S 138 OF NEGOTIABLE INSTRUMENT ACT, 1881 AGAINST THE PETITIONER, AS PER DOCUMENT NO.1 .

IN CRL.P NO. 10517/2026

BETWEEN:

SHIVARMAKRISHNA M @ MOOLAGUDAM
SIVARAMAKRISHNA PRASAD
S/O. ESHWARIAH MOLLAGUDAM
AGED ABOUT 45 YEARS,
R/AT D.NO.8-2-332,
PLOT NO.202, 2ND FLOOR,
ROAD NO.3, BANJARA HILLS
KHAIRATABAD, HYDERABAD, TELANGANA -500081

...PETITIONER

Digitally Signed by ANANT
RAMNATH HEGDE

(BY SRI. SACHIN B S., ADVOCATE)

AND:

M/S.ECOCHEM
A PROPRIETORSHIP FIRM,
R/O. NO.25 AND 26/160,
BYRAVESWARA INDUSTRIAL ESTATE,
ANDRAHALLI MAIN ROAD,
NEAR PEENYA 2ND STAGE,
BENGALURU - 560091.
REP BY ITS SOLE PROPRIETOR,
MAKAM CHANDRAPRAKSH
S/O. LATE SUNDAR RAJ SHETTY,
AGED ABOUT 67 YEARS,
R/O. NO.25 AND 26/160,
BYRAVESWARA INDUSTRIAL ESTATE,
ANDRAHALLI MAIN ROAD,
NEAR PEENYA 2ND STAGE,
BENGALURU - 560091.

...RESPONDENT

(BY SRI. VISHNU PALASAMUDRAM
VENKATESH.,ADVOCATE)

THIS CRL.P IS FILED U/S.482(FILED U/S.528 BNSS) CR.P.C BY THE ADVOCATE FOR THE PETITIONER PRAYING THAT THIS HONOURABLE COURT MAY BE PLEASED TO QUASH THE ENTIRE PROCEEDINGS IN C.C.NO.21937/2026 PENDING ON THE FILE OF THE XVI ADDL CJM BENGLAURU INITIATED BY THE RESPONDENT / COMPLIANANT FOR THE OFFENCE P/US 138 OF NI ACT 1881 AGAINST THE PETITIONER AS PER DOCUMENTS NO.1.

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RAMNATH HEGDE

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

CORAM: HON'BLE MR. JUSTICE ANANT RAMANATH HEGDE

ORAL ORDER

Heard the learned counsel appearing for the petitioner and the learned counsel appearing for the respondent.

2. This petition is filed to quash the proceedings in C.C.No.21939/2026 pending before the XVI Additional Chief Judicial Magistrate, Bengaluru. The offences alleged are under Section 138 of the Negotiable Instruments Act, 1881 ('NI Act').

3. The basic requirements of Section 138 of the NI Act, are met. There is no dispute on this aspect. There is no dispute that the signature on the cheque is that of the petitioner. There is no dispute that the cheque is pertaining to the account of the petitioner. Admittedly, there was a business transaction between the petitioner and the complainant.

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4. Learned counsel for the petitioner would submit that the cheques have been issued as a security for the business transaction and the 3 invoices which are referred to in the complaint refer to the transactions between the petitioner and the respondent and the payment is already made through to NEFT transaction in respect of aforementioned three invoices.

5. Learned counsel for the petitioner would submit that petitioner has supporting bank statements as well as the ledger extract to substantiate the contention. Thus, it is urged that the complaint is not tenable as there was no legally enforceable debt as on the date of representation of the complaint.

6. Learned counsel for the respondent would submit that since 2018, the petitioner and respondent are transacting and the respondent is the supplier of the goods to the petitioner and the petitioner has been making payment intermittently. There are multiple transactions between the petitioner and the respondent and the payment

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which the petitioner is referring to is not in respect of the 3 invoices referred to in the complaint. The amount payable under the said 3 invoices are still unpaid. The contention that the petitioner has maintained a ledger in respect of the payment made has to be tested and tried in a trial.

7. It is the further submission that it is not the case of the petitioner that there are only three transactions. Admittedly, there are multiple transactions. Thus, the petitioner's contention that he has made payment and nothing is due cannot be accepted.

8. It is further submitted that it is required to be considered at the time of trial as to how many transactions were carried out between the petitioner and the respondent and payment is made for which of the transactions.

9. It is also the submission that under Section 139 of NI Act, there is a presumption in favour of the complainant as to the legally enforceable debt and the

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petition cannot be allowed and the proceeding before the Trial Court cannot be quashed at this stage.

10. The Court has considered the contentions raised at the Bar and perused the records.

11. Section 139 of the Negotiable Instruments Act, 1881 reads as under:

> *"139. Presumption in favour of holder.—*
>
> *It shall be presumed, unless the contrary is proved, that the holder of a cheque received the cheque of the nature referred to in Section 138 for the discharge, in whole or in part, of any debt or other liability."*

12. From the bare perusal of the said provision, it is apparent that there is a presumption in favour of the complainant as to the legally enforceable debt in favour of the complainant and the cheque has been issued in discharge such legally enforceable debt.

13. Though the learned counsel the petitioner would submit that he has maintained the ledger which would

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establish that the payment is made in respect of the 3 invoices referred to in the complaint, said ledger is disputed by the respondent. Hence, the ledger has to be proved at the time of trial.

14. The contentions raised in this petition are to be considered only after the evidence to be led during the trial.

15. Under the circumstances, the Criminal Petition is ***dismissed***. All contentions are kept open.

16. Observations made above are only tentative observations, not on the merits of the matter.

Crl.P.No.10517/2026

Crl.P.No.10517/2026 is filed in respect of the amount which is the interest component of the amount referred to in the cheque which is a subject matter of Criminal Petition No.10614/2026. Since the Crl.P.No.10614/2026 is dismissed, the present petition is also not maintainable.

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2. Hence, the Criminal Petition is ***dismissed.*** However, the observations made in the said order are not the observations on the reflection of the merit in the present case.

3. In case the complainant succeeds in C.C.No.21939/2026, then the second complaint in respect of the cheque which is allegedly issued towards interest payable in respect of the cheque amount referred to in C.C.No.21939/2026 has to be considered on its merits.

4. In case, C.C.No.21939/2026 is dismissed, then the complaint in CC.No.21937/2026 has to be dismissed.

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(ANANT RAMANATH HEGDE)
JUDGE

GVP
List No.: 2 Sl No.: 27