

KERALA LAW ACADEMY LAW COLLEGE,
THIRUVANANTHAPURAM, KERALA

ADR FORUM

2ND NATIONAL ADR (VIRTUAL) COMPETITION

PROBLEM-2 SEMI FINAL ROUND

The appellant Smt. Raji ("complainant" hereafter) filed a complaint under Section 138 of the NI Act, complaining that the respondent Shri Arjun Nair herein ("respondent" hereafter) had a liability of `55,99,600/- towards her as on 7th April 2018 as recorded in a regular ledger account for supply of fire-fighting goods and equipment to the respondent on different dates and different quantities. In part discharge of this liability, the respondent was stated to have issued two account payee cheques in favour of the complainants of `11,00,000/- (Cheque No.365406/- dated 1st December 2019) and `16,00,000/-

(Cheque No.563707 dated 28th November 2020). Unfortunately, these two cheques were dishonoured by the respondent's bank on presentation on account of "insufficiency of funds".

As a result, the complainant was compelled to serve a legal notice of demand on the respondent which, when went unheeded, led to the filing of two complaint cases under Section 138 of the NI Act before the Patiala House Courts, New Delhi being CC Nos.89/1/21 and 266/1/21. In these proceedings, both parties had expressed the intention to amicably settle their disputes. Consequently, by a common order dated 1st April 2021 recorded in both the complaint cases, the matter was referred to the Delhi High Court Mediation and Conciliation Centre.