

**IN THE COURT OF ASJ-06/SPECIAL JUDGE (POCSO ACT)
EAST DISTRICT, KARKARDOOMA COURT, DELHI**

Presided by:-

Sh. Abhishek Srivastava, DHJS

CS No.6397/2018 (CS-261/18)

CNR No.DLCT01-012958-2018

Arun Kumar Goyal
S/o Sh. Suresh Kr. Goyal
R/o 303, Sector-2,
Ghaziabad-201002

.....**Plaintiff**

Vs.

Sandeep Chaudhary
S/o Sheoraj Singh
4531, Gali Jaatan,
Pahari Dhiraj,
Sadar North Delhi-110006

Also at

Sandeep Chaudhary
S/o Sheoraj Singh
Resi.- Vill. Saadipur,
Kasba – Jattari, Thana- Pisava,
Distt. Aligarh-202001

.....**Defendant**

Date of Institution:- 04.10.2018

Date of Judgment:- 29.06.2026

JUDGMENT

1. The plaintiff has filed this Suit against the defendant under summary procedure provided under Order XXXVII of CPC, 1908 seeking recovery of Rs.

30,00,000/- (Rupees Thirty Lakhs only), together with pendente-lite and future interest @ 24% per annum and costs of this Suit.

2. At the outset, two aspects merit consideration. First, as the defendant could not be served through the ordinary mode of service, he was ultimately served by way of substituted service through publication in newspaper 'Vir Arjun' dated 16.04.2019 pursuant to an application filed by the plaintiff under Order V Rule 20 CPC. Thereafter, the defendant was proceeded ex parte vide Order dated 05.07.2019, and the matter was fixed for recording of ex parte evidence, indicating that the suit was being tried as an ordinary civil suit.

3. Secondly, during the pendency of the suit and after the recording of ex parte evidence, the plaintiff filed an application under Order VI Rule 17 read with Section 151 CPC seeking amendment of the plaint. The said application was allowed vide Order dated 09.01.2026, and the amended plaint was taken on record. Consequent thereto, the plaintiff led ex parte evidence afresh in support of the amended pleadings.

4. The facts of the case, as pleaded by the plaintiff in the amended plaint, in brief, are as under:-

- (a) That the defendant had approached the plaintiff for financial assistance for investment in his thread business being carried on under the name and style of "Prince Thread Company", situated at Plot No. 491, Sai Dham-II, Chipiyana Bujurg, Near ABES Engineering College, Ghaziabad, Uttar Pradesh. The defendant requested for a friendly loan of Rs. 17,50,000/- (Rupees Seventeen Lakhs Fifty Thousand Only) from the plaintiff and promised to repay the same

along with the agreed profit/return in three equated instalments of Rs. 10,00,000/- (Rupees Ten Lakhs Only) each.

- (b) That the plaintiff accordingly had advanced a friendly loan of Rs. 17,50,000/- (Rupees Seventeen Lakhs Fifty Thousand Only) to the defendant in cash after withdrawing the said amount from his bank accounts on various dates during the Financial Year 2015–2016.
- (c) That in or about March 2016, the defendant, along with his family members, absconded from his known addresses without any prior intimation to the plaintiff, after locking his residential house as well as the factory premises. The plaintiff made sincere efforts to trace the whereabouts of the defendant and, during the course of his inquiries, contacted the Gram Pradhan of Village Shadipur, Kasba Jattari, District Aligarh, Uttar Pradesh. Subsequently, the plaintiff lodged a complaint with the Ghaziabad Police, pursuant to which FIR No. 1099/2016 dated 19.08.2016 came to be registered under Section 406 of the Indian Penal Code, 1860, against the defendant, his father, mother, and two brothers.
- (d) That after approximately nineteen months, on 23.01.2018, the defendant and his family members were apprehended by the Ghaziabad Police. However, the defendant was released upon furnishing his local Delhi address and permanent residential address. A copy of the defendant's Aadhaar Card is annexed herewith and forms part of the documents relied upon by the plaintiff.
- (e) That on the same day, i.e., 23.01.2018, towards discharge of his aforesaid legally enforceable debt and liability, the defendant issued

three cheques in favour of the plaintiff, bearing Cheque Nos. 188704, 188705, and 188707, each dated 17.04.2018 and each for a sum of Rs. 10,00,000/- (Rupees Ten Lakhs Only), aggregating to Rs. 30,00,000/- (Rupees Thirty Lakhs Only), drawn on the State Bank of India, Aligarh Branch, Uttar Pradesh.

- (f) That the plaintiff presented the aforesaid cheques bearing Nos. 188704, 188705, and 188707 for encashment on three separate occasions. However, on each occasion, the said cheques were returned unpaid and dishonoured by the defendant's banker with the remarks "Funds Insufficient".
- (g) That the plaintiff, through his counsel, issued legal demand notices on two occasions calling upon the defendant to make payment of the cheque amount aggregating to Rs. 30,00,000/- (Rupees Thirty Lakhs Only). The Defendant, however, failed and neglected to make payment of the outstanding amount, thereby rendering himself liable for the recovery thereof.
- (h) That the defendant is residing within the territorial jurisdiction of this Court. Therefore, this Court has the necessary territorial jurisdiction to entertain, try, and adjudicate upon the present suit.
- (i) Hence, the present suit.

5. As already noted, upon receipt of plaint, summons of the suit were directed to be issued to the defendant vide order dated 10.10.2018, however, the defendant could not be served through the ordinary manner and hence, the same were directed vide order dated 23.03.2019 to be served upon the defendant by way of publication in Newspaper "Veer Arjun". Summons were duly served upon the

defendant by way of publication in newspaper “Veer Arjun” dated 16.04.2019. Since the defendant has failed to appear despite service, the defendant was proceeded *ex-parte* vide order dated 05.07.2019.

6. The plaintiff examined himself afresh as PW-1 (on 24.02.2026) in support of the averments made in the plaint and has tendered his evidence by way of affidavit **Ex.PW1/A** alongwith the following documents:-

- (i) **Ex.PW1/1**: Plaint of the present suit
- (ii) **Ex.PW1/1A**: Amended plaint of the present suit
- (iii) **Ex.PW1/2 (Colly)**: Certified copy of bank statement of the plaintiff
- (iv) **Ex.PW1/3**: Copy of certified copy of payment receipts [earlier exhibited as Ex.PW1/2 (OSR)]
- (v) **Mark A**: Photocopy of Aadhar card of defendant
- (vi) **Ex.PW1/5 (Colly)**: Three Original Cheques bearing No. 188704, 188705 and 188707 (all dated 17.04.2018)
- (vii) **Ex.PW1/6**: Cheque return memo dated 17.04.2018 (regarding all the three cheques)
- (viii) **Ex.PW1/7 (Colly)**: Cheque return memos dated 07.05.2018, 08.05.2018 and 09.05.2018
- (ix) **Ex.PW1/8**: Legal Notice dated 21.05.2018
- (x) **Ex.PW1/9 (Colly)**: Postal receipts and two original AD Cards
- (xi) **Ex.PW1/10 (Colly)**: Undelivered letters
- (xii) **Ex.PW1/11 (Colly)** Three Cheque return memos (all dated 16.07.2018)
- (xiii) **Ex.PW1/12 (Colly)**: Legal Notice dated 17.07.2018
- (xiv) **Ex.PW1/13**: Postal receipts
- (xv) **Ex.PW1/14**: Undelivered letters

(xvi) **Ex.PW1/15**: Certified copy of FIR No. 1099/2016 dated 19.08.2016

7. PW1 was not cross examined by the defendant as the defendant had already been proceeded *ex-parte* vide Order dated 05.07.2019. No other witness has been examined by the plaintiff. Hence, on the submissions of Ld. Counsel for plaintiff, ex-parte PE was closed vide order dated 24.02.2026 and suit was posted for ex-parte final arguments.

8. Ex-parte final arguments were thereafter heard on behalf of the plaintiff, whereas, none has come forward on behalf of the defendant to address final arguments despite opportunity. Learned counsel for the plaintiff also filed written submissions in support of his arguments.

9. It was submitted by the learned counsel for the plaintiff that the plaintiff has been able to prove his case by way of deemed admission on the part of defendant as the defendant has failed to file any written statement to the suit of plaintiff despite service of summons. Even otherwise, according to him, the plaintiff has proved his case by way of uncontroverted testimony of PW1 which is duly corroborated by the documents Ex.PW1/1 to Ex.PW1/15. He has thus prayed for a decree of present suit in favour of plaintiff and against the defendant.

10. I have heard the submissions made on behalf of the plaintiff and have also perused the record.

11. The case of the plaintiff is that, at the request of the defendant, he advanced a sum of Rs. 17,50,000/- (Rupees Seventeen Lakhs Fifty Thousand Only) to the defendant in cash after withdrawing the said amount from his and his wife's bank accounts on various dates during the Financial Year 2015–2016. In support of this contention, the plaintiff has relied upon the following documents: (i) Certified copies of the bank statements of the Plaintiff and his wife, exhibited as Ex. PW1/2;

and (ii) a certified copy of the payment receipts, previously exhibited as Ex. PW1/2 (OSR) and subsequently exhibited as Ex. PW1/3.

12. By way of Ex. PW1/2, the plaintiff seeks to establish that he had withdrawn an aggregate amount of Rs. 17,50,000/- from the bank accounts during the relevant period and had thereafter advanced the same to the defendant in cash. The plaintiff has also placed on record a certified copy of the payment receipts issued by the competent Civil Court at Ghaziabad, Uttar Pradesh, exhibited as Ex. PW1/3, bearing the signatures of the defendant. It is pertinent to note that a court observation has been recorded to the effect that two separate sheets appear to have been reproduced on a single page while exhibiting the document as Ex. PW1/3. Through the said document, the defendant has acknowledged receipt of a sum of Rs. 17,50,000/- from the plaintiff.

13. A plain reading of Ex. PW1/3 reveals that the document has been signed by one Shri Sandeep Kumar, son of Shri Sheoraj Singh, whereas the defendant has been described in the plaint as Sandeep Chaudhary. Learned counsel for the plaintiff submitted that the defendant has been using both names, namely, "Sandeep Kumar" and "Sandeep Chaudhary," interchangeably. It was further contended that the identity of the defendant is evident from the fact that the father's name mentioned in the document is identical. It is also apparent from Ex. PW1/3 that reference has been made to certain cheques issued by the defendant in favour of the plaintiff, which are distinct from the cheques forming the subject matter of the present proceedings. Learned counsel for the plaintiff clarified that the cheques referred to in Ex. PW1/3 were originally issued by the defendant as security at the time of advancement of the loan. Subsequently, towards discharge of the aforesaid legally enforceable debt and liability of Rs. 30,00,000/- (Rupees Thirty Lakhs

Only), the defendant issued the three cheques in question (Ex.PW1/5), which are the subject matter of the present suit/proceedings.

14. The plaintiff examined himself as PW-1 and deposed, inter alia, that he had presented the three cheques bearing Nos. 188704, 188705, and 188707 for encashment on three separate occasions. However, on each occasion, the said cheques were returned unpaid and dishonoured by the defendant's banker with the remarks "Funds Insufficient". The said fact stands substantiated from the cheque return memos exhibited as Ex. PW1/6, Ex. PW1/7, and Ex. PW1/11.

15. The cheques in question, exhibited as Ex. PW1/5 (Colly), are dated 17.04.2018, whereas the present suit was instituted on 04.10.2018. Accordingly, the suit has been filed well within the prescribed period of limitation. Furthermore, in view of the uncontroverted averments made in paragraph 17 of the amended plaint, this Court is satisfied that it possesses the requisite territorial jurisdiction to entertain, try, and adjudicate upon the present suit.

16. The aforesaid assertions of the plaintiff, proved through the unchallenged testimony of PW-1 by way of affidavit Ex. PW1/A and duly corroborated by documents Ex. PW1/1 to Ex. PW1/15, have remained unrebutted. The defendant failed to enter appearance and did not file any written statement despite due service of summons and despite the expiry of the statutory period prescribed for the same. Consequently, the pleadings and evidence led by the plaintiff have remained untraversed and are deemed to have been admitted by the defendant.

17. In such circumstances, once the execution of the negotiable instruments stands proved or remains undisputed, Section 118(a) of the Negotiable Instruments Act, 1881 mandates the Court to draw a statutory presumption that the instruments were made for consideration. The burden, therefore, shifts upon the defendant to

establish that the cheques were not supported by any consideration. Such a burden may be discharged by leading direct or circumstantial evidence. However, in the present case, the defendant neither cross-examined the plaintiff's witness nor adduced any evidence in support of his defence. Consequently, the defendant has failed to rebut the statutory presumption available in favour of the plaintiff and has failed to establish that the cheques in question were not issued for a valid and legally enforceable consideration.

18. In view of the foregoing discussion, this Court is of the considered opinion that the plaintiff has successfully established, on the touchstone of preponderance of probabilities, the liability of the defendant to the extent of Rs. 30,00,000/- (Rupees Thirty Lakhs Only). The plaintiff has further proved that, in discharge of the aforesaid liability, the defendant issued the three cheques in question, namely Ex. PW1/5 (Colly), in favour of the plaintiff (which got dishonoured on presentation for reason 'funds insufficient'). Since the defendant has failed to rebut the statutory presumption of consideration under Section 118(a) of the Negotiable Instruments Act, 1881, the issuance of the said cheques towards a legally enforceable debt stands duly proved.

19. Thus, in the considered view of this court, plaintiff is entitled to a decree for recovery of Rs. 30,00,000/- (Rupees Thirty Lakhs Only) in his favour and against the defendant.

20. Since the aforesaid amount has been unreasonably withheld by the defendant for a considerable period, in the considered view of this court, plaintiff is also entitled to interest @ 4% per annum from the date of filing of suit till the date of actual realization of the said amount. Plaintiff is also entitled to the costs of the suit as per rules.

21. The present suit is accordingly decree and it is hereby ordered that the defendant shall pay a sum of Rs. 30,00,000/- (Rupees Thirty Lakhs Only) to the plaintiff alongwith *pendente-lite* and future interest @ 4% per annum from the date of filing of the suit till the date of actual realization of the suit amount and costs of the suit as per rules.

22. Decree sheet be prepared accordingly.

23. Before parting with the judgment, this Court would observe that the Hon'ble Supreme Court of India in Correspondence, RBANMS Educational Institution V/s B. Gunashekar and Another; 2025 SCC OnLine SC 793 directed that whenever, a suit is filed with a claim that Rs. 2,00,000/- and above is paid by cash towards any transaction, the courts must intimate the same to the jurisdictional Income Tax Department to verify the transaction and the violation of Section 269ST of the Income Tax Act, if any. Ahlmad is accordingly directed to forward particulars of the plaintiff to the concerned nodal authority (jurisdictional Income Tax Department) for action as per law in terms of decision of the Hon'ble Supreme Court in RBANMS Educational Institution supra.

**Announced in the open court
today i.e. 29th June, 2026**

**(Abhishek Srivastava)
ASJ-06/Special Judge (POCSO)
East District/Delhi/29.06.2026**

Note: This judgment has been pronounced in view of transfer order notification no.17/D-3/Gaz.IA/DHC/2026 Dated, the 04th May, 2026.