

**IN THE COURT OF THE JUDICIAL MAGISTRATE,
FAST TRACK COURT AT MAGISTERIAL LEVEL-II,
COIMBATORE.**

**Present: G. Raj Ganesh, B.Com., B.L(Hons);LLM,
Judicial Magistrate
Fast Track Court No.II@ ML,
Coimbatore**

Tuesday the 18th day of August 2026

STC.No.401/2024

(CNR. No.TNCB0C-007719-2024)

(E-Filing No. ATN20220011505C202400007)

M/s. Power Steels,

Rep.by its Partner,

Mr. P.Selvaraj,

.....Complainant

Vs.

M/s. The Jupiter Infrastructure,

Rep.by its Proprietor,

Mr. G. Rajkumar

.....Accused

1	Number of the Calendar Case	STC No.401/2024
2	Name of the Complainant & Address	M/s. Power Steels, rep.by its Partner, Mr. P.Selvaraj(45), Office at No.31, NRG Nagar, V.K. Road, Peelamedu, Coimbatore- 641 004.
3	Name of Accused & Address	M/s. The Jupiter Infrastructure,

		rep.by its Proprietor, Mr. G. Rajkumar(51), No.56/3, Tank Street, Saravanampatti, Coimbatore- 641 035.
4	Offence Complained of	Dishonor of Cheque – Culpable U/s.138 of the Negotiable Instrument Act.
5	The date of report of complaint	12.09.2024
6	Date of arrest if any-and Remand -	Date of the appearance of accused on 17.02.2025.
7	The date of final form/report in the Court	12.09.2024
8	Date of commencement of Trial	12.05.2025.
9	Date of examination of the accused under section 313(1)(b) Cr.P.C of the code.	Dispensed as per proviso to 313(1)(b) Cr.P.C on 23.01.2026
10	Date of closure of trial	07.10.2025
11	If any delay in this case, give explanation.	Nil
12	Plea of the Accused and his Examination in	Pleaded not guilty
13	Final Order	Convicted
14	Judgment Pronounced on	18.08.2026

Sl.No.	CASE SUMMARY	
1	Period of Remand	Nil
2	Date of Filing the complaint/Final	12.09.2024

	Report	
3	Date of Committal of the case to the Court of Session	Does not arise
4	Date of questioning of the accused U/s.228,240, 246 and 251	17.02.2025
5	Mis. Petitioner, their result and its result, if challenged in superior Courts	Nil
6	Date of Examination – in-chief and Cross- examination	1.Chief examination of PW1 on 12.09.2024. 2.Cross examination of PW1 on 20.04.2026 and 19.06.2026.
7	Date of examination of the accused U/s.313 of Cr.P.C	Dispensed as per proviso to 313(1)(b) Cr.P.C on 23.01.2026
8	Details of abscondence of an accused and his appearance/production	Nil
9	Grant of stay by superior Courts	Nil
10	Details of Victim compensation ordered	Nil

This case has come up for final hearing before this Court in the presence of **Mr. R. Sivaramalingam, B.L.**, the learned Counsels for the complainant and **Mr. K.K. Merrish, B.Sc., B.L.**, the learned Counsel for the accused, upon hearing arguments of both sides and on considering all

the materials on record, having stood over for consideration till this day and today this court delivers the following:

JUDGMENT

1. The complainant has filed the above complaint U/s.200 of Code of Criminal Procedure (Cr.P.C) for an offence u/s.138 of the Negotiable Instruments Act 1881 (N.I.Act) to impose punishment to the accused and for compensation to the complainant u/s.357 of Cr.P.C.

2. The facts of the complainant's case as narrated in the complaint are as follows:

2.1) The complainant is a partnership firm and its partner are Mr. P. Easwaran and Mr. P. Selvaraj. The complainant is a Stockist and Suppliers of Steel TMT bars, plates, sheets and other Steel items. The accused is a customer of the complainant and used to purchase steel items from the complainant. The accused purchased steel TMT bars from the complainant on 22.11.2023 as per the invoice No.4253 dated 22.11.2023 for a sum of Rs.7,07,250/- and on 23.11.2023 as per the invoice No.4270 dated 23.11.2023 for a sum of Rs.4,14,030/-. The accused also purchased Steel Tmt bars from the complainant on 28.11.2023 as per the invoice No.4349 dated 28.11.2023 for a sum of Rs. 7,69,440/-.

2.2) The complainant further submitted that after several demands made by the complainant, the accused issued a Cheque No.258339 dated 09.12.2023 drawn on the Yes Bank Limited, Manchester Krishna Land Mark, Avinashi Road, Coimbatore- 641 018 for a sum of Rs.11,21,280/- towards the discharge of his liability as per invoice Nos.4253 and 427.

2.3) The complainant further submitted that likewise, the accused issued a Cheque No.417102 dated 15.12.2023 drawn on the YES bank Limited, Manchester Krishna Land Mark, Avinashi Road, Coimbatore for a sum of Rs.7,69,440/- towards the discharge of his liability as per invoice No.4349.

2.4) The complainant further submitted that he presented the said cheques to their banker namely Axis Bank Ltd., Vilankurichi Branch, Coimbatore for collection, the said cheques were returned unpaid with two Returned memos dated 21.02.2024 stating "Funds Insufficient".

2.5) Therefore, the complainant was constrained to issue a legal notice dated 23.02.2024 to the accused demanding the repayment of the said cheques amount within 15 days from the date of receipt of the notice. The notice was received by the accused on 26.02.2024. After receipt of the legal notice, the accused neither paid the cheque amount nor sent any reply to the complainant. Hence this private complaint.

3. This court has taken cognizance of an offence U/s.138 of N.I.Act and issued summons for appearance of the accused. When the accused was questioned and explained with the substance of accusation U/s.138 N.I.Act, Accused denied the same as false and he did not plead guilty.

4. The affidavit of the Partner of the complainant Company has been treated as his evidence as PW1 and this court has permitted the accused to cross examine PW1 U/s.145(2) of N.I.Act. Through PW1, Ex. P1 to Ex.P10 were marked on the side of the complainant. The complainant side evidence was closed with PW1.

5. Thereafter, questioning U/s.313 (1) (b) of Cr.P.C was dispensed as per proviso to 313(1)(b) Cr.P.C on 23.01.2026.

6. Point for determination:-

Whether the complainant had established a case against the accused under section 138 of the N.I.Act beyond any doubts, so as to punish the accused for the same?

Point:-

7. This Court carefully heard the complainant side arguments. Written arguments along with authorities filed by the both sides. This court has carefully perused the evidence on record.

8. Before going into the merit of the case, this court has to look into whether this complaint under the Negotiable Instrument Act (herein after referred to as N.I Act) filed after completing mandatory provision prescribed by the N.I Act.

9. The Cheque has to be presented for encashment within three months from the date of which was drawn or within the period of its validity whichever is earlier. Further, as per section 138 (b) of N.I. Act, the payee or the holder in due course of the cheque, as the case may be should make a demand for the payment of the said amount of money by giving notice in writing to the drawer of the cheque, (within thirty days) of the receipt of information by him/her from the bank regarding the return of the cheque as unpaid. As per Section 142(1)(b) of N.I. Act, the complaint has to be made within one month of the date on which the cause of action arose under clause (c) of the proviso to Section 138.

10. Coming to this case, on perusal of Ex. P1, Original Cheque No. 258338, it is evident that the cheque has been issued on 09.12.2023 for a sum of Rs.11,21,280/-. On perusal of Ex. P2, Original Cheque No. 417002, it is evident that the cheque has been issued on 15.12.2023 for a sum of Rs.7,69,440/-. On perusal of Ex. P3, and Ex.P4 Return memo dated 21.02.2024, it is evident that the Ex.P.1, Ex.P2 Cheques presented for

collection, through complainant's banker namely Axis Bank Ltd., Vilankurichi Branch, Coimbatore and the same was dishonored with an endorsement “ Funds Insufficient” on 21/02/2024. Regarding the return of the Cheque as unpaid, the Complainant has sent Ex.P5, Registered Legal Notice dated 23.02.2024 calling upon the accused for the payment of the said cheque amount within fifteen days from the date of receipt of the notice and the same was received by the accused on 26.02.2024 which was marked as Ex.P6. The complaint was filed on 25.03.2024 i.e., within one month from the date of arising of cause of action. Therefore, it is clear that the present complainant has been filed by the complainant after completing all legal formalities and mandatory provisions prescribed by the N.I. Act.

11. It is settled law that, in case of dishonor of cheque, the initial burden lies on complainant to prove that, the case Cheque was issued by the accused for the discharge in whole or in part of his liability i.e., consideration and the debt owned by the accused is a legally enforceable one. Once, the complainant had established, then the onus is upon the accused to rebut the presumption.

12. In instance case, Partner of the complainant Company was examined as PW.1 by means of proof affidavit. In the proof affidavit, the complainant had reiterated the facts averted in the complainant. Further, to substantiate his case, the complainant produced and marked Ex.P1,

Original Cheque No.258338 dated 09.12.2023. Ex.P2, Original Cheque No.417102 dated 15.12.2023. Ex.P3 Return Memo dated 21.02.2024. Ex.P4 Return Memo dated 21.02.2024. Ex. P.5 Advocate Notice dated 23.02.2024. Ex. P6, Acknowledgement Card dated 26.02.2024. Ex. P7, Invoice No.4253 dated 22.11.2023 and E-Way Bill. Ex.P8, Invoice No.4270 dated 23.11.2023 and E-Way Bill. Ex.P9, Invoice No.4349 dated 28.11.2023 and E-Way Bill. Ex.P10, Copy of the Partnership Deed dated 17.08.2005.

13. On perusal of Ex. P.1 and Ex.P2 it shows that the case cheque has been issued to the accused from the account maintained by him and the said facts not been disputed by the accused. On perusal of Ex. P.3 and Ex.P4 it is shown that the said Cheques were dishonored for the reason "Funds Insufficient" and the Ex. P5 shows that after return of the cheque, the complainant issued a mandatory legal notice to the accused and the same was received by the accused on 26.02.2024 which was marked as Ex.P6.

14. On perusal of material records and Chief and cross-examination of PW.1, the issuance of Ex. P.1 and Ex.P2, Cheques and the signature found in it was not disputed by the accused. If that be the position, a presumption u/s.139 would arise in favour of the complainant who was the holder of the Cheque as to the case cheque was issued by the accused for

discharging the legally enforceable debt or other liability. Therefore, it can be clearly decided presumption u/s.139 of the N.I.Act stands in favour of the complainant.

15. In respect of payment of the amount by the complainant in the context of the cheque having been signed by the accused, the presumption for passing of the consideration would arise u/s. 118 (a) Negotiable Instrument Act.

16. From the reading of the above provision, it made clear that, once the accused admitted his signature found in the cheque, the court can presume that the cheque has been issued to discharge the whole or in part of any debt or other liabilities. This view also fortified by the judgments of the **Hon'ble Apex Court in 1. Kalaimani Tex & Others Vs. P. Balasubramanian, 2021(2) CTC 357, 2. Hiten P.Dalal Vs. Baratindranah Banerjee, 2001 (3) CTC 243, 3. Rangappa Vs. Sri Mohan, 2010 (4) CTC 118.**

17. Therefore, this court is of the opinion that, the above presumption stands in favour of the complainant and the complainant had successfully shifted the burden to the side of the defence. Though, the presumption stands in favor of the complainant, the said presumption is a rebuttable one and the onus is on the accused to raise the probable defense

to rebut the presumption. The standard of proof for rebutting the presumption is that of preponderance of probabilities. Therefore, this court has to look into, whether the accused raised any probable defence to rebut the said presumption.

18. It is the case of the complainant that the accused purchased Steel TMT bars from the complainant on 22.11.2023 as per Invoice No. 4253 for a sum of Rs.7,07,250/- and on 23.11.2023 as per Invoice No.4270 for a sum of Rs. 4,14,030/-. Subsequently, the accused also purchased Steel TMT bars from the complainant on 28.11.2023 as per Invoice No. 4349 for a sum of Rs.7,69,440/-. On several demands, the accused had issued Ex.P1, cheque for a sum of Rs.11,21,280/- in order to discharge the liability as per Invoice Nos. 4253 and 4270. Further the accused had issued Ex.P2, cheque for a sum of Rs.7,69,440/- in order to discharge the liability as per Invoice No. 4349. When the said cheques were presented for collection, it was returned as dishonoured for the reason “Funds Insufficient”.

19. The foremost defence of the accused is that the complainant had misused the security cheque given by the accused in order to institute this false case. The complainant had vehemently denied the allegations levelled against him by the accused. On perusal of the records, it is seen that after the dishonour of the cheque marked as Ex.P1, P2, the complainant had issued a statutory notice dated 23.02.2024 under Ex.P5 demanding

payment of the cheque amount. The records further reveal that the said notice was duly served on the accused on 26.02.2024, which is evidenced by the acknowledgment card marked as Ex.P6. The accused had failed to reply for the Ex.P5, Notice.

20. However, it is pertinent to note that even after acquiring knowledge about the presentation and dishonour of the cheques through the statutory notice, the accused had not taken any legal action alleging misuse of his cheques. If really the cheque had been misused by the complainant, as alleged by the accused, a prudent and reasonable person would immediately initiate legal action either by filing a police complaint or by initiating appropriate legal proceedings to prevent misuse of the cheque. But in the present case, neither the accused had not taken any such steps. No complaint was lodged before the police authorities and no civil or criminal proceedings were initiated for recovery of the alleged security documents. Further, the accused had also not taken any steps to issue stop payment instructions to the bank with regard to the cheques allegedly given as security. On the contrary, the cheque in question has been dishonoured for the reason “Funds Insufficient” and not for the reason “Stop Payment”. The above conduct of the accused clearly creates serious doubt regarding the genuineness of the defence raised by him.

21. Another important aspect to be noted is that the accused has not produced any documentary evidence to establish the alleged transaction between the complainant and the accused wherein the case cheques were given as security. Even according to his own version, no steps were taken by the accused to recover the alleged security cheques from the complainant. But to the contrary, the complainant had produced and marked Ex.P7 to P9, Invoices in order to establish the legally enforceable liability of the accused. Hence, this Court finds that the defence raised by the accused regarding misuse of security cheques is not supported by any credible evidence and therefore cannot be accepted.

22. In the above circumstances, this court is of the considered view that the accused had failed to rebut the presumption standing in favour of the complainant u/s 118 and 139 of NI Act. The complainant had clearly proved their case and established the legally enforceable liability of the accused for a sum of Rs.18,90,720/-. Therefore, on careful scrutiny of entire materials on record, this court finds that the evidence of the complainant side is more probable than the defence of the accused. Further, this court holds that the defence side neither created any serious and reasonable doubt over the case of the complainant nor established a probable defence that the case cheque was not issued for a legally

enforceable debt or any other liability, to the standard of preponderance of probabilities.

23. On the other hand, this court finds that the complainant has proved the legally enforceable liability of the accused for the amount covered under the case cheque as well as other ingredients of S.138 of N.I.Act without any reasonable doubt. Further, the complainant is entitled to the benefits of presumptions under sections 139 of the N.I.Act. Hence, on all scores, this court holds that the complainant has proved the guilt of the accused for an offence u/s 138 of N.I.Act.

24. Now, coming to the sentence, this court takes into consideration that the accused issued the cheques for clearing the liability. This court, on consideration of the above fact, holds that imposing a sentence of simple imprisonment for nine months and a compensation in lieu of fine of Rs.18,90,720/- will be appropriate in the interests of justice.

25. In the result,

- (i) The accused is found guilty under Section 255(2) of Cr.P.C for the offence punishable under Section 138 of the Negotiable Instruments Act, 1881.
- (ii) The accused is hereby convicted and sentenced to undergo simple imprisonment for nine months.

(iii) The accused is directed to pay a compensation of Rs.18,90,720/- to the complainant under Section 357(1) of Cr.P.C within a period of one month from the date of this judgment.

(iv) In default of payment of compensation, the accused shall undergo simple imprisonment for a further period of one month.

Dictated by me, directly typed by the steno-typist, corrected and pronounced in the open court on this 18th day of August 2026.

Judicial Magistrate,
Fast Track Court @ ML – II,
Coimbatore

Annexure

Complainant side witness

PW1 - Mr. P.Selvaraj (Partner of the complainant Company)

Complainant Side Documents

Exhibits	
Ex.P1	Original Cheque No.258338 dated 09.12.2023.
Ex.P2	Original Cheque No.417102 dated 15.12.2023
Ex.P3	Return Memo dated 21.02.2024
Ex.P4	Return Memo dated 21.02.2024.
Ex.P5	Advocate Notice dated 23.02.2024.
Ex.P6	Acknowledgement Card dated 26.02.2024.
Ex.P7	Invoice No.4253 dated 22.11.2023 and E-Way Bill

Ex.P8	Invoice No.4270 dated 23.11.2023 and E-Way Bill
Ex.P9	Invoice No.4349 dated 28.11.2023 and E-Way Bill
Ex.P10	Copy of the Partnership Deed dated 17.08.2005.

Accused side witness and Documents

/Nil/-

Judicial Magistrate,
Fast Track Court @ ML – II,
Coimbatore

Note

1.Accused present. Free Copy of this Judgment was supplied to the accused.

2.Sentence of Imprisonment is suspended till 17.09.2026 vide order dated:18.08.2026 in MP.No.11/ 2026.

Judicial Magistrate,
Fast Track Court @ ML – II,
Coimbatore