

**IN THE COURT OF THE JUDICIAL MAGISTRATE,  
SULUR, COIMBATORE.**

**Present : Thiru.T.Arunkumar, M.A., M.L.,M.B.A.,  
Judicial Magistrate,  
Sulur, Coimbatore.**

**Tuesday the 7<sup>th</sup> day of April 2026**

**STC.No. 560 of 2023**

**(CNR NO: TNCB18-003848-2023)**

Mr. T. Rajamani (42/2023),

S/o.Mr. Thangaraj,

D.No.4/18, Thukkatchi, Kanthasampalayam

Odakaattu Thottam, Karur-638 151.

... Complainant.

1.	Serial Number	<b>STC No.560 of 2023</b>
2.	Name of the Police Station and the crime number of the offence	Not applicable since this case is a private complaint and the crime number of the case for the offence U/s 138 of NI Act.
3.	Name of the accused	Mr. K. Mahendran.
4.	Father's name of the accused	S/o.Mr. Kempusoodan
5.	Occupation of the accused	Business
6.	Residence of the accused	D.No. 1/223, Kadamadai Palakodu, ErranAlli, Dhamapuri – 636 808
7.	Age of the accused	51/2025.
8.	Occurrence	Not applicable.
9.	Date of Complaint	10.07.2023
10.	Date of Apprehension	Nil.
11.	Release on bail	Nil.
12.	Commitment	Not applicable.

13.	Commencement of Trial	21.08.2025.
14.	Closure of Trial	07.04.2026
15.	Judgment Reserved on	07.04.2026
16.	Judgment Pronounced on	07.04.2026
17.	Sentence or Order	<b>Acquitted.</b>
18.	Service of copy of judgment or finding on accused	Nil
19.	Explanation of delay	No delay.

**As per order of Hon'ble High Court, Madras in ROC No.814/2020/RG/F1(P.Dis.No.36/2021) dated 07.04.2021 the case summary is detailed below**

Sl.No.	CASE SUMMARY			
(i).	The period of remand of the accused	Name of the accused	Date of Remand	Release on
		Mr. K. Mahendran. S/o.Mr. Kempusoodan	Nil	Nil
(ii).	Date of filing of the complaint/ final report in the court	Filing of Complaint		Filing of Final report
		10.07.2023		Nil
(iii).	Date of committal of the cases to the Court of Sessions	Not applicable		
(iv).	Date of	Questioned u/s.251 of Cr.P.C on 21.08.2025		

	questioning of the accused under section 228, 240, 246 and 251 of the Code of Criminal Procedure, 1973, as the case may be;			
(v).	Filing of all miscellaneous petitions and their results including the results on challenge before superior Courts; except routine petitions like petitions under Section 317 of the Code;	Crl.M.P.No. & under section or prayer	Date of filing	Result
		MP No.01/2025 – Surrender Petition	Filed on 19.08.2025.	Allowed on 19.08.2025.
		MP No.02/2025 – Petition u/s. 70 (2) of Cr.P.C	Filed on 19.08.2025.	Allowed on 19.08.2025.
		MP No.03/2025 – Petition u/s. 205 of Cr.P.C	Filed on 19.08.2025.	Disposed on 07.04.2026.
		MP No.05/2026 – Advance Hearing Petition	Filed on 23.01.2026.	Allowed on 23.01.2026
		MP No.06/2026 – Petition u/s. 70 (2) of Cr.P.C	Filed on 23.01.2026.	Allowed on 23.01.2026

		MP No.07/2026 – Surrender Petition	Filed on 23.01.2026.	Allowed on 23.01.2026	
		MP No.09/2026 – Petition u/s 147 of NI Act	Filed on 07.04.2026.	Allowed on 07.04.2026.	
(vi).	Date of Examination in chief and cross	Name of the Examination	Name of Witness	Date of Chief	Date of Cross
		PW1	Mr.T.Rajamani	04.08.2023	No cross.
(vii).	Date of examination of the accused under section 313 of the Code;	Nil			
(viii).	Details of abscondance of an accused and his appearance / production, as the case may be; and	Nil			
(ix).	Grant of stay by superior courts and the results thereof	Nil			

This case is coming up for final hearing on 07.04.2026 and Advocate Mr.K. Srikumar, B.A., B.L., appearing for the Complainant and Advocate Mr.R. Selvakumar, B.B.L., M.L., appearing for the accused, on hearing argument and upon perusing the case records and having stood over for consideration till this day, this court doth delivers the following...

### **JUDGMENT**

**(1). This complaint was filed by the complainant against the accused under Section 138 of Negotiable Instruments Act 1881.**

**(2). The gist of the complaint as found in the written complaint is as follows: -**

The complainant submits that the complainant and the accused borrowed a sum of Rs.2,00,000/- from the complainant on 02.08.2022 for his personal and family commitments and promised to pay Rs.1% interest per hundred and executed a Demand Promissory note and promised to repay the borrowed amount and on repeated demand by the complainant, the accused issued cheque bearing No.643009 dated 09.05.2023 for Rs.2,00,000/- drawn on State Bank of India, Coimbatore Branch. Consequently, the complainant had presented the cheque through his bankers, namely, Canara Bank, Kannampalayam Branch, on 11.05.2023, however, the same was returned with an endorsement as "Exceeds Arrangements" vide return memo dated 12.05.2023 and hence the complainant issued a legal notice dated 03.06.2023 calling upon the accused to repay the dishonoured cheque amount within 15 days from the date of receipt of the notice and the same was received by him on 07.06.2023 and the accused neither sent reply notice nor repaid the cheque amount. Hence, the complainant has filed this complaint under Section 138 N.I Act.

**(3).** On receipt of the complaint, proof affidavit was filed, as prima facie case made out, cognizance was taken and summons was sent to the accused. On appearance of the accused, copies under Section 207 of Cr.P.C., were furnished to the accused. When the substance of accusation was explained to him under Section 251 of Cr.P.C., he had understood the same and denied it as false case and claimed to be put on trial.

**(4).** The complainant examined himself as PW1 and chief examination by way of proof affidavit was filed and the same was in replica of the written complaint, through PW1 the following documents were marked. Promissory note dated 02.08.2022 as Ex.P:1 Cheque in dispute bearing No. 643009 dated 09.05.2023 as Ex.P:2; Return memo dated 12.05.2023 as Ex.P:3; Office copy of the legal notice dated 03.06.2023 as Ex.P:4; Postal receipt dated 03.06.2023 as Ex.P:5 and Acknowledgement Card dated 07.06.2023

as Ex.P:6.

(5). Based on the complaint, evidences, documents and answer given by the accused during the initial questioning under Section 251 of Cr.P.C., the question to be decided is

**Whether the cheque was issued by the accused towards the discharge of a legally enforceable debt or liability and same being dishonoured and the accused committed the offence under section 138 of N.I. Act?**

(6). The case is posted for cross of PW1. Today the Learned Counsel for the complainant filed petition under section 147 of NI Act by stating that the case was compounded between the complainant and the accused and had filed the said petition before the court.

(7). Considering the fact that the case was pending for cross of PW1 and whether the case could be compounded under sec.147 N.I.Act as the said petition was filed in respect of the offence as mandated under the ***Damodar S. Prabhu v. Sayed Babalal H.CRIMINAL APPEAL NO. 963 OF 2010***. It was argued by parties that the offence is compoundable even in the appellate stage. The compounding of the offence at later stages of litigation in dishonour of cheque cases has also been held to be permissible and relied upon decision of this Court, reported as ***K.M. Ibrahim v. K.P. Mohammed & Anr., 2009 (14) SCALE 262:***

*“9. As far as the non-obstante clause included in Section 147 of the Negotiable Instruments Act is concerned, the 1881 Act being a special statute, the provisions of Section 147 will have an overriding effect over the provisions of the Code relating to compounding of offences.*

*It is true that the application under Section 147 of the Negotiable Instruments Act was made by the parties after the proceedings had been concluded before the Appellate Forum. However, Section 147 of the aforesaid Act does not bar the parties from compounding an offence under Section 138 of N.I Act even at the appellate stage of the proceedings. Accordingly, we find no reason to reject the application under Section*

147 of the aforesaid Act even in a proceeding under Article 136 of the Constitution.”

Thus, it is very clear that the offence under sec.138 N.I.Act could be compounded even at the appellate stage, there is no bar for this court to entertain this petition at this stage of pronouncing judgment.

(8). In view of the above said petition filed by the complainant, it clearly reveals that there is no existence of discharge of liability or debt between the complainant and accused, since it was already settled between the accused and the complainant. In view of the above said observations this court is of the view that there is no legally enforceable debt, and there is no material to show that there is the existence of the legally enforceable debt is exists at this time.

(9). In view of which and in the interest of justice, this court decided that it shall be correct to pass an order of acquitting the accused from the offence U/s.138 of Negotiable Instruments Act. On the basis of the petition filed u/s.147 of NI Act, the accused found not guilty U/s.138 of Negotiable Instruments Act. Hence, the above discussed reason this court is determined that the accused found not guilty and he shall be acquitted from the offence U/s.138 Negotiable Instruments Act.

(10). **In the result**, the accused found not guilty for the offence under Section 138 of Negotiable Instruments Act and acquitted from the offence under section 138 of Negotiable Instruments Act as per Section 255(1) Cr.P.C. No order for costs.

This judgment is dictated by me to the Steno typist and typed by her directly in the computer and after effecting necessary corrections pronounced by me in the open Court on this the 07<sup>th</sup> of April 2026.

Judicial Magistrate,  
Sulur.

**Complainant side list of witness:**

PW:-1: Mr.G.Ramasamy

**Complainant side list of documents:**

Sl.No. of the	Description of the exhibit and its date	Date, when the exhibit	How marked	By whom	Remarks
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exhibit		was filed in the case		filed	
01.	Promissory note dated 02.08.2022	04.08.2023	Ex.P:1	PW1	Original
02.	Cheque in dispute bearing No.643009 dated 09.05.2023	04.08.2023	Ex.P:2	PW1	Original
03.	Return memo dated 12.05.2023	04.08.2023	Ex.P:3	PW1	Original
04.	Office copy of the legal notice dated 03.06.2023	04.08.2023	Ex.P:4	PW1	Office Copy
05.	Postal receipt dated 03.06.2023	04.08.2023	Ex.P:5	PW1	Original
06.	Acknowledgment Card dated 07.06.2023	04.08.2023	Ex.P:6	PW1	Original

**Defence side list of witness:- Nil**

**Defence side list of documents: - Nil**

**Court Witness: - Nil -**

**Court documents: - Nil -**

**Note :-**

1. Accused appeared on summons.

2. No Witness was detained without examination and not called beyond a period of three days.

(Sd/- T. Arunkumar)

Judicial Magistrate,

Sulur.