

IN THE COURT OF THE JUDICIAL MAGISTRATE, No.III,

SALEM

Present: Thiru. S. Muthukrishna Muralidas., M.A. M.L.,

Tuesday the 03rd day of March 2026.

C.N.R.No.TNSA04-000526-2020

S.T.C. No.1123 / 2020

Tr.S.Babu (35/2020),

S/o. Venkatachalam,

2/75, Nathamdeu,

S.A. Peramanur,

Santhiyur Attayampatty,

Salem.

.....Complainant

//Vs//

Tr.R.Ranganathan(68) Retired Railway Employee),

43 Ward, Nagar Padayachi Kadu,

Sekar Fancy & Maligai Shop Sandu,

Thathampatty,

Salem 636 014.

..... Accused

CASE SUMMARY

1.	The period of remand of the accused	NA
2.	The date of filing of the complaint/final report in the court	23.01.2020
3.	The date of committal of the case to the Court Session	NA
4.	The date of questioning of the accused under Section 251 of the Code of Criminal Procedure, 1973	16.11.2024
5.	Filing of all miscellaneous petitions and their results	- NIL -
6.	Date of examination in chief and cross – examination of a witness; PW1 Chief examination PW1 Cross examination	 10.01.2025 NIL
7.	Date of examination of the accused under Section 313 of the Code;	03.02.2026
8.	Details of abscondence of an accused and his appearance/production, Bailable Warrant Recalled	 25.02.2021 22.08.2024
9.	Grant of stay by superior Courts and the results thereof.	NA

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This case was filed on **21.03.2020** before this court and taken on file on **11.02.2020 as S.T.C.No.1123/2020**. The case was came for final hearing in the presence of Mr.K.Arumugam.,B.Sc.,B.L., Advocate for the Complainant and Mr.S.Roselin.,B.A.,B.L., Advocate for the accused, heard complainant side and on perusal of records, having stood over for consideration till date this court delivers the following:-

JUDGMENT

The complainant filed a private complaint under Section 200 CrPC against the accused for an offence under Section 138 of the Negotiable Instruments Act.

1] The case of the complainant, in brief, is as follows:-

That the accused borrowed a sum of Rs.4,00,000/- from the complainant on 10.09.2019 for the accused family urgent expenses. On the same day he had issued a post dated cheque for Rs.4,00,000/- drawn on the Indian Overseas Bank, Fairlands Branch, Salem, bearing Cheque No.596848 dated 25.11.2019 for discharging the above said debt amount to the complainant and promised that the cheque will be honoured on the cheque date. On 25.11.2019, the accused contacted the complainant and requested to present the cheque for collection on 05.12.2019 because he will get bulk amount on the day. The complainant had presented the said cheque for collection on 05.12.2019 into his bank IDBI Bank, Omalur Main Road, Salem. But, the same was dishonored on 06.12.2019 on the ground that “Payment Stopped by Drawer”. Thereafter, the complainant had

caused a legal notice to the accused on 18.12.2019. The said notice was received by the accused on 20.12.2019. Then the accused did not discharge his liability. Hence this complaint.

2] After receipt of the complaint, the complainant was examined upon oath and after recording the sworn statement u/s 200 Cr.P.C, and on perusing all the material records, having found prima facie case against the accused, summon was issued along with the copy of the complaint to the accused. On appearance of the accused, notice under Section 251 CrPC was framed. The accused pleaded not guilty and they claimed to be tried.

3] On the side of the complainant, the complainant was examined as PW1 and marked Ex. P1 to P4. Ex.P1 is the cheque dated 25.11.2019 bearing No.596848 drawn on IOB Bank, Fairlands Branch, Salem for Rs.4,00,000/-, Ex.P2 is the return memo dated 06.12.2019, Ex.P3 is the legal notice dated 18.12.2019, Ex.P4 is the postal track consignment dated 20.12.2019. Complainant side evidence closed with PW1.

4] After completion of complainant side evidence, the accused was examined U/s.313 (1)(b) CrPC after disclosing all the incriminating materials and circumstances available in the evidence against the accused. The statement of the accused was recorded.

5] On the defence side, no witnesses was examined and no documents were marked. Also, the accused even did not turned up to cross examine PW1 and so the evidence of PW1 remains unchallenged.

6] The point for consideration is whether the complainant has proved this case against the accused under Section 138 of The Negotiable Instrument Act beyond all reasonable doubts?

7] To determine whether the accused has committed the offence under section 138 of the N.I Act, it is deemed fit to examine as to whether all the indispensable ingredients constituting the offence have been proved by the complainant or not. On perusing Ex.P1 cheque in question was presented for encashment and the same was dishonoured for the reason “Payment Stopped by Drawer” on 06.12.2019 is not disputed as it is a matter of record. It is proved by return memo Ex.P2. Therefore, it has been proved that the cheque in question was presented within its validity period and dishonoured by the banker of the accused.

8] The statutory notice Ex.P3 was sent to the accused and Ex.P4 Postal Track Consignment shows that notice was served to the accused in his address on 20.12.2019. Finally, the complaint has filed within time. The Complainant has proved the ingredients required under Section 138 of the Negotiable Instrument Act on the face of the record.

9] It is appropriate to refer to Section 139 and Section 118(a) of The Negotiable Instruments Act which raises legal presumptions in favour of the

Complainant in the present case. Section 118 (a) provides that until the contrary is proved, it shall be presumed that every Negotiable Instrument was made or drawn for consideration and Section 139 provides that it shall be presumed unless the contrary is proved, that the holder of a cheque received the cheque of nature referred to in Section 138 for the discharge in whole or in part, of any debt or other liability. Hence, for the offence under Section 138 of the Act, it is mandatory that the court is to draw the presumptions under Sections 118 and 139, once the execution of cheque by the accused is admitted or proved by the complainant and thereafter onus of proof is shifted to accused to prove otherwise. It is for the accused to raise a probable defence that the cheque in question was not issued for consideration or in the discharge of any legally enforceable debt or liability.

10] The accused did not chosen to sent reply to the statutory notice. Also he did not given any plausible explanation as to the subject cheque and the alleged loan transaction. he has neither chosen to enter into witness box nor cross examine PW1. Therefore the evidence of PW1 remains unchallenged and the accused also failed to make out his case. Further, in ***MMTC LTD VS Medchl Chemicals and Pharma (P) Ltd.***, The Hon'ble Supreme Court Held that a complaint U/s. 138 of Negotiable Instrument Act can be made not only when cheque is dishonoured due to insufficient fund or exceeds arrangement but also when the drawer of cheque instructs their bank to stop payment on the cheque.

However, if the accused can show that there were sufficient funds in his account to clear the amount of the cheque at the time of presentation and that a stop payment notice was issued for valid reason then the offence u/s. 138 would not be made out.

11] In the present case the accused has not produced any material to show that for valid reason he instructed the bank to stop the payment for the subject cheque and on that day he has sufficient funds in his account to clear the cheque amount. Therefore the accused fails to rebut the presumption available in favour of the complainant u/s. 139 of NI Act.

12] In the result the accused is found guilty of offence under Section 138 of NI Act and thereby convicted him under Section 255(2) CrPC. The accused is sentenced to undergo 11 months Simple Imprisonment and directed to pay twice the cheque amount i.e., Rs.8,00,000/- as a compensation to the complainant under Section 357(3) Cr.P.C. within two months, in default of payment of compensation, the accused is sentenced to undergo 2 months Simple Imprisonment. The default sentence shall run consecutively.

This judgment is directly dictated to Steno-typist, typed by him, corrected and pronounced by me in open court on this 03rd day of March 2026.

Sd/-Tr.S.Muthukrishna Muralidas.,
Judicial Magistrate No.III,
Salem.

Annexure:-

Complainant side witness:-

1. PW1 – Mr. V.Babu (Complainant)

Complainant Side Exhibits:

Sl.No. Exhibits details

Ex.P1 - Cheque dated 25.11.2019 bearing No.596848 drawn on IOB Bank, Fairlands Branch, Salem for Rs.4,00,000/-.(original)

Ex.P2 Return memo dated 06.12.2019 (Original)

Ex.P3 Legal notice dated 18.12.2019 (Office Copy)

Ex.P4 Postal Postal Track consignment dated 20.12.2019 (Online Copy).

Defence side witness:- NIL

Defence side Exhibits:- NIL

Court Witness:- NIL

Court Exhibits:-NIL

Sd/-Tr.S.Muthukrishna Muralidas.,
Judicial Magistrate No.III,
Salem.

// True Copy //

Judicial Magistrate No.III, Salem.