IN THE COURT OF THE II ADDITIONAL DISTRICT & SESSIONS JUDGE, THANJAVUR.

Present : Thiru.P.Nagarajan, M.A.,M.L.,
II Additional District and Sessions Judge, Thanjavur.

Tuesday the 23rd day of June 2026

(Thiruvalluvar Andu 2057 - Aani Matham 9th day)

Criminal Appeal.No.137/2025

(CNR.No.TNTJ01-010107-2025

Name of the trial court	Judicial Magistrate (Fast Track) Court, Thanjavur.
Case of the trial court	S.T.C.No.110/2023
Appeal Number	C.A.No.137/2025
Appellant /Accused Name and Address	Mangala Nayaki, age 49/2025, W/o. Rajagopal, No.3/28, Ponpanigan Street, Thozhuthur Village, Alathampadi, Thirukuvalai Taluk.
Respondent/Complainant Name and Address	Mahendra & Mahendra Finance Administration Ltd., No.570/2nd floor, Sadhana Apartment, Backside of Mahendran Kopuram, P.B.Marg Worli, Mumbai- 400 018. **Rep. By its Representative** John Millar, age 28/2025, S/o. John sundaram, Office at No.201/7E-1, First Floor, RR complex, near Kanthasaras Marriage Hall,

	Medical college road, Thanjavur.
Findings of the trial court.	In the result, the accused was found guilty and convicted for the offence u/s.255(2) and sentenced to undergo simple imprisonment for 1 year and also to pay a cheque amount of Rs.2,50,000/- to the complainant within one month in default to undergo simple imprisonment for 2 months u/s.357(3) of Cr.P.C.
Whether the sentence imposed is confirmed, modified or reversed	In the result, this criminal appeal is dismissed and the judgment and sentence passed on 22.09.2025 in Judicial magistrate (Fast Track) court, Thanjavur in S.T.C. No.110/2023 is confirmed. The trial court is directed to take steps to secure the accused to serve out the remaining period of sentence and also to collect the cheque amount awarded if not already collected.
Date of presentation of Appeal	24.10.2025 & 10.11.2025 at Principal Sessions Court, Thanjavur.
Date of filing of Appeal	19.11.2025 at Principal Sessions Court, Thanjavur
Date of made over to this court and received by this court	Made over on 28.01.2026 received on 30.01.2026.
Date of final hearing	10-06-2026
Date of Judgment	23-06-2026

This criminal appeal was taken on file on **24.10.2025 & 10.11.2025** on the file of the Principal Sessions Court, Thanjavur and made over to this court for disposal. In this court, this appeal came up for final hearing on 10.06.2026 in the presence of

Thiru.M. Jawaharlal, Advocate for Appellant/Accused and **Thiru.K. Prakash,** Advocate for Respondent/Complainant and hearing the arguments of both sides and having been stood over for consideration till this day, this court delivered the following

JUDGMENT

(1) This appeal has been directed against the conviction, sentence and compensation recorded by the learned Fast Track Judicial Magistrate, Thanjavur in S.T.C.No.110/2023 by the judgment dated: 22.09.2025.

(2) The appellant herein is the accused before the trial court in a case for the offence punishable u/s.138 of Negotiable Instruments Act r/w.200 of Crpc.

(3) For the sake of convenience the parties herein are referred to as per their array before the trial court.

The case of the complaint before the trial court are as follows:

(4) On 28.04.2021, the accused requested a loan of Rs.4,65,420/- from the Complainant company for the purpose of purchasing a vehicle specifically a New Holland Tractor 3037. The Complainant company subsequently sanctioned and disbursed the said loan amount to the accused. On the very same day, the accused executed a loan agreement acknowledging the said debt. He further agreed to repay the aforementioned loan amount in 21 quarterly installments each amounting to Rs.37,332/-. Subsequently, the accused failed to repay the loan amount as per the terms of the agreement. Consequently, on 26.02.2021, the Complainant company repossessed the vehicle and sold it through public auction. Thereafter, following repeated demands made to the accused for the repayment of the outstanding loan

principal and overdue charges, the respondent, with the intention of settling the dues, issued Cheque No. 205357 dated:15.12.2022, for a sum of Rs.2,50,000/-. This cheque was drawn on the Indian Overseas Bank branch in Thiruthuraipoondi. When the Complainant deposited the said cheque for collection on the same day at Kotak Mahindra Bank Ltd., Thanjavur where the company maintains its account the cheque was returned on 19.12.2022, with the remark "Insufficient Funds."

4.1) The same was intimated to the accused and legal notice was issued by the complainant on 28.12.2022 and the notice was duly served to the accused on 29.12.2022 received by him. After receipt of the notice, the accused has not sent any reply. By his act the accused has committed an offence u/s. 138 of N.I Act.

(5) The Learned Fast Track Judicial Magistrate, Thanjavur took cognizance of the complaint for the offence u/s.138 of Negotiable Instrument Act and issued summons u/s.204 of Cr.P.C for the appearance of the accused. On such appearance of the accused the copies of the documents relied by the complainant have been furnished to him and after affording sufficient opportunity to him, he had been questioned u/s.251 of Cr.P.C with reference to the substance of the accusation in the complaint. The accused had denied the commission of any offence and therefore trial has been conducted by the learned Magistrate.

(6)The Deputy Manager of Mahendra & Mahendra Company Thiru.Chandrasekaran was examined as P.W.1 and Ex.P1 to Ex.P6 were marked. The incriminating circumstances in the evidence of P.W.1 have been explained to the accused by the trial court u/s.313 (1)(b) of Cr.P.C. He has denied the circumstances as false and also state that the complainant stated that he had been consistently paying his installments on time and, when he subsequently found himself unable to continue payments, had voluntarily surrendered the vehicle. He further alleged that, despite the company representatives assuring him at the time of the vehicle's repossession that no further dues remained, they have since filed a legal case against him using a cheque he had issued when originally acquiring the tractor, he added that he has witnesses available to testify on his behalf during the inquiry. But the accused has not examined any witness or marked any document on his side. After hearing the arguments of both sides and upon considering the oral and documentary evidence of both sides, the trial court has found the accused guilty of an offence u/s.138 of Negotiable Instruments Act and convicted him for the same by simple imprisonment for 1 year and also pay a cheque amount of Rs.2,50,000/- within one month, in default sentenced to undergo simple imprisonment for 2 months u/s.357(3) of Cr.P.C.

(7) Aggrieved over the above judgment of the trial court, the accused is before this court by way of the present appeal.

(8) The grounds urged in the appeal are as follows:

It is contended that no documents were filed to substantiate the facts alleged in the complaint or to reconcile the contradictions present in the testimony tendered by the complainant before the trial court. It is further argued that the complainant has instituted this case by arbitrarily filling in a blank cheque—which was originally handed over by the accused as security at the time the loan was availed—and that the complainant failed to furnish any details before the trial court regarding the outstanding loan balance owed by the accused to the complainant's firm, or the amounts already repaid by the accused. Furthermore, it is submitted that the trial court's observation to the effect that the accused failed to prove that the cheque in question was not issued on a specific date towards a debt is legally untenable, given that the accused was not afforded adequate time to file documents or tender evidence on their behalf; rather, the court proceeded merely on the basis of presumptions. Hence it is prayed that the judgment of the trial court be set aside, the appeal be allowed, and the appellant (the accused) be acquitted after being found innocent.

(9) In this Criminal Appeal, there is no oral and documentary evidences adduced by both sides. The parties are referred to as per their status before the trial court.

<u>(10) The point for determination in this appeal is</u>

Whether this criminal appeal can be allowed or not?

<u>(11) Point</u>

The learned counsel appearing on behalf of the appellant argued that the respondent had obtained a vehicle loan from the complainant firm, that the entire loan amount had been repaid, and that the complainant had misused the cheque—which was issued by the respondent at the time the loan was availed—to file the present cheque fraud case. Consequently, he contended that the judgment and sentence of the trial court should be set aside, the appeal allowed, and the respondent acquitted of the charges.

(12) The learned counsel appearing for the respondent-appellant argued that the judgment of the trial court was correct; that although it was contended by the accused

that the entire loan amount had been repaid, no documentary evidence in support thereof was produced; and that the claim of having fully repaid the loan amount obtained from the complainant was made solely with the intention of evading liability in the case. Consequently, he argued that the judgment of the trial court ought to be upheld.

(13)After hearing both side and perused the evidence and documents and also perused the trial court judgment. In this case, there is no dispute between the two parties regarding the fact that the accused received a loan amount from the complainant based on a loan agreement for the purpose of purchasing a vehicle, nor regarding the fact that the signature appearing on the cheque was affixed by the accused. During the initial examination of the accused before the trial court in this case, the accused asserted that this was a false case, claiming that the complainants themselves had taken away the vehicle and had instituted the present proceedings utilizing a cheque that had been issued previously. Subsequently, during the examination conducted under Section 313(1)(b) of the Code of Criminal Procedure, the accused reiterated that the evidence presented was false, alleged that the complainant company had taken possession of his vehicle and filed this case without providing him with any prior intimation, and stated that he had witnesses available to testify on his behalf. Under these circumstances, however, the accused failed to produce any witnesses to substantiate his defense. Furthermore, he did not submit any documentary evidence to demonstrate that he had obtained a loan based on a loan agreement and had subsequently fully discharged the entire loan liability.

(14) At this stage the complainant has proved his case through the documents marked as Ex.P1 to Ex.P6. Ex.P1 is the cheque leaf issued by accused in favour of complainant for the amount of Rs.2,50,000/- Ex.P2 is the returned cheque through memo. Ex.P3 is the legal notice issued by complainant with postal receipt. Ex.P4 is the postal acknowledgment. Ex.P5 is the statement of account. Ex.P6 is the letter of authorization.

(15) Upon a careful perusal of the document marked as PW.2, it becomes evident that a vehicle loan agreement was executed between the Complainant Company and the accused on 28.04.2018, and that the accused agreed to repay the said loan amount in installments. Furthermore, it is noted that the accused made installment payments on the following dates. 10.08.2018, 10.11.2018, 10.09.2019, 10.05.2019, 10.08.2019, 10.11.2019, 10.02.2020, 10.11.2020, and 10.02.2021. It is stated that out of the total loan amount of Rs.4,65,420/-, a sum of Rs. 3,35,988/- has been repaid, and a balance amount of Rs. 2,50,000/- inclusive of interest remains outstanding. In light of the fact that the details pertaining to the aforementioned loan agreement have been duly substantiated through relevant documentary evidence and the evidence of the Complainant Company's Manager, this Court holds that the argument advanced by the accused claiming to have fully discharged the entire installment amount is untenable. Specifically, the trial court's verdict was correct in holding that notwithstanding the argument that the cheque in question was issued merely as security at the time the loan was obtained the burden of proving that no legally repayable debt remained outstanding on the date specified in the complaint

rested squarely upon the accused; that the accused failed to discharge this burden; and furthermore, that although the necessary details to enable the defense to rebut the complainant's prima facie evidence were provided after such evidence had been submitted, the accused failed to properly avail themselves of that opportunity. Consequently, this Court concludes that there are no grounds to interfere with the conviction, sentence, and fine imposed by the trial court; accordingly, affirming the same, this Appellate Court hereby dismisses this Criminal Appeal. Thus, the issue at hand is answered accordingly.

In the result, this criminal appeal is dismissed and the judgment and sentence passed on 22.09.2025 in Judicial Magistrate (Fast Track) court, Thanjavur in S.T.C. No.110/2023 is confirmed. The trial court is directed to take steps to secure the accused to serve out the remaining period of sentence and also to collect the compensation award if not already collected.

This Judgment is dictated to Steno-typist by me, typed directly by her in computer, corrected and pronounced by me in the open court, this the 23rd day of June 2026.

NAGARAJAN Digitally signed by NAGARAJAN Date: 2026.06.23 18:59:35 +0530

II Additional District and Sessions Judge,
Thanjavur.

Copy to:
The Judicial Magistrate,
Fast Track Court,
Thanjavur.

Judgment in
Criminal Appeal
No.137/2025
Dated: 23.06.2026