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CRL.A.No. 1331 of 2025



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 26-08-2025

CORAM

THE HONOURABLE MR JUSTICE G.K. ILANTHIRAIYAN

CRL A No. 1331 of 2025

M.Ganesh
S/o.Muthu Kumar.

Appellant(s)

Vs

Gokula Kannan
S/o.Vidyanath

Respondent(s)

PRAYER: Criminal Appeal filed under Section 378 Cr.P.C, to call for the records and set aside the Judgement of the Metropolitan Magistrate, FTC-II, Egmore @ Allikulam, Chennai, made in S.T.C.No.5752/2023 dated 02.03.2024 acquitting the Accused/Respondent for the offence punishable under section 138 of the Negotiable Instruments Act 1881 and convict him for the said offence.

For Appellant(s): Ma.Mathew Berchmans

ORDER

This appeal has been preferred as against the Judgment passed in S.T.C.No.5752 of 2023, dated 02.03.2024, by the learned Metropolitan



Magistrate, FTC-II, Egmore @ Allikulam, Chennai, thereby, dismissing the complaint filed for the offences under Section 138 of NI Act.

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2.The appellant lodged a complaint as against the respondent for the offences punishable under Section 138 of NI Act alleging that on account of the repayment of the amount, the respondent had issued cheques for a sum of Rs. 48,00,000/-. All the cheques were presented for collection, but all the cheques were returned for the reason that 'exceeds arrangement'. After issuing legal notice dated 12.06.2023 demanding repayment, the appellant had filed a complaint and the same had been taken cognizance by the Trial Court in STC No.5752 of 2023.

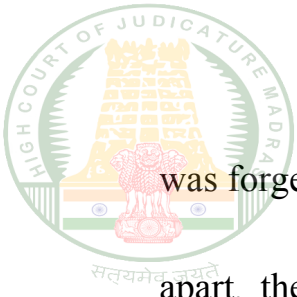
3.Before the trial Court, on the side of the appellant, PW1 was examined and Exs.P1 to P6 were marked and on the side of the respondent, DW1 was examined and Exs.D1 & D2 were marked. The trial Court after conclusion of trial had dismissed S.T.C.No.5752 of 2023, vide order dated 02.03.2024. Aggrieved over the same, the appellant has filed the present appeal.



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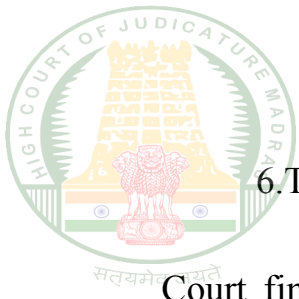
4. The learned counsel for the appellant would submit that the respondent issued cheques for the amount borrowed by him for the purpose of investing in the Crypto currency business. However, it was not invested and in order to repay the amount, the respondent issued cheques and they were dishonoured for the reason 'exceeds arrangement'. Though the appellant issued statutory notice, the respondent did not reply to rebut the initial presumption. Therefore, the appellant had discharged his initial burden as contemplated under Section 138 of the NI Act. Though the respondent failed to turn up, the trial Court mechanically dismissed the complaint filed by the appellant.

5. On a perusal of the complaint, it is seen that even according to the appellant, he did not even whispered as to how the sum of Rs.48,00,000/- was paid in favour of the respondent. He did not even whispered anything about the loan. He has simply stated in his complaint that in order to repay Rs.48,00,000/-, the respondent had issued cheques to him. During the enquiry under Sections 251 and 313 Cr.P.C., the respondent stated that the signatures found in all the cheques are not that of him. The signature of the respondent



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was forged by the appellant and the cheques were presented for collection. That apart, the main defence taken by the respondent was that the appellant was working in the office of the respondent and the respondent used to invest in Crypto and FOREX trade with the help of some persons, who are conducting the said business. While doing such investment, the appellant also invested a sum of Rs.17,60,000/- along with the respondent. Thereafter, the appellant invested some more amount, in total, he invested a sum of Rs.50,00,000/-. However, the persons with whom he conducted the said business, failed to return the same. Therefore, the respondent undertook to get the money from those persons to the appellant. Accordingly, the respondent paid a sum of Rs.10,00,000/- through bank transaction. When the appellant came to the respondent's studio, he had taken the cheques of the respondent and forged his signature and presented the same for collection. Therefore, the respondent duly established through material evidence for rebutting the presumption and therefore, the entire burden was shifted to the appellant. Even then the appellant failed to prove that the cheques were issued for investment in some other business other than Crypto and FOREX trade.



6. Therefore, the trial Court had rightly acquitted the respondent and this

Court finds no illegality or infirmity in the order passed by the trial Court.

Accordingly, this Criminal Appeal stands dismissed.

26-08-2025

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Index: Yes/No

Speaking/Non-speaking order

Internet: Yes

Neutral Citation: Yes/No

To

The Metropolitan Magistrate, FTC-II,
Egmore @ Allikulam, Chennai.



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G.K.ILANTHIRAIYAN J.
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