IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated : 12.06.2025

CORAM

THE HONOURABLE MR. JUSTICE **G.K.ILANTHIRAIYAN**

Crl.A.No.594 of 2025

Adithya
Proprietor of SMR Electronics,
No.775, Oppanakara Street,
Coimbatore – 641 001. ..... Petitioner

Vs

Kiran
Proprietor of Indus Technologies,
No.172/800/788, Mahalakshmi Complex,
Ground Floor, 12E Main, Kaveri Nagar,
Boomanahalli,
Banagalore – 560 068 ..... Respondent

Prayer: Criminal Appeal filed under Section 419(4) of the Bharatiya Nagarik Suraksha Sanhita, 2023, to call for the records in Judgment of acquittal dated 12.02.2025 made in STC No.343 of 2022 on the file of the Fast Track Court No.I, Judicial Magistrate, Coimbatore and set aside the same.

For Appellant : Mr.P.Saravana Sowmiyan

JUDGMENT

This Criminal Appeal has been filed challenging the order dated 12.02.2025 passed in STC No.343 of 2022 on the file of the Fast Track Court No.I, Judicial Magistrate, Coimbatore, thereby acquitted the respondent for the offence punishable under Section 138 of the Negotiable Instruments Act.

2. The appellant/complainant lodged a complaint against the respondent/accused for the offence under Section 138 of the Negotiable Instruments Act, alleging that the appellant is a sole proprietor of SMR Electronics, engaged in the business of sale of electronic components and allied materials. The respondent is the proprietor of Indus Technologies and was regularly purchasing electronic goods in bulk quantities from the appellant. The respondent used to make payments for the goods purchased at periodical intervals. However, towards the purchase of electronic goods, a sum of Rs.4,60,389/- remained outstanding under the invoice. In discharge of the said liability, the respondent issued a cheque and the same was presented for collection. However, it was returned dishonoured with the endorsement "Payment Stopped by the Drawer". After causing the statutory notice, the appellant filed a complaint under Section 138 of the Negotiable Instruments Act.

3. On the side of the appellant, P.W.1 was examined and Ex.P1 to Ex.P6 were marked. On the side of the accused, D.W.1 was

examined and Ex.D1 to D32 were marked. On perusal of the oral and documentary evidence, the Trial Court found the respondent not guilty and acquitted him of the charges under Section 138 of the Negotiable Instruments Act.

4. The learned counsel for the appellant would submit that the respondent is liable to pay the dues arising out of the purchase of electronic goods under the invoices. The appellant marked the invoice dated 25.05.2022 as Ex.P5, which was issued pursuant to the purchase order placed by the respondent. In discharge of the said liability, the respondent issued a cheque. However, the respondent stopped the payment of the said cheque without assigning any valid reason. Therefore, the offence under Section 138 of the Negotiable Instruments Act is clearly made out and even then the Trial Court acquitted the respondent on the ground that the appellant failed to prove his case.

5. Heard the learned counsel appearing for the appellant and perused the materials available on record.

6. A perusal of the records reveals that though the

respondent issued a cheque, which was marked as Ex.P1, he subsequently, issued a letter to stop payment on Ex.P1. On the date of return of the cheque, the respondent maintained substantial amount in his account to honour Ex.P1. On verifying the same, it is found that on the date of presentation of the cheque, there was a substantial amount available in the account of the respondent to honour Ex.P1. The statement of accounts was marked as Ex.D32.

7. A perusal of the reply notice dated 14.07.2022 reveals that the electronic goods supplied by the appellant were sold out by the respondent to his customers. However, it is alleged that all the customers found the electronic goods to be defective and returned them, demanding a refund. Therefore, thereby the appellant had cheated the respondent to the tune of Rs.16,28,400/- by supplying duplicate goods. Consequently, the respondent stopped payment on the cheque issued to the appellant. Further, the respondent, in his reply notice, called upon the appellant to refund a sum of Rs.16,28,400/- with interest at the rate of 18% per annum. Therefore, no offence under Section 138 of the Negotiable Instruments Act is made out against the respondent herein. Hence, the Trial Court rightly acquitted the respondent of the offence under Section

138 of the Negotiable Instruments Act.

8. In view of the above, this Court finds no infirmity or illegality in the Judgment of acquittal dated 12.02.2025 made in STC No.343 of 2022 on the file of the Fast Track Court No.I, Judicial Magistrate, Coimbatore.

9. Accordingly, this Criminal Appeal stands dismissed.

12.06.2025

Index : Yes/No
Neutral citation : Yes/No
Speaking/non-speaking order
Lpp

https://www.mhc.tn.gov.in/judis

G.K.ILANTHIRAIYAN, J.

Lpp

To

The Fast Track Court No.I,
Judicial Magistrate,
Coimbatore.

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