IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 30.07.2025

CORAM:

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

Crl.A.No.1109 of 2025

M/s Motor Finance Corporation
Proprietor Gouthamchand,
Represented by its Power Agent,
Anurag Jangra ... Appellant

Vs

S.Muruganandham ... Respondent

Prayer: Criminal Appeal filed under Section 419 of the Bharatiya Nagarik Suraksha Sanhita, 2023, to call for the records and setting aside the ordered passed by learned Metropolitan Magistrate, Fast Track-II, (Magisterial Level) Egmore, Chennai in S.T.C.No.13473 of 2023 under Section 138 of Negotiable Instruments Act.

For Appellant : Mr.R.Muthukumar

JUDGMENT

This Criminal Appeal has been filed as against the order passed in S.T.C.No.13473 of 2023 dated 01.04.2025 by the Metropolitan Magistrate, Fast Track-II, (Magisterial Level) Egmore, Chennai, thereby dismissing the complaint filed for the offence punishable under Section 138 of Negotiable Instruments Act.

2. The appellant is the complainant and lodged a complaint as against the respondent for the offence punishable under Section 138 of Negotiable Instruments Act, alleging that the respondent borrowed loan to the tune of Rs.70 Lakhs and issued a cheque for the said amount. It was presented for collection. However, it was returned dishonoured for the reason "Payment Stopped by the Drawer". After issuance of statutory notice, the complaint was filed.

3. In order to bring home the charges, the appellant had examined PW.1 and marked Exs.P1 to 10 and on the side of the respondent, he had examined DW.1 and marked Exs.D1 to 3. On perusal of oral and documentary evidences, the Trial Court acquitted the respondent.

4. The learned counsel for the appellant would submit that the respondent did not deny the signature found in the cheque and also issuance of cheque. Therefore, the appellant had discharged the initial burden as contemplated under Section 138 of the Negotiable Instruments Act. Though the respondent failed to rebut the presumption, the Trial Court acquitted the respondent.

5. A perusal of records revealed that the specific defence of the respondent was that the cheque was never issued for any consideration and it was obtained from the respondent as security. Even according to the appellant, there was no transaction between the appellant and the respondent. The alleged loan transaction is between the appellant and the wife of the respondent herein, in which the petitioner stood as guarantor. He never undertook to pay the loan allegedly borrowed by his wife. In fact, the said loan was under mortgage by depositing the title deed. Therefore, the respondent is no way connected with the loan transaction between the appellant and the wife of the respondent. That apart, even the respondent's wife borrowed a sum of Rs.16,50,000/- and she agreed to return the same with interest at the rate of 19%. However, it would not come to Rs.70 Lakhs. Further, the respondent also paid a sum of Rs.50,000/- towards the appellant's account.

6. Therefore, the cheque was not issued for any legally enforceable debt and the trial Court had rightly dismissed the complaint and this Court finds no infirmity or illegality in the order passed in S.T.C.No.13473 of 2023 dated 01.04.2025 by the Metropolitan Magistrate, Fast Track-II, (Magisterial Level) Egmore, Chennai.

7. Accordingly, this Criminal Appeal stands dismissed.

30.07.2025

Internet:Yes
Index:Yes/No
Speaking/Non speaking order
mn

To

The Metropolitan Magistrate,
Fast Track-II, (Magisterial Level) Egmore, Chennai.

G.K.ILANTHIRAIYAN. J,

mn

Crl.A.No.1109 of 2025

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