2026:BHC-AUG:51439

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
BENCH AT AURANGABAD

CRIMINAL REVISION APPLICATION NO.7 OF 2017
WITH
CRIMINAL REVISION APPLICATION NO.8 OF 2017
WITH
CRIMINAL REVISION APPLICATION NO.9 OF 2017

STATE BANK OF INDIA, MAIN BRANCH, BEED.
Versus
PADMASHREE DR. VITTHALRAO VIKHE PATIL
SAHAKARI SAKHAR KARKHANA LTD., ASHOK NAGAR,
TALUKA KAIJ, DISTRICT BEED.
AND
CHIEF ACCOUNTANT/ MANAGING DIRECTOR
AND
DIRECTOR/ CHAIRMAN.

…

Shri Ruturaj C. Patil, advocate for the applicant/ SBI.
Shri Rajan Bhaskar Magare, advocate h/f Shri D.J. Choudhary, advocate for respondent Nos.1 to 3/ Sugar Factory.
Shri A.A.A. Khan, APP for the State.

…

CORAM : SUSHIL M. GHODESWAR, J.

Reserved on : 07 October 2026

Pronounced on : 23 October 2026

JUDGMENT :-

1. Since the parties in all these Criminal Revision Applications are the same and the impugned orders passed by the learned Judicial Magistrate First Class arise out of complaints

filed under Section 138 of the Negotiable Instruments Act, 1881, involving similar questions of law and fact, the present Criminal Revision Applications are being decided by this common order. Though the complaints pertain to different cheques, the issue involved in all these Revision Applications is similar, therefore, these revisions are being decided by this common judgment.

2. The applicant/ State Bank of India is challenging the impugned orders 07.10.2016 passed by the learned 6th Judicial Magistrate, First Class, Beed, below Exhibit-1 in the cases as under:-

Sr.No.	Criminal Revision Application No.	SCC No.	Cheque No.
1.	7/2017	1543/2008	148676
2.	8/2017	1545/2008	148678
3.	9/2017	1544/2008	148677

3. By the aforesaid impugned orders, the complaints filed by the applicant came to be returned for presentation before the appropriate Court having jurisdiction.

4. For the sake of brevity, the facts of Criminal Revision Application No.7/2017 are referred to in this common

judgment.

5. The brief facts of the case are as under:-

(a) The applicant is the State Bank of India (SBI), having its main branch at Beed, and is also the original complainant. The respondents are the original accused. Respondent No.1 is Dr. Vitthalrao Vikhe Patil Sahakari Sakhar Karkhana Limited, Kaij. Respondent Nos. 2 and 3 are stated to be its Chief Accountant, Managing Director and Director-cum-Chairman, respectively.

(b) According to the applicant, the applicant/ SBI had granted loan to respondent No.1 for repairing and maintaining trucks, tractors and trolleys and also for making advance payments to sugarcane-cutting contractors for the crushing season of 2006–2007. Respondent Nos. 2 and 3 had signed the loan documents on behalf of respondent No.1.

(c) Respondent No.1 issued cheque No.148676 dated 22.04.2008 for an amount of Rs. 96,47,000/-, drawn on the Beed District Central Co-operative Bank Limited, Kaij Branch, Beed, in favour of SBI. The said cheque was signed by respondent

Nos.2 and 3 on behalf of respondent No.1. It is needless to state that the said cheque was issued towards repayment of the loan amount.

(d) After receiving the aforesaid cheque, the applicant/ SBI presented it for encashment. However, the cheque was returned unpaid on 29.04.2008 with the remark “refer to drawer” and the reason stated was “funds insufficient”. The applicant/ SBI received the return memo on 06.05.2008, which has been annexed to the instant application at Exhibit-A.

(e) Accordingly, the applicant/SBI issued the notice dated 02.06.2008 by registered post A.D. The notice was returned unserved on 09.06.2008 with the remark “refused to accept”. The said acknowledgment has been annexed to the instant application at Exhibit-B.

(f) Therefore, the applicant/SBI filed S.C.C. No. 1543 of 2008 under Section 138 of the Negotiable Instruments Act, 1881. The said complaint was assigned to the learned 6th Judicial Magistrate First Class, Beed.

(g) The learned Judicial Magistrate First Class, vide the

impugned order dated 07.10.2016, returned the said complaint for presentation before the Court having jurisdiction. The reason for returning the complaint was that the cheque had been presented for encashment at the State Bank of India, Kaij Branch, Taluka Kaij, District Beed. The learned Magistrate observed that, as per Section 142(2) of the Negotiable Instruments Act, 1881, as amended in 2015, an offence under Section 138 is to be inquired into and tried only by the Court within whose local jurisdiction the branch of the bank where the payee or holder in due course maintains the account, is situated, in cases where the cheque is delivered for collection through an account. The learned Magistrate, therefore, held that the Court at Beed did not have jurisdiction, as the account maintained by the payee was at Kaij and the cheque had also been presented by the payee at its branch at Kaij.

(h) Therefore, the applicant/SBI approached this Court by filing the present Criminal Revision Applications under Section 397 of the Code of Criminal Procedure, 1973.

6. The learned advocate for the applicant/ SBI submitted that, the impugned order is wholly illegal and contrary

to law. The learned Magistrate failed to consider that the SBI itself was the payee of the cheque and that it had its main branch at Beed. Merely because the respondent was maintaining an account at Kaij, District Beed, that, by itself, did not mean that the complaint ought to have been registered before the learned Judicial Magistrate First Class, Kaij, District Beed. It is further pointed out that the learned Magistrate failed to appreciate that the SBI being the payee and the complainant bank had its office and maintained its account at Beed, where the complaint was filed. Therefore, the learned Magistrate erroneously held that the Court at Beed had no jurisdiction and decided the matter on assumptions and presumptions.

7. On the other hand, the learned counsel for the respondents submitted that in view of the judgment delivered by the Hon'ble Supreme Court in ***Dashrath Rupsingh Rathod v. State of Maharashtra, reported in (2014) 9 SCC 129***, the complaint ought to have been filed at Kaij, District Beed. Reliance is placed on paragraphs 13 and 16 of the aforesaid judgment, wherein the Hon'ble Supreme Court observed that Section 177 of the Code of Criminal Procedure, 1973,

unambiguously provides that every offence shall ordinarily be inquired into and tried by a Court within whose local jurisdiction it was committed. An offence, by virtue of the definition of the word in Section 2(n) of the Code, means an act or omission made punishable by any law. The venue for the trial of an offence is ordinarily confined to the place of its occurrence. The crime is local and jurisdiction over it vests in the Court where the crime is committed. The Hon'ble Supreme Court, therefore, held that the Court within whose local jurisdiction the offence was committed would ordinarily have jurisdiction to inquire into and try the same. The said judgment overruled the earlier judgment delivered by the Hon'ble Supreme Court in ***K. Bhaskaran v. Sankaran Vaidhyan Balan, reported in (1999) 7 SCC 510***. Thus, in short, in ***Dashrath Rupsingh Rathod v. State of Maharashtra, reported in (2014) 9 SCC 129***, the Hon'ble Supreme Court overruled the judgment delivered in ***K. Bhaskaran v. Sankaran Vaidhyan Balan*** and held that, in a case involving dishonour of a cheque, the offence is committed at the place where the drawee bank dishonours the cheque. Consequently, the Court within whose territorial jurisdiction the drawee bank is situated would have jurisdiction to try the complaint. The learned advocate for

the respondents, therefore, supported the impugned order.

8. After hearing the learned advocates for the parties and perusing the record, I find that the Parliament amended Section 142 of the Negotiable Instruments Act, 1881, by the Negotiable Instruments (Amendment) Act, 2015. The amended Section 142(2) reads as under:

> *"142. Cognizance of offences.—*
>
> *(2) The offence under section 138 shall be inquired into and tried only by a court within whose local jurisdiction,—*
>
> *(a) if the cheque is delivered for collection through an account, the branch of the bank where the payee or holder in due course, as the case may be, maintains the account, is situated; or*
>
> *(b) if the cheque is presented for payment by the payee or holder in due course, otherwise through an account, the branch of the drawee bank where the drawer maintains the account, is situated.*
>
> *Explanation.— For the purposes of clause (a), where a cheque is delivered for collection at any branch of the bank of the payee or holder in due course, then, the cheque shall be deemed to have been delivered to the branch of the bank in which the payee or holder in due course, as the case may be, maintains the account."*

9. The Hon'ble Supreme Court in ***Bridgestone India Private Limited v. Inderpal Singh, reported in (2016) 2 SCC 75***,

considered the effect of the aforesaid amendment and held that the amended provisions of Sections 142(2) of the Negotiable Instruments Act, 1881, apply retrospectively.

10. Thereafter, the Hon'ble Supreme Court delivered its judgment in ***Jai Balaji Industries Limited v. M/s. HEG Limited, reported as 2025 INSC 1362, decided on 28.11.2025***. The Hon'ble Supreme Court considered the interpretation of Section 142(2)(a) and its Explanation and held that, in a case where the cheque is delivered for collection through an account, territorial jurisdiction lies with the Court within whose local jurisdiction the payee's home branch i.e. the branch where the payee maintains its account, is situated. The Explanation to Section 142(2)(a) creates a legal fiction whereby delivery of the cheque for collection at any branch of the payee's bank is deemed to be delivered at the branch where the payee maintains its account.

11. In view of the above discussion, it is evident that the question of territorial jurisdiction is required to be determined in accordance with Section 142(2) of the Negotiable Instruments Act, 1881, read with the Explanation thereto and the law laid down by the Hon'ble Supreme Court in the aforesaid judgments.

A perusal of the impugned orders shows that the learned Magistrate proceeded on the basis that the cheques were presented for encashment at the State Bank of India, Kaij Branch, and, on that basis, concluded that the Court at Beed had no territorial jurisdiction. However, the impugned orders do not record a specific finding regarding the branch where the applicant, being the payee, maintained the relevant account. In view of the law explained by the Hon'ble Supreme Court in ***Jai Balaji Industries Ltd. v. M/s. HEG Ltd.***, reported as 2025 INSC 1362, the relevant account and branch are required to be identified for determining territorial jurisdiction under Section 142(2)(a) of the Negotiable Instruments Act, 1881, read with its Explanation.

12. In that view of the matter, the impugned orders dated 07.10.2016 passed by the learned 6th Judicial Magistrate First Class, Beed, in the respective complaints cannot be sustained in their present form. The question of territorial jurisdiction requires fresh consideration in the light of the applicable statutory provisions and the judgments of the Hon'ble Supreme Court referred to above. Accordingly, the impugned orders are required

to be quashed and set aside and the matters are required to be remanded to the learned Judicial Magistrate First Class for fresh consideration of the question of territorial jurisdiction after giving an opportunity of hearing to both sides and considering the relevant banking documents.

13. Hence, the Criminal Revision Applications are allowed. The impugned orders dated 07.10.2016 are quashed and set aside. The matters are remanded to the learned Judicial Magistrate First Class, Beed, for fresh consideration of the question of territorial jurisdiction in accordance with law, in the light of the observations made hereinabove.

14. It is clarified that this Court has not expressed any final opinion on the territorial jurisdiction of the Court to entertain the complaints.

15. The Criminal Revision Applications are disposed of accordingly.

kps (SUSHIL M. GHODESWAR, J.)