Landmark Judgment collection topic wise on Negotiable Instrument Act
For Judicial service Examination

Table of Content

THE NEGOTIABLE INSTRUMENTS ACT..... 1
Yogendra Pratap Singh v. Savitri Pandey, (2014) 10 SCC 713..... 1
Ripudaman Singh v. Balkiishna, (2019) 4 SCC 767..... 1
B. Sunitha v. State of Telengana, (2018)1 SCC 638..... 1
Vani Agro Enterprises v. State of Gujarat, (2019) 4 RCR (Criminal) 495..... 1
Kishan Rao v. Shankar Gouda, (2018) 8 SCC 165..... 2
Radha Krishna v. Dasari Deepthi, (2019) 15 SCC 550..... 2
Dashrath Rupsingh Rathod vs. State of Maharashtra, (2014) 9 SCC 129..... 2
Bir Singh v. Mukesh Kumar, (2019) 4 SCC 197..... 2
Sudhir Kumar Bhalla v. Jagdish, (2008) 7 SCC 137..... 2
Rangappa v. Srimohan, AIR 2010 SC 1898..... 2
MSR Leathers v. S. Palaniappa, (2013) 10 SCC 568..... 2
Laxmi Dyechem v. State of Gujarat, (2012) 13 SCC 375..... 2
M. Abbas Haji v. T.N. Channakeshava, (2019) 9 SCC 606..... 2
H.N. Jagdeesh v. R. Rajeshwari, (2019) 16 SCC 730..... 3
Shiv Kumar v. Ramavtar Agarwal, (2020) 12 SCC 500..... 3
Rajesh Jain v. Ajay Singh (2023)..... 3
Yogesh Upadhyay vs Atlanta Limited (2023)..... 3
Ashok Shewakramani V. State Of Andhra Pradesh (2023)..... 3
Pawan Bhasin v State of UP (2023)..... 3

THE NEGOTIABLE INSTRUMENTS ACT

Yogendra Pratap Singh v. Savitri Pandey, (2014) 10 SCC 713

The Supreme Court ruled that cognizance of an offence under Section 138 of the Negotiable Instruments Act cannot be taken if the complaint is filed before the expiry of the 15-day notice period required to be served upon the drawer of the cheque.

Ripudaman Singh v. Balkiishna, (2019) 4 SCC 767

The Supreme Court stated that a complaint under Section 138 of the Negotiable Instruments Act is valid when there is dishonour of cheques issued under an agreement to sell.

B. Sunitha v. State of Telengana, (2018)1 SCC 638

The Supreme Court held that a lawyer's fee claim based on a percentage of the subject matter in litigation cannot form the basis of a complaint under Section 138 of the Negotiable Instruments Act.

Vani Agro Enterprises v. State of Gujarat, (2019) 4 RCR (Criminal) 495

The Supreme Court declined to consolidate multiple cheque bounce cases emanating from a single notice, stating that there is no provision for consolidation of cases in the Code of Criminal Procedure.

Important Links for Judiciary Free Resources (Click on Each to Open Respective Pages)	
Subject Wise Mains PYQ Solution	Essay for Judiciary
Subject Wise Notes	Legal Doctrines
Landmark Judgements	GS Notes
Weekly Current Affair	Subject Wise Prelims PYQ Solution
Free Answer Writing Course	Judgement Writing
Telegram Link	Youtube Link

Kishan Rao v. Shankar Gouda, (2018) 8 SCC 165

The Supreme Court clarified that mere denial of debt or liability cannot shift the burden of proof from the accused in a cheque dishonour case. Section 139 of the Negotiable Instruments Act presumes in favour of the holder, and a mere denial may not serve the accused's purpose.

Radha Krishna v. Dasari Deepthi, (2019) 15 SCC 550

The Supreme Court stated that a 'cheque bounce' complaint against a company and its director must specifically aver that the director was in charge of and responsible for the conduct of the company's business when the offence was committed under Section 138/141 of the Negotiable Instruments Act.

Dashrath Rupsingh Rathod vs. State of Maharashtra, (2014) 9 SCC 129

The Supreme Court clarified that a complaint for dishonour of a cheque must be filed in the court within whose local jurisdiction the cheque is dishonoured by the bank.

Bir Singh v. Mukesh Kumar, (2019) 4 SCC 197

The Supreme Court ruled that filling in an unfilled signed cheque is not considered an alteration. A blank cheque leaf voluntarily signed and handed over, if it is intended for payment, would invoke the presumption under Section 139 of the Negotiable Instruments Act, unless evidence proves otherwise.

Sudhir Kumar Bhalla v. Jagdish, (2008) 7 SCC 137

The offence under Section 138 of the Negotiable Instruments Act applies when cheques are issued to discharge a debt or other liability, not when issued as security.

Rangappa v. Srimohan, AIR 2010 SC 1898

To rebut the presumption under Section 139, the standard of proof required is the preponderance of probabilities.

MSR Leathers v. S. Palaniappa, (2013) 10 SCC 568

The holder or payee can encash a cheque multiple times within its validity period. Prosecution based on a subsequent presentation of a cheque, even after the original cause of action was time-barred, is permissible as long as Section 138 conditions are met.



Laxmi Dyechem v. State of Gujarat, (2012) 13 SCC 375

Dishonour of a cheque due to signature mismatch or unavailability of the image can constitute a dishonour under Section 138.

M. Abbas Haji v. T.N. Channakeshava, (2019) 9 SCC 606

In the event of the death of the convict in a Section 138 offence, the legal heirs are not liable to pay the fine or undergo imprisonment. They have the right to challenge the predecessor's conviction if they believe he was not guilty.

H.N. Jagdeesh v. R. Rajeshwari, (2019) 16 SCC 730

Service of a statutory notice demanding payment is a necessary precondition for filing a complaint under Section 138. The complainant must produce such a notice as part of the record and prove its delivery.

Shiv Kumar v. Ramavtar Agarwal, (2020) 12 SCC 500

The proper stage of rebuttal of presumption under Section 139 is the stage of trial. Rebuttal of presumption cannot be considered at the stage of taking cognizance when all ingredients of taking cognizance of case under Section 138 are satisfied.

Rajesh Jain v. Ajay Singh (2023)

Once the presumption under Section 139 was given effect to, the Courts ought to have proceeded on the premise that the cheque was, indeed, issued in discharge of a debt/liability. The entire focus would then necessarily have to shift on the case set up by the accused, since the activation of the presumption has the effect of shifting the evidential burden on the accused. The nature of inquiry would then be to see whether the accused has discharged his onus of rebutting the presumption. If he fails to do so, the Court can straightaway proceed to convict him, subject to satisfaction of the other ingredients of Section 138.

Yogesh Upadhyay vs Atlanta Limited (2023)

Section 142(2)(a) vests jurisdiction for initiating proceedings for an offence under Section 138 in the Court where the cheque is delivered for collection, i.e., through an account in the branch of the bank where the payee or holder in due course maintains an account.

Ashok Shewakramani V. State Of Andhra Pradesh (2023)

A person will become vicariously liable when a company is accused of the offence under Section 138 (Dishonour of cheque for insufficiency of funds) of the Act, only if such a person was "in charge of" and was "responsible to the company for the conduct of the business of the company" at the time the offence was committed. Just because a person is managing a company and is involved in its day-to-day affairs, he does not automatically come under the ambit of Section 141 of the NI Act.

Pawan Bhasin v State of UP (2023)

Where a cheque is dishonoured, the interim compensation can be directed to be paid only after the accused has pleaded not guilty.

De Facto IAS