“Cheque Bounce Case"- High Court Kerala

Title: POPULAR MOTOR CORPORATION VS STATE OF KERALA

Decided on: 17th, OCTOBER 2023

Writ C No. - 1412 OF 2011

CORAM: THE HONOURABLE MR. JUSTICE C.S. DIAS

**INTRODUCTION**

The High Court of Kerala in Ernakulam, India, heard this criminal appeal case. It concerns claims made in accordance with Section 138 of the Negotiable Instruments Act regarding dishonored checks. Popular Motor Corporation, the appellant, filed the complaint against Vinod Bhaskar, the accused, who was found not guilty by the trial court because of alleged flaws in the complaint.

The High Court considered whether the complainant firm had the legal authority to file the complaint after the case was appealed. The accused was found guilty after the High Court reversed the trial court's ruling in favor of the complainant. This case raises legal concerns about the prerequisites for submitting complaints under Section 138, especially in situations where the complainant is a business or is represented by authorized staff. It also highlights how the burden of proof in these kinds of situations is shifted to the accused.

**FACTS OF THE CASE**

Popular Motor Corporation lodged a complaint against Vinod Bhaskar in this instance for sending out two cheques that bounced. The High Court decided in favor of Popular Motor Corporation, highlighting the complainant's legal position and the accused's obligations under Section 138 of the Negotiable Instruments Act, despite the trial court's finding that the accused was not guilty.

**COURTS ANALYSIS AND DECISION**

The High Court ruled in favor of the company, applying the "reverse onus" principle and convicting the accused. In addition to being sentenced to one day in prison, the accused was also mandated to pay the company damages.

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