# Legal Case Summary

Case Title: Ashok Singh vs State of Uttar Pradesh & Another

Citation: 2025 INSC 427

Date of Judgment: 2 April 2025

Bench: Justice Sudhanshu Dhulia, Justice Ahsanuddin Amanullah

Author of Judgment: Justice Ahsanuddin Amanullah

## Parties Involved

Appellant: Ashok Singh

Respondents: State of Uttar Pradesh & Ravindra Pratap Singh

## Background / Facts of the Case

Ashok Singh filed a complaint under Section 138 of the Negotiable Instruments Act (NI Act), 1881, alleging that the accused Ravindra Pratap Singh issued a cheque for Rs. 22 lakhs which was dishonoured with the reason 'payment stopped by drawer'. Despite legal notice and follow-ups, no payment was made. The Trial Court convicted the accused and sentenced him to one year of simple imprisonment with a fine of Rs. 35 lakhs, including Rs. 30 lakhs compensation to the complainant. The Appellate Court upheld the decision. However, the High Court quashed the conviction, stating that the complainant failed to prove the existence of a legally enforceable debt.

## Legal Issues Raised

1. Whether the High Court erred in re-evaluating evidence and overturning concurrent findings of lower courts.

2. Whether the complainant was required to prove source and mode of loan disbursal to maintain conviction under Section 138 NI Act.

3. Whether the presumption under Sections 118 and 139 of the NI Act was properly applied.

## Judgment / Decision

The Supreme Court held that the High Court erred in interfering with the concurrent findings of the Trial and Appellate Courts. It observed that once the accused admitted to signing the cheque, the statutory presumption under Section 139 applies unless rebutted with credible evidence. The accused’s claims of a lost cheque and fabricated police intimation lacked substance. The Court emphasized that the complainant need not prove the financial source unless specifically challenged with evidence. Accordingly, the conviction was restored.

## Final Order

• High Court judgment set aside.

• Conviction of the accused restored.

• Sentence modified: imprisonment waived, fine reduced to Rs. 32,00,000 to be paid within 4 months.

• In case of default, original sentence of one year imprisonment and Rs. 35,00,000 fine to apply.

## Case Timeline

• 17 Mar 2010: Cheque issued

• 07 May 2010: Cheque dishonoured

• 18 May 2010: Legal notice sent

• 12 Apr 2019: Trial Court convicts accused

• 23 Oct 2020: Appellate Court upholds conviction

• 21 Feb 2024: High Court acquits accused

• 02 Apr 2025: Supreme Court restores conviction with modified sentence

## Relevant Legal Principles & Precedents

• NI Act – Sections 118, 138, 139, 141

• Key Precedents: Bir Singh v. Mukesh Kumar, Rohitbhai Jivanlal Patel v. State of Gujarat, SMS Pharmaceuticals v. Neeta Bhalla

## Key Takeaways

- Presumption under Section 139 NI Act must be rebutted with credible evidence.

- High Courts must refrain from reappreciating evidence unless gross injustice is shown.

- The complainant need not prove financial capacity unless seriously disputed with supporting material.