



**Order below Exh. 16 in S.C.C. No. 109/2019**

This is an application made by the complainant to direct the accused to pay interim compensation to the extent of twenty percent of the amount of the cheque, as per provision under Section 143-A of the Negotiable Instruments (Amendment) Act, 2018.

**02.** The accused resisted the application by filing say on overleaf of the application and contended that it is not mentioned that under which provisions of law the present application is made. Also, the disputed cheques were not given by the accused and not signed by him. The application is not supported by an affidavit. Ultimately, the accused prayed to reject the application.

**03.** Heard both the learned advocates for the parties. The present complaint is made for the offence punishable under Section 138 of the Negotiable Instruments Act in respect of dishonour of cheques for amount of Rs.90,000/-. The accused appeared in the matter and pleaded not guilty to the accusation made in the complaint and now the matter is posted for adducing evidence by the complainant.

**04.** The Amendment Act 20 of 2018 has introduced Section 143 A with effect from 01.09.2018. Section 143-A of the

Negotiable Instruments Act inserted to act as a safeguard and protecting the interest of the payees of dishonoured cheques. The insertion of new provisions under Section 143-A aims at addressing the issue of undue delay in finality of cheque dishonour cases. It is believed that the amendment will strengthen the credibility of cheques and help trade and commerce in general.

**05.** The Hon'ble Apex Court in the case of **G. J. Raja vs Tejraj Surana Dt. 30 July, 2019**, held that "*Section 143A to be prospective in operation and that the provisions of said Section 143A can be applied or invoked only in cases where the offence under Section 138 of the Act was committed after the introduction of said Section 143A in the statute book*". Thus, in view of ratio laid down by the Hon'ble Apex Court as above, the provisions of Section 143A can be invoked only in cases where the offence under Section 138 of the Act committed after 01.09.2018. In present case, notice is served on the accused on 28-09-2019 and the accused was required to make payment of cheque amount within 15 days of the receipt of the notice. However, he failed to make payment. Thus, cause of action arose to file complaint. As the alleged offence appears to have been committed after introduction of Section 143A, the provisions of said section are very well applicable to the present case.

**06.** The accused pleaded not guilty to the accusation made against him in the present complaint. Thus, considering the object of amendment i.e. to provide interim compensation of an amount not exceeding twenty percent of the amount of the cheque

to the complainant and other aspects like proposed duration of trial, attaining finality in the proceeding and cheque amount, the application made by the complainant deserves to be allowed. Hence, following order.

**ORDER**

1. The application is allowed.
2. The accused is directed to pay interim compensation of twenty percent of the amount of the cheque to the complainant within sixty days from the date of this order.

Date : 18/01/2022.

( V. V. Khulape )  
Judicial Magistrate First Class,  
Kale-Kheriwade.