

**Order below 36 in S.T.C. No. 108/2022**

This is an application under the provisions of S. 143A of the Negotiable Instruments Act, 1881 seeking direction to accused to deposit a sum of 20% of the cheque amount. The accused has resisted the application *vide* say(Exh. 38) on the ground that the accused did not owe any sum to the complainant, he had not given the cheques in question to the complainant and this case is false. Hence, he has prayed that the application may be rejected. Perused application, say and record. Heard both the sides at length.

2. Section 143A of the NI Act does not lay down any particular condition or parameter for passing order of interim compensation in favour or against the accused. Such order can be passed if the accused pleads not guilty. However, Complainant relied on decision of Hon'ble Supreme Court in the case of '*Rakesh Shrivastava Vs. The State of Jharkhand and others, Criminal Appeal No.741 of 2024*', in which Hon'ble Apex Court in para 19 has given certain parameters for deciding the application for interim compensation as per section 143-A of N.I.Act. As per these parameters, the while deciding the application under section 143-A, Court will have to prima-facie evaluate the merits of the case made out by the complainant and defence raised by accused. Further, it is also directed that while doing so, the Court will have to consider several factors such as the nature of the transaction, relationship if any between the complainant and accused etc.

3. In present case, the accused has pleaded not guilty. The complainant has put on record the compromise deed of accused and complainant. On prima facie perusal it shows that accused admitted to pay the alleged amount of Rs. 28,50,000/- against the land acquisition amount

received to accused for the land of complainant. On the other hand accused submitted that said compromise deed is obtained by fraud and another proceeding for land acquisition is pending in Solapur District Court. Further accused also filed on record the affidavit of complainant regarding amount receipt of land acquisition. As per accused complainant has given 'No objection' to accused to receive the compensation amount of land acquisition. Thus, accused is admitting that there is some transaction between complainant and accused.

4. The main object of this provision is to reduce the undue delay in the cheque dishonour cases. In present case alleged transaction is based on fiduciary relationship. Section 143-A of the NI Act does not lay down any particular condition or parameter for passing order of interim compensation in favour or against the accused. Such order can be passed if the accused pleads not guilty. In present case, the accused has pleaded not guilty. According to s. 143A(2), such interim compensation cannot exceed 20% of the amount of cheque. In view of ratio laid down in Rakesh Ranjan Shrivastava (Supra), in present case in hand perused the relevant factors such as defence of accused, prima facie case of complainant, conduct of accused to proceed with trial, economical condition of accused etc. Accused in his say submitted that he is not liable to pay any amount to complainant. Considering the amount of cheque and nature of alleged transaction an order of deposit of a sum of 5% of the amount of cheque would meet the ends of justice. The objection of accused is precisely his defence. That can be considered only after affording opportunity of hearing to both sides. Thus, there is hardly any reason to refuse prayer of the complainant. Accordingly, following order is passed Further in case of acquittal the drawer is entitled for the refund of entire amount of interim compensation paid by him along with the RBI's prevailing interest rate, from complainant.

Therefore, considering all this legal aspects and argument of both sides it would be proper to partly allow present application to fullfill the object of this provision. Hence following order-

**ORDER**

1. Application is partly allowed.
2. The accused shall pay an amount of **Rs. 1,42,500/- (Rupees One lakh fourty two thousand and five hundred only)** towards interim compensation out of disputed cheque amount to the complainant within 60 days from the date of order.
3. If on final outcome of the case accused is acquitted the interim compensation amount paid by the accused shall be repaid back by the complainant to the accused within six months from the date of final order with providing interest as per the RBI bank rate.

**(P.S.Govekar)**  
**Date: 22/08/2024      JMFC(Court No3.), Mohol.**