

Complain Case 49 of 2025
CIS NO 49 of 2025

Order Dated: 23.03.2026

Today is fixed for passing order.

Complainant is present.

No step is taken by the accused.

An application has been filed on behalf of the complainant under Section 143A of the Negotiable Instruments Act, 1881 praying for grant of interim compensation to the tune of Rs. 2,00,000/-, being 20% of the cheque amount. Heard the learned advocate for the complainant and the accused on the previous occasion. The accused is absent today.

Perused the case record.

The case of the complainant, in brief, is that the accused approached him for a friendly loan of Rs. 10,00,000/- and pursuant thereto the complainant advanced the said amount to the accused, whereafter the accused issued a cheque bearing No. 026754 dated 16.04.2025 in discharge of his liability. The said cheque, upon presentation, was dishonoured on 16.04.2025 for the reason "Funds Insufficient". Thereafter, the complainant issued a statutory demand notice dated 06.05.2025 which was duly served upon the accused on 09.05.2025, but despite service of notice the accused failed to make payment within the stipulated period, giving rise to the present complaint which has been filed within limitation. Record further reveals that the accused has already appeared before this Court and upon explanation of the substance of accusation, he has pleaded not guilty and claimed to be tried.

At this juncture, it is necessary to consider the scope and ambit of Section 143A of the Negotiable Instruments Act which empowers the Court to direct the drawer of the cheque to pay interim compensation in a summons trial or summary trial where the accused pleads not guilty to the accusation. The provision enables the Court to award interim compensation up to 20% of the cheque amount. The Hon'ble Supreme Court in *Surinder Singh Deswal @ Col. S.S. Deswal v. Virender Gandhi*, reported in (2019) 11 SCC 341, has upheld the constitutional validity of the said provision and has observed that the same has been introduced with the object of strengthening the credibility of cheque transactions and to provide relief to the complainant during the pendency of trial. Further, in *G.J. Raja v. Tejraj Surana*, reported in (2019) 19 SCC 469, it has been held that the provision is prospective in nature. In the present case, the transaction and dishonour having taken place in the year 2025, the provision is clearly applicable.

It is also a settled principle of law that once issuance of cheque is prima facie established, a presumption arises in favour of the complainant under Sections 118 and 139 of the Negotiable Instruments Act regarding the existence of legally enforceable debt or liability, as held by the Hon'ble Supreme Court in *Rangappa v. Sri Mohan*, reported in (2010) 11 SCC 441. Though such presumption is rebuttable, the burden lies upon the accused to dislodge the same during trial.

Upon perusal of the complaint and materials available on record, this Court finds that the essential ingredients of Section 138 of the Negotiable Instruments Act are prima facie satisfied inasmuch as the cheque was issued by the accused in favour of the complainant, the same was dishonoured for insufficiency of funds, statutory notice was duly issued within time and served upon the accused, and payment was not made within the statutory period. It

further appears that the accused has already appeared and pleaded not guilty, thereby attracting the stage contemplated under Section 143A of the Act.

The power under Section 143A of the Act is discretionary in nature and is required to be exercised judiciously. The object of the provision is to provide interim relief to the complainant and to discourage unnecessary delay in the trial of cheque dishonour cases. At this stage, the defence of the accused is yet to be tested during trial and no material has been placed before this Court to discredit the claim of the complainant at the threshold. Considering the statutory presumptions operating in favour of the complainant and the prima facie satisfaction of the ingredients of the offence, this Court finds that the complainant has been able to make out a case for grant of interim compensation.

Having regard to the facts and circumstances of the case, and considering that the amount claimed is within the statutory limit of 20% of the cheque amount, this Court is of the considered view that the ends of justice would be met if the application under Section 143A of the Negotiable Instruments Act is allowed.

Accordingly, the application under Section 143A of the Negotiable Instruments Act is allowed. The accused is hereby directed to pay interim compensation of Rs. 2,00,000/- (Rupees Two Lakhs only) to the complainant within a period of 60 (sixty) days from the date of this order. It is further made clear that in case of failure to pay the said amount within the stipulated period, the same shall be recoverable as if it were a fine in terms of Section 143A(5) of the Negotiable Instruments Act. The amount so paid shall be subject to final adjudication of the case and shall be dealt with in accordance with law at the conclusion of trial.

Fix 05.05.2026 for evidence.

D/C by me

JM1

Judicial Magistrate 1st Court
Raghunathpur, Purulia