

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1122
ANSWERED ON:30.07.2010
PENDENCY OF CHEQUE BOUNCE CASES
Jagannath Dr. M.;Yadav Shri Ranjan Prasad

Will the Minister of FINANCE be pleased to state:

- (a) whether the cases of dishonor of cheques are increasing in the country;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether the Supreme Court has recently issued directions/ guidelines to dispose of such cases as soon as possible;
- (d) if so, the details thereof alongwith the details of pendency of such cases in courts/ settlement commissions in the country; and
- (e) the steps taken/ being taken by the Government in this regard?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a) and (b): Law Commission of India in its 213th Report on 'Fast Track Magisterial Courts for Dishonoured Cheque Cases' had revealed that over 38 lacs cheque bouncing case were pending in various Courts in the Country. There are 7,66,974 cases pending in criminal court in Delhi at the Magisterial level. Of these 5,14,443 cases falls under Section 138 of the Negotiable Instruments Act.

Certain provisions of the Negotiable Instruments Act, 1881 which deal with the offence pertaining to dishonour of cheques for insufficiency of funds in the drawer's account, were amended in 2002 incorporating necessary provisions which aimed at early disposal of cases relating to dishonour of cheques, enhancing punishment of offenders, etc.

(c) to (e): While allowing the appeal of an accused in a cheque bouncing case, the Supreme Court has ruled that speedy trial is a fundamental right of an accused.

The 13th Finance Commission has recommended a special grant of Rs. 5000 crore for improving justice delivery. The following initiatives are included under this grant:

1. Increasing the number of Courts working hours using the existing infrastructure by holding morning/ evening/ shift courts;
2. Establishing alternative dispute resolution centres, training of mediators/ conciliators and enhancing support to Lok Adalats;
3. Providing additional funding of State Legal Services Authorities;
4. Enhancing capacity of Judicial Officers and Public Prosecutors through training programmes;
5. Supporting creation of a Judicial Academy in every State to facilitate training;
6. Creation of the posts of Court Managers.

The Government of India has accepted the recommendations of the 13 Finance Commission and has decided to grant Rs. 5000 crore for improved delivery of justice.