

**GOVERNMENT OF INDIA
LAW AND JUSTICE
LOK SABHA**

UNSTARRED QUESTION NO:3477

ANSWERED ON:26.04.2012

CHEQUE BOUNCE CASES

Rama Devi Smt. ;Yadav Shri M. Anjan Kumar

Will the Minister of LAW AND JUSTICE be pleased to state:

- (a) the rules regarding disposal time of cases related to cheque-bounce;
- (b) whether such rules are being violated?
- (c) if so, the reaction of the Government thereto;
- (d) the number of cases which are still at hearing stage for more than 16 months; and
- (e) the time by which pending cases are likely to be disposed off?

Answer

MINISTER OF LAW AND JUSTICE (SHRI SALMAN KHURSHID)

(a) to (e): The provisions relating to dishonour of cheque for insufficiency of funds, etc. are contained in Section 138 of the Negotiable Instruments Act, 1881. Section 143 of the same Act, inter alia, empowers the Court to try offence of dishonour of cheque summararily in certain cases. The trial of a case under the Section shall, so far as practicable, be consistent with the interest of justice, be continued from day to day until its conclusion, unless the Court finds the adjournment of the trial beyond the following day to be necessary for reasons to be recorded in writing. Every trial under this Section shall be conducted as expeditiously as possible and an endeavour shall be made to conclude the trial within six months from the date of filing of the complaint.

However, the hearing and disposal of the court cases under various laws including Negotiable Instruments Act, 1881 fall within the domain of Judiciary. No day to day records of court proceedings at different stages are possible to maintain centrally.

The matter relating to backlog of cases under Section 138 of Negotiable Instruments (NI) Act, 1881 has been dealt with by the Law Commission in its 213th Report. It has been observed by the Law Commission that over 38 lakh cheque bouncing cases have been pending in the various courts in the country. The State High Courts and State Governments have been requested by Department of Justice to set up special courts from out of the grants released by Central Government under Thirteenth Finance Commission for expeditious disposal of cases pending under Section 138 of Negotiable Instruments Act. Simultaneously an Inter Ministerial Group has been constituted to recommend necessary policy and legislative changes to deal with the problem of pendency of cases under NI Act and suggest the way forward for expeditious disposal of such cases.