

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:820  
ANSWERED ON:24.07.2015  
Amendment in Negotiable Instrument Act  
Charitra Shri Ram;Selvam Shri V. Panneer

**Will the Minister of FINANCE be pleased to state:**

- (a) Whether the Government has approved an ordinance to amend the Negotiable Instrument Act which provides for filing of cheque bounce cases in place where the cheque was issued ; and
- (b) If so, the details thereof?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI JAYANT SINHA)

(a) and (b): The President of India has promulgated the Negotiable Instruments (Amendment) Ordinance, 2015 (No. 6 of 2015) on 15th June, 2015. The Ordinance provides for determination of territorial jurisdiction of courts for trying cases relating to offence of dishonor of cheques under section 138 of the Negotiable Instruments Act, 1881 (NI Act).

The Ordinance has amended the NI Act to, inter-alia, stipulate the following:-

- (i) filing of cases only in a court within whose local jurisdiction the bank branch of the payee, where the payee delivers the cheque for payment through his account, is situated, except in case of bearer cheques, which are presented to the branch of the drawee bank and in that case the local court of that branch would get jurisdiction;
- (ii) providing that where a complaint has been filed against the drawer of a cheque in the court having jurisdiction under the new scheme of jurisdiction, all subsequent complaints arising out of section 138 of the NI Act against the same drawer shall be filed before the same court, irrespective of whether those cheques were presented for payment within the territorial jurisdiction of that court; and
- (iii) providing that if more than one prosecution is filed under section 138 of the NI Act against the same drawer of cheques before different courts, upon the said fact having been brought to the notice of the court, the court shall transfer the case to the court having jurisdiction as per the new scheme of jurisdiction.

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