



CONSCIOUS CITIZEN FORUM



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Date : 10th August 2015

To

1 Hon. Minister for Finance

Finance Ministry,

Govt. of India,

New Delhi – 110 001.

2 Hon. Minister for Law and Justice

New Delhi – 110 001.

3 Hon. Governor of RBI

Mumbai.

Subject : Reform in procedure of handling Bounce Cheque cases
to receiver of bounce cheque for economical development of Country.

Respected Sir,

Govt. is encouraging people to do all financial transactions in cheque and not in cash. All businessmen in India are doing their entire transactions in cheque only.

We respect Govt. and honour the desire of Govt. because black money is being curbed to certain extent. But when the cheque received any entrepreneur get bounced, the the law abided receiver of bounced cheque has to suffer a lot. For no fault of him he has to approach Court of Law and has to bear high cost of Advocate's fees and has to consume his valuable time and expenditure to get justice in Court Law. Second thing, the recovery process may give benefit of doubt to the bounced cheque issuing party because it is being first asked to receiver of cheque that how and from where he received a cheque.

.... 2/-

There is load of 3.5 crore pending litigations in Court. Out of this pendency 20 % litigations are of Cheque Bounce cases. Indian judiciary is over loaded due to these cheque bouncing cases.

Intention of Govt. behind encouraging cheque transaction is good that it will reduce black money to some extent. But what to do when cheque bounced and the innocent cheque receiver has to suffer from various type of harassment. Cheque Receiver has to bear 2 % of the amount written on the cheque in the Court of Law. When the cheque issued to Receiver is bounced, great monetary loss has to borne by the receiver and in addition to that he has to pay 2 % in Court of Law for initiating process of getting justice. The Cheque Bounce cases take years together for hearing and cheque receiver has to wait for justice some times for 2 to 5 years.

There is need to make reform in procedure of handling Cheque Bounce and following remedies are suggested by our Social Organization.

1 When Govt. is very keen about carrying out all financial transaction by cheque only then It is the moral duty of Govt. to provide secured cheque system for common people and entrepreneurs.

2 Cheque receiver who experience bad experience of cheque bounce has become victim of cheque system. As he accept cheque rather than cash and he honour directives of Govt. so the Govt. has to give protection to the victim. This is a common sense. Law is nothing but Law is a common sense. Therefore it is suggested by our NGO to kindly do amendment in law and fix period of limitation to finalise the Cheque Bounce cases, by any means within 90 days the Cheque Bounce case should be finalized. Department of Law & Justice Govt. of India must have to take initiative in this sensitive issue please.

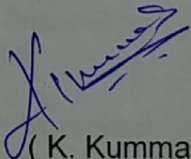
3 When the cheque received by any individual or by some entrepreneur get bounced the loss caused to cheque receiver and he become a sufferer in the circumstances of cheque bounce. In addition to this monetary loss the cheque receiver has to bear cost of 2 % to deposit it in Court. It is injustice on him. So this system of remitting 2 % in Court by the cheque receiver shall have to be abolished forthwith. Department of Law & Judiciary, Govt. of India must have to take initiative to eradicate the grievance and injustice being imposed on cheque receiver.


4. Govt. has to make payment of cheque mandatory to the party who tender the cheque. If the party who tender the cheque to the cheque receiver is suddenly encountered with some difficulty, sudden change in Govt. policy, natural calamity or any other genuine reason and cheque is bounced, he may be given period of 30 days to clear the cheque bounced by him. Govt. has to make the clearance of mandatory within 30 days. The cheque receiver must get payment within 30 days or other wise single sided decision has to be given by the Court of Law in favour of cheque receiver. Bouncing of cheque means creating obstacle in smooth flow of money and stopping the chain of people who are dependent upon the payment of certain cheque. If payment of cheque made mandatory, tendency of manipulation by giving cheque shall be restricted to some extent. Fear of law shall compel manipulator to think twice at the time of issuing the cheque to some body. Department of Law & Justice, Govt. of India must have to take initiative to think over this important aspect and try to give relief to the innocent cheque receiver.


Hope, Govt. will think over on above points by deputing a Committee of high rank officers of all concerned Departments and will also invite more innovative ideas from NGOs like us. We are here to provide all cooperation to Govt. from the bottom of heart.


With regards,

Yours Sincerely,


(K. Kummar)

भारतीय डाक

SP KONKAN BHAVAN <400614>
EM727223763IN
Counter No:2, OP-Code:PW
To:THE NINIS LAW,
NEW DELHI, PIN:110001
From:CONSCIOUS CITIZEN , CRD
Wt:24grams,
Amt:40.00 , 11/08/2015 , 13:24
Taxes:Rs.5.00<EDD(If not a holiday):00:00:00

भारतीय डाक

SP KONKAN BHAVAN <400614>
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भारतीय डाक

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Mumbai, PIN:400001
From:CONSCIOUS CITIZEN , CRD
Wt:32grams,
Amt:17.00 , 11/08/2015 , 13:21
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PLATE

H.T. 26.8.15

Focus on Negotiable Instruments Act

NEW DELHI: The Union Cabinet is expected to take up the proposal of promulgating an ordinance to amend the Negotiable Instruments Act on Wednesday, a move that would help fast-track resolutions of cases of bouncing cheques and remove the ambiguities on judicial issues. It would allow filing of cases against the issuer of these cheques.

The credibility of cheque as a financial instrument is expected to go up with this move which would also help trade and commerce in general and allow the lending institutions to continue to extend loans, without fear of default on account of bouncing of a cheque.

HTC