

VRJ

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CRIMINAL APPELLATE JURISDICTION**

CRIMINAL APPLICATION NO.240 OF 2021

Venugopal N. Dhoot

... Applicant

V/s.

The State of Maharashtra & Anr.

... Respondents

Ms. Bency Ramakrishnan i/by Mr. Akash Menon for the applicant.

Mr. Sandeep Kumar Singh i/by SKS Juris for the respondent No.2.

Mr. A.R. Patil, APP for the respondent No.1/State.

CORAM : AMIT BORKAR, J.

DATED : MARCH 20, 2023

P.C.:

- 1.** The accused No.2, signatory/director of the cheque in question is challenging an order passed in exercise of power under section 143A of the Negotiable Instruments Act, 1881, directing him to deposit 20% of the amount of cheque towards interim compensation within sixty (60) days from the date of order.
- 2.** The respondent No.2/original complainant filed a complaint alleging that an amount of 450 Crore was sanctioned towards working capital term loan credit facility to the accused No.1/company.
- 3.** According to the complainant, towards re-payment of the said liability, the accused No.1 issued a cheque for an amount of

Rs.33,75,00,000/-, which was dishonoured resulting into initiation of proceeding under section 138 of the Negotiable Instruments Act, 1881.

4. During pendency of the said complaint, the complainant filed an application under section 143A towards deposit of interim compensation by the accused No.2/signatory of the cheque. By the impugned order, the said application has been allowed directing the applicant to pay 20% of the amount of cheque.

5. This Court by order dated 8th March 2023 in a group of matters, by detailed reasons held that the authorized signatory of a cheque cannot be held responsible for payment of interim compensation under section 143A of the Negotiable Instruments Act, 1881.

6. For the reasons in the order dated 8th March 2023 the impugned order cannot be sustained. The criminal application is, therefore, allowed in terms of prayer clause (a). No costs.

(AMIT BORKAR, J.)