

**IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH**

Reserved on: 14.11.2022
Date of Pronouncement: 17.11.2022

(1) CRM-M-53554-2018

M/s Aseem Steels and anotherPetitioners
Versus
M/s Vishnu Steels and anotherRespondents

(2) CRM-M-53635-2018

M/s Aseem Steels and anotherPetitioners
Versus
M/s Vishnu Steels and anotherRespondents

(3) CRM-M-3791-2019

Landmark Global Infrastructure & Anr.Petitioners
Versus
Hajit SinghRespondent

(4) CRM-M-2095-2019

M/s Shanti Industries and anotherPetitioners
Versus
M/s Ram Nath Jindal and sonsRespondents

(5) CRM-M-13283-2019

Sandeep KumarPetitioner
Versus
Sanjeev KumarRespondent

CORAM: HON'BLE MR. JUSTICE HARNARESH SINGH GILL

Present: Mr. Aayush Gupta, Advocate, for the petitioners.
(In CRM-M-53554-2018, CRM-M-53635-2018, CRM-M-2095-2019)

Mr. Ravinder Singh, Advocate, for

Mr. Ish Puneet Singh, Advocate, for the petitioners.
(in CRM-M-3791-2019)

None for the petitioner in CRM-M-13283-2019.

Mr. M.S. Viridi, Advocate, for respondents.
(In CRM-M-53554-2018 & CRM-M-53635-2018)

Mr. Harbans Singh, Advocate, for
Mr. S.S. Rangi, Advocate, for respondent.
(in CRM-M-3791-2019)

None for the respondents (in CRM-M-2095-2019 & CRM-M-13283-2019).

HARNARESH SINGH GILL, J.

The aforesaid bunch of petition raises an identical issue i.e. whether applicability of Section 143-A of the Negotiable Instruments Act, 1881 (inserted by way of amendment w.e.f. 01.09.2018) would be prospective or retrospective in nature?

The controversy being identical, for facility of reference, the facts are taken from CRM-M-53554-2018.

The respondent-complainants filed a complaint under Section 138 of the Negotiable Instruments Act, 1881 (for short 'the Act') on 09.01.2018 against the petitioners, in respect of dishonor of a cheque for an amount of Rs.25 Lakh issued by the petitioners.

In the said complaint, the petitioners were summoned vide order dated 05.03.2018 passed by the trial Court. Pursuant thereto, the petitioner(s) appeared before the trial Court and was released on bail. Thereafter, the petitioner(s) pleaded not guilty and the matter was adjourned for complainant's evidence. However, vide order dated 20.09.2018, the trial Court, had directed the petitioners to deposit the 20% of the amount of the cheque in question, payable to the

complainants, within a period of 60 days from the date of the order.

Learned counsel for the petitioners would rely upon the judgment of the Hon'ble Apex Court in G.J. Raja Vs. Tejraj Surana, 2019(3) RCR (Criminal) 959, to contend that liability fastened by Section 143A of the Act (inserted by way of Amendment Act, 2018) being prospective in nature, the impugned order passed by the trial Court is bad in law. It is further submitted that G.J. Raja has settled the similar controversy and hence, the present case is squarely covered by the same.

Learned counsel for the respondent though makes an attempt to defend the order passed by the trial Court, yet he could not dispute the law laid down by the Hon'ble Supreme Court in G.J. Raja.

In G.J. Raja, the complaint was filed on 04.11.2016. The trial Court, after insertion of Section 143A in the Act, ordered payment of interim compensation of 20% of the cheque amount. The High Court dismissed the appeal on 08.02.2019. However, the Hon'ble Supreme Court, set aside the orders passed by the trial Court as well as the High Courts. The relevant part of the judgment would read as under:-

“21. Though arising in somewhat different context, proviso to Section 142(b) which was inserted in the Act by Amendment Act 55 of 2002, under which cognizance could now be taken even in respect of a complaint filed beyond the period prescribed under Section 142(b) of

the Act, was held to be prospective by this Court in Anil Kumar Goel v. Kishan Chand Kaura, (2007)13 SCC 492.

It was observed:-

“10. There is nothing in the amendment made to Section 142(b) by Act 55 of 2002 that the same was intended to operate retrospectively. In fact that was not even the stand of the respondent. Obviously, when the complaint was filed on 28-11-1998, the respondent could not have foreseen that in future any amendment providing for extending the period of limitation on sufficient cause being shown would be enacted.”

22. In our view, the applicability of Section 143A of the Act must, therefore, be held to be prospective in nature and confined to cases where offences were committed after the introduction of Section 143A, in order to force an accused to pay such interim compensation.

xx

xx

xx

24. In the ultimate analysis, we hold Section 143A to be prospective in operation and that the provisions of said Section 143A can be applied or invoked only in cases where the offence under Section 138 of the Act was committed after the introduction of said Section 143A in the statute book. Consequently, the orders passed by the Trial Court as well as the High Court are required to be set aside. The money deposited by the Appellant, pursuant to the interim direction passed by this Court, shall be returned to the Appellant along with interest accrued thereon within two weeks from the date of this order.”

In view of the aforesaid dictum of the Hon’ble Apex Court, the impugned order cannot be sustained. Accordingly, the present petition is allowed, the impugned order dated 20.09.2018 is set aside.

In all the connected cases, as the issue involved is similar in nature, therefore, the said petitions are also allowed and the impugned orders passed therein, are also set aside.

17.11.2022
ds

(HARNARESH SINGH GILL)
JUDGE

Whether speaking/reasoned	:	Yes/No
Whether reportable	:	Yes/No