



2025:DHC:1688



\$~48

\* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

*Date of Decision: 12.03.2025*

+ **CRL.M.C. 1751/2025, CRL.M.A. 7955-7956/2025**

**BHUPINDER SINGH JOLLY**

.....Petitioner

Through: Mr. Anil Sharma, Mr. Jaspreet  
Singh and Mr. Ravinder, Advs.

versus

**SURAJ PRAKASH CHOPRA**

.....Respondent

Through: None.

**CORAM:**

**HON'BLE MS. JUSTICE SHALINDER KAUR**

**SHALINDER KAUR, J. (ORAL)**

1. The present petition under Section 528 of the Bhartiya Nagrik Suraksha Sanhita, 2024 (BNSS)/ Section 482 of the Code of Criminal Procedure, 1973 (CRPC) has been filed impugning the Orders dated 29.02.2024 and 26.09.2024. *Vide* the Order dated 26.09.2024, the learned Principal District and Sessions Judge (PD&SJ), Patiala House Court, New Delhi in Crl. Rev. No.323/24 dismissed the Revision Petition filed by the petitioner herein, against the Order of Interim Compensation under Section 143A of the Negotiable Instruments Act, 1881 (NI Act) passed by the learned Trial Court (Court of the first instance) in CC No.15049/23 on 29.02.2024.

2. The facts giving rise to the present petition are that the Respondent/Complainant had made a complaint under Section 138 of the NI Act, alleging that the parties were engaged in the Real Estate



2025:DHC:1688



business for the past few years. As a dispute arose between the two, a mutual agreement was entered into between the parties *vide* the settlement agreement dated 23.03.2021.

3. The respondent further alleged that the petitioner had admitted all his liabilities towards him and in discharge of his liabilities, the petitioner handed the respondent 12 cheques for the re-payment of an amount of Rs.1,99,00,000/-. When the respondent deposited the said cheques with his banker for encashment, the said cheques were dishonored, leading to him filing a complaint under the NI Act against the petitioner. Along with the said complaint, the respondent also filed an application under Section 143A of the NI Act, seeking compensation from the petitioner.

4. The learned Trial Court, after hearing the arguments contended by both the parties, *vide* its Order dated 29.02.2024, allowed the application filed by the respondent under Section 143A of the NI Act and directed the petitioner to make a payment of Rs.6,00,000/- as an interim compensation in favour of the respondent within 60 days of the said Order. The petitioner, thereafter, challenged the said Order before learned PD&SJ by way of the aforementioned Criminal Revision Petition, bearing CrI. Rev. No.323/24.

5. The Revision Petition came to be dismissed *vide* the Impugned Order dated 26.09.2024, compelling the petitioner to file the present petition.

6. Mr. Anil Sharma, learned counsel for the petitioner submits that the learned PD&SJ has erroneously dismissed the Revision Petition filed by the petitioner in so far as it has admitted false and fabricated



2025:DHC:1688



evidence presented by the respondent, which clearly shows that the petitioner has been falsely implicated. He submits that the learned PD&SJ has failed to appreciate the contents of the complaint under Section 138 of the NI Act, which vaguely states that there were business transactions between the petitioner and the respondent, however no such details and specifics of any such transactions are forthcoming in the complaint.

7. He submits that the learned PD&SJ has failed to appreciate the defence raised by the petitioner in his statement made at the time of framing of Notice under Section 251 of the CRPC, wherein the petitioner disputed the liability towards the respondent and also claimed that the signatures on the settlement deed dated 23.03.2021 were taken forcefully and without his consent. Further, the petitioner had not been granted an opportunity to lead any defence evidence.

8. The learned counsel relies upon the decision of the Supreme Court in *Rakesh Ranjan Shrivastava vs the State of Jharkhand & Anr* 2024 INSC 205, and submits that the provisions of Sub-Section 1 of Section 143A are directory in nature and not mandatory and that the Court must record brief reasons indicating consideration of all relevant factors. However, the same has not been done in the present case.

9. He further submits that the cross-examination of the respondent has not been considered, which shows the glaring contradiction in the case of the respondent, which is sufficient to rebut the presumption under Section 139 of the NI Act.

10. The learned counsel submits that the learned Trial Court failed to take into account that the bank accounts of the petitioner have been



2025:DHC:1688



seized by the Income Tax Department since 11.03.2020 and therefore, the petitioner is not in a position to pay the interim compensation awarded. In light of these circumstances, he submits the present petition be allowed.

11. The submissions made on behalf of the petitioner, the record as well as the Impugned Orders have been perused.

12. The primary contention raised on behalf of the learned counsel for the petitioner is that the power of the Court under Section 143A of the NI Act is directory in nature and not mandatory. Further, the learned counsel has vociferously contended that the signatures on the settlement deed dated 23.03.2021, made by the petitioner, were under coercion.

13. To appreciate the submissions of the learned counsel, it is apposite to refer to the Impugned Order dated 26.09.2024 and to quote the relevant extracts which are as under :-

*“ 10. I have considered the contentions raised by the rival sides and perused the record too. The plea taken by the Revisionist before the Ld. Trial court that settlement was a forced one and the respondent was aware of the fact that the bank account of the Revisionist was seized, still he presented the cheque to create a pressure and to drag him into the court. The same is not acceptable inasmuch as there is no complaint to any authority or anyone that the Revisionist was coerced to sign the Settlement Agreement. In any case, the Revisionist had an option to issue stop payment/instruction to his Banker qua the cheques, which were all post dated cheques, signed and handed over by him to the respondent. In the absence of any such thing, it appears that the contentions put forth are nothing but a ploy just to scrape through this situation where the Revisionist has landed.*



11. The parameters which are required to be considered while considering the application U/s.143(A) of the NI Act, it was observed in the judgment titled as **Rakesh Ranjan Srivastava Vs. State of Jharkhand, [(2024) SCCOnline SC3091**, as under:

22. Subject to what is held earlier, the main conclusions can be summarized as follows :

a. The exercise of power under sub-section (I) of Section 143A is discretionary. The provision is directory and not mandatory. The work "may" used in the provision cannot be construed as "shall"

b. While deciding the prayer made under Section 143A, the Court must record brief reasons indicating consideration of all relevant factors.

c. The broad parameters for exercising the discretion under Section 143A are as follows:

i. The Court will have to prima facie evaluate the merits of the case made out by the complainant and the merits of the defence pleaded by the accused in the reply to the application. The financial distress of the accused can also be a 14pt consideration.

ii A direction to pay interim compensation can be issued, only if the complainant makes out a prima facie case.

iii. If the defence of the accused is found to be prima facie plausible, the Court may exercise discretion in refusing to grant interim compensation.

iv. If the Court concludes that a case is made out to grant interim compensation, it will also have to apply its mind to the quantum of interim compensation to be granted While doing so, the Court will have to consider several factors such as the nature of the transaction. the



*relationship. if any, between the accused and the complainant, etc.*

*v. There could be several other relevant factors in the peculiar facts of a given case, which cannot be exhaustively stated. The parameters stated above are not exhaustive."*

*12. On the aforesaid parameters too, the impugned order is correct. There appears no flaw either of fact or law. In view of these facts, the law on the subject, the Revisionist is unable to carve out a case in his favour.*

*13. In view of the foregoing discussion, the facts and the law, both stand against the Revisionist. The purpose of Section 138 of NI Act, especially Section 148 NI Act is to create a kind of atmosphere of some financial responsibility qua the persons who use Negotiable Instruments, especially cheques. The drawer of a cheque is supposed to be careful while issuing and should ensure that it would be honoured. Any lapse in the shape of dishonour of the cheque has been made punishable with a view that people should responsibly issue such cheques. The provision of interim compensation was initially not there in the statute but has been added into it as it was found that the proceedings are being dragged and the desired results in terms of the objects and purpose of the statute, more particularly Section 138 NI Act, was not forthcoming, thus this provision of interim compensation was brought in. The sole aim was to provide some solace to the recipient of the cheque under certain circumstances.*

*14. Since the Revisionist is unable to make out a case to show that the impugned order was either not proper or legal or correct or that it suffers from some perversity. Therefore, the same does not require any interference in these proceedings. As a result, the Revision Petition stands dismissed. File be consigned to Record Room."*



2025:DHC:1688



14. On a perusal of the Impugned Order, it is evident that the *prima facie* view taken by the learned PD&SJ is correct. The learned PD&SJ has rightly observed that the petitioner has not lodged any complaint regarding him having to sign the said settlement agreement under coercion. Further, all the cheques issued by the petitioner were post-dated cheques, which could have been withheld on the instructions to the Banker of the petitioner. Therefore, this Court is unable to accept this plea of the petitioner.

15. Coming to the next argument advanced on behalf of the petitioner regarding the Courts' exercise of power under Section 143A of the NI Act. The position of law is well settled that the power under Section 143 A is directory and not mandatory in nature and that the Court must record brief reasons stating consideration of all relevant factors. The learned PD&SJ and the learned Trial Court have provided detailed and reasoned Order, while granting the interim compensation which does not warrant any interference.

16. What becomes apparent is that the learned counsel for the petitioner is trying to argue the case on merits, which cannot be considered at this stage as it is a matter of trial. Accordingly, the present petition, along with the pending applications, stands dismissed.

**SHALINDER KAUR, J**

**MARCH 12, 2025/SU/FRK**

*Click here to check corrigendum, if any*