

LEGAL UPDATES

P&H HC: HC UPHOLDS THE VALIDITY OF THE TRIAL COURT'S ORDER FOR ALLOWED EVIDENCE UNDER THE NI ACT

P&H HC upheld the Trial Court's decision of setting aside the Petitioner's case and allowed the evidence of the Respondent Company under Sec.138 read with Sec. 141 and 142 with the NI Act ("the act"). HC pronounced that the motive and intent of the statute would be nullified if the Petitioner is denied to file an affidavit and it would cause serious impediment to the Respondent Company. Petitioner's contention was that once the case is fixed for cross-examination, the case transcends the level of Sec.145(2) of the act, and the same was not considered by the lower court. Citing [the Indian Bank Association case](#), HC upheld that without a doubt as per Sec.145 of the act, the Respondent company has a right to file an affidavit of evidence and the such document will be interpreted and used as evidence in any trial or investigation. The HC in conclusion clarified that a specific order shall be passed u/s 145 (2) of the NI Act or suo moto by the court in case a re-examination needs to be done. Hence, the Hon'ble P&H HC pronounced that the lower court had suo moto allowed re-examination which was rightly allowed, keeping in mind the facts and circumstances at hand.