
(1992) 08 P&H CK 0036

In the Punjab And Haryana At Chandigarh

Case No : Civil Appeal (Contempt) No. 18 of 1983

Surjit Singh Sahni

APPELLANT

Vs

Union Bank of India

RESPONDENT

Date of Decision : 10-08-1992

Acts Referred:

Contempt of Courts Act, 1971 — Section 19, 2

Citation : (1993) 103 PLR 262

Hon'ble Judges : G.R. Majithia, J;A.S. Nehra, J

Bench : Division Bench

Advocate : Surya Kant, for the Appellant; Ravinder Chopra, for the Respondent

Final Decision : Allowed

Judgement

G.R. Majithia, J.—This appeal is directed against the order of a Single Judge, dated 20-9-1933 convicting the petitioner under the Contempt of Courts Act (for short "the Act" hereinafter) and sentencing him to pay a fine of Rs 1000/- and in default of payment of fine to undergo simple imprisonment for a period of 15 days and also to pay a fine of Rs. 500/- as costs of the petition.

2. The undisputed facts are that the Union Bank of India filed a suit for recovery of Rs. 2,27,58,343.70, by the sale of mortgaged, pledged and hypothecated properties, against M/s. Prestolite of India Limited, Faridabad, and also for recovery of the balance amount, if any, by sale of other properties and from the persons of the Managing Director and the Director of the Company. The bank moved an application dated 29.7.1985 requiring M/s. Prestolite of India Limited to get the insurance policies, appended to the application., renewed before the expiry of 15-3- 1982. The trial Court directed the company to renew the insurance policies. The insurance policy was not renewed despite the fact that extension was granted to them to renew those policies. Against that order M/s. Prestolite of India Limited, filed a civil revision in this Court which came up for hearing on 20-5-1982 before P. C. Jain, J. and the following order was passed :-

"Admitted. Mr. Chadha on behalf of his clients states at the bar that the petitioner shall deposit the insurance premium which falls due in the month of July, 1982. It may, however, be observed that the payment of premium would not effect the merits of the controversy and the petitioners would be entitled to show that they were and are not liable to pay the premium. It is because of this contention of the learned counsel that the petition has been admitted, otherwise, the petitioner having paid the premium, as directed by the Court, this petition would have been dismissed as having become infructuous".

3. Petition under Sections 11 and 12 of the Act was moved by the Union of India for convicting Surjit Singh Sahni, Managing Director of Prestolite India Limited, for disobeying the undertaking referred to above. The learned Judge held that the disobedience was wilful and passed the order of conviction as stated above. Section 2(b) of the Act defines Civil Contempt to mean wilful disobedience to any judgment, decree, direction, order, writ or other process of a Court or wilful breach of an undertaking given to a Court. A breach of an undertaking given to the Court is on the same footing as disobedience of an order of the Court, as far as the question of contempt is concerned. In order to amount to contempt of Court and to be punishable as such, the mere breach of an undertaking given to or disobedience of the order passed by, the Court is not enough. It must further be proved that the breach or disobedience was wilful or contumacious and the act of the contemner, therefore, signified disrespect to the Court. A reading of the order indicates that no undertaking was given in the Court. Only a statement was made and the same would not take the character of an undertaking. The learned Judge was wholly unjustified while saying that the appellant had committed breach of an undertaking given to the Court.

4. For the reasons stated above, the appeal succeeds and the same is allowed. The order under challenge is set aside, but there will be no order as to costs.