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IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

CR-5446-2025 (O&M)
Date of decision :23.09.2025

M/s Jai Maa Sharda Rice Mill and another ...Petitioner

Versus

The District Food & Supplies Controller, ...Respondents
Ambala and others

CORAM: HON'BLE MS. JUSTICE HARPREET KAUR JEEWAN

Present: Mr. Naveen S Attri, Advocate for the petitioners.

HARPREET KAUR JEEWAN, J. (Oral)

1. Prayer in the present Revision Petition filed under Article 227 of the Constitution of India is for setting aside the order dated 08.05.2025 (Annexure P-1), passed by the Additional District Judge, Ambala, whereby, application filed by the petitioners-defendants for rejection of the plaint filed under Order VII Rule 11 of the Code of Civil Procedure, 1908 (*for short, 'the CPC'*), was dismissed.

2. Learned counsel for the petitioners contends that the plaintiffs-respondents had filed a suit for recovery under the Commercial Courts Act, 2015 (*hereinafter referred to as the 'Act'*), but the mandatory provisions of Section 12A of the Act were not complied with, as such, the suit is liable to be rejected. However, the trial Court rejected the application, without taking into consideration that the provisions under Section 12A of the Act are mandatory.

3. I have considered the aforesaid submissions and perused the paper-book.

4. The trial Court has dismissed the application of the petitioners-defendants on the ground that the present suit was instituted



by the respondents-plaintiffs on 19.08.2016, whereas the provisions of Section 12A of the Act came into force subsequently. Section 12A of the Act provides mechanism of Pre-Institution Mediation and Settlement, which reads as under:-

12A. Pre-Institution Mediation and Settlement.--- (1) *A suit, which does not contemplate any urgent interim relief under this Act, shall not be instituted unless the plaintiff exhausts the remedy of preinstitution mediation in accordance with such manner and procedure as may be prescribed by rules made by the Central Government.*

(2) *The Central Government may, by notification, authorise the Authorities constituted under the Legal Services Authorities Act, 1987 (39 of 1987), for the purposes of pre-institution mediation.*

(3) *Notwithstanding anything contained in the Legal Services Authorities Act, 1987 (39 of 1987), the Authority authorised by the Central Government under sub-section (2) shall complete the process of mediation within a period of three months from the date of application made by the plaintiff under sub-section (1):*

Provided that the period of mediation may be extended for a further period of two months with the consent of the parties:

Provided further that, the period during which the parties remained occupied with the pre-institution mediation, such period shall not be computed for the purpose of limitation under the Limitation Act, 1963 (36 of 1963).

(4) *If the parties to the commercial dispute arrive at a settlement, the same shall be reduced into writing and shall be signed by the parties to the dispute and the mediator.*

(5) *The settlement arrived at under this section shall have the same status and effect as if it is an arbitral award on agreed terms under sub-section (4) of section 30 of the Arbitration and Conciliation Act, 1996 (26 of 1996).*

5. It is not disputed that Section 12A of the Act was inserted in Chapter III-A of Act No.28 of 2018. The said mandatory provisions were inserted subsequent to the institution of the present recovery suit by the respondents-plaintiffs. Learned counsel for the petitioners has



failed to point out that the provisions of Section 12A of the Act are to be applied retrospectively.

6. In such circumstances, this Court is of the considered opinion that the impugned order does not suffer from any illegality or irregularity.

7. Consequently, present petition is devoid of any merits and is accordingly dismissed.

8. However, nothing observed hereinabove shall be construed as an expression of opinion on merits of the controversy.

9. Pending miscellaneous application(s), if any, shall also stand disposed of.

23.09.2025

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**[HARPREET KAUR JEEWAN]
JUDGE**

Whether speaking / reasoned :

Yes

No

Whether Reportable :

Yes

No