CNR No:PHHC010823562025
2026:PHHC:101780

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IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

CRM-M-28789-2025

Sandeep Singh

….Petitioner

versus

State of Punjab and another

…..Respondents

Date of Decision: July 23, 2026
Date of Uploading: July 23, 2026

CORAM: HON'BLE MR. JUSTICE SUMEET GOEL

Present: Mr. Chahat Goyal, Advocate for the petitioner (**presence marked through video-conferencing**).

Mr. Adhiraj Singh Thind, AAG Punjab.

None for respondent No.2.

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SUMEET GOEL, J. (Oral)

The present petition has been preferred by the petitioner under Section 528 of the BNSS, 2023 (erstwhile Section 482 Cr. P.C.) seeking quashing of the impugned order dated 18.12.2024 (Annexure P-2) passed by the learned Additional Sessions Judge, Sangrur, whereby, the petitioner has been ordered to deposit 20% of the compensation amount. The relevant portion of the impugned order reads thus:

> "*Heard. Along with main appeal, an application under section 389 Cr.P.C for suspending the sentence of imprisonment and releasing the applicant on bail during the pendency of the appeal has also been filed. Heard. Appellant/accused has been convicted and sentenced for the offence under Section 138 of N.I. Act. The appellant has been sentenced to undergo R.I. for the period not exceeding two years. As the disposal of the appeal is likely to take time, hence the sentence of imprisonment awarded to the appellant/accused is suspended till the decision of the*

appeal, subject to furnishing the bail bonds in the sum of Rs.50000/- with one surety in the like amount to the satisfaction of the Trial Court/Duty Magistrate within a period of 15 days from today. Accused is directed to appear before the Court on each and every date of hearing. Bail bonds after acceptance and attestation shall be transmitted to this Court.

Perusal of the judgment dated 19.11.2024 further reveals that the accused is directed pay compensation to the tune of double the cheque amount i.e. Rs.11,12,500/- to the complainant.

In ***Jamboo Bhandari vs. M. P. State Industrial Development Corporation Ltd. And others: (2024) 1 SCC (Cri) 90, it was observed Hon'ble Supreme Court that deposit of 20% of the compensation*** *amount was not an absolute requirement for suspension of sentence, if the Court is satisfied that the condition of such deposit will be unjust or imposing of such a condition will amount to deprivation of the right of appeal of the appellant. This proposition of law is shown to have been followed by Hon'ble High Court of Punjab & Haryana in case titled as* ***Abdul Rashid Vs. Kuldeep Singh, CRM-M-3878- 2024, decided on 24.01.2024, Sarif Mohammad alias Sareef Mohammad Vs. Swaran Singh and Another CRM-M-20840-2024, decided on 26.04.2024, Vikram Singh and Another Vs. Nasar and Another CRM-M6508-2024 decided on 08.02.2024 and Sahil Puri Vs. Sonu Kumar and Another CRM-M-2503-2024, decided on 18.01.2024****.*

In the instant case, while imposing condition of deposit of 20% of the compensation amount, an opportunity has been given to the appellant to show any exceptional circumstances warranting requirement of waiver of depositing of 20% of compensation amount as it has been so imposed by learned trial court, however, the appellant has failed to point out or to show any such exceptional circumstance. Therefore, the appellant is directed to deposit 20% of the total amount of compensation awarded by the trial Court within 30 days from today.

If the accused fails to pay the 20% of total compensation amount within the stipulated period, the order of suspension shall automatically stands vacated.

Let, notice of the appeal be issued to the respondent for 18.02.2025."

2. Learned counsel for the petitioner has argued that the petitioner is an agriculturist and earns his livelihood from the income of agriculture produce; due to his health ailments, the petitioner is not able to work properly

and has no source of income. Learned counsel has further iterated that imposition of such condition of deposit of 20% of the amount of compensation as awarded by the learned trial Magistrate would effectively amount to taking away the right of appeal of the petitioner. Thus, it has been submitted that the impugned order be quashed, to the extent, that a condition of deposit of 20% of the amount of compensation as awarded by the trial Court, has been imposed.

3. Office note indicates that respondent No.2 stands served. However, none has caused appearance on behalf of said respondent. Learned State counsel has submitted that the petition in hand emanates from criminal complaint/ appeal pending under Section 138 of the NI Act, hence, State is not the contesting party.

4. I have heard learned counsel for the petitioner and perused the paper-book.

5. Section 148 of the Negotiable Instruments Act, introduced through the 2018 amendment, empowers appellate courts to mandate the deposit of at least 20% of the fine or compensation amount by the accused as a condition for hearing an appeal against a conviction in cheque dishonour cases under Section 138. This provision aims to address the prolonged litigation faced by complainants and mitigate delays in receiving compensation, ensuring a balance between the accused person's right to appeal and the complainant's right to speedy justice. The amount deposited can be released to the complainant, reflecting the legislative intent to provide timely relief and deter frivolous appeals.

At this juncture, it would be apposite to refer herein to a judgment passed by the Hon'ble Supreme Court titled as ***Jamboo Bhandari vs. M.P. State Industrial Development Corporation Ltd. & Ors. 2023 (10) SCC 446;*** relevant whereof reads as under:

> "*6. What is held by this Court is that a purposive interpretation should be made of Section 148 of the N.I. Act. Hence, normally, Appellate Court will be justified in imposing the condition of deposit as provided in Section 148. However, in a case where the Appellate Court is satisfied that the condition of deposit of 20% will be unjust or imposing such a condition will amount to deprivation of the right of appeal of the appellant, exception can be made for the reasons specifically recorded.*
>
> *7. Therefore, when Appellate Court considers the prayer under Section 389 of the Cr.P.C. of an accused who has been convicted for offence under Section 138 of the N.I. Act, it is always open for the Appellate Court to consider whether it is an exceptional case which warrants grant of suspension of sentence without imposing the condition of deposit of 20% of the fine/compensation amount. As stated earlier, if the Appellate Court comes to the conclusion that it is an exceptional case, the reasons for coming to the said conclusion must be recorded.*
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> *8. The submission of the learned counsel appearing for the original complainant is that neither before the Sessions Court nor before the High Court, there was a plea made by the appellants that an exception may be made in these cases and the requirement of deposit or minimum 20% of the amount be dispensed with. He submits that if such a prayer was not made by the appellants, there were no reasons for the Courts to consider the said plea.*
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> *9. We disagree with the above submission. When an accused applies under Section 389 of the Cr.P.C. for suspension of sentence, he normally applies for grant of relief of suspension of sentence without any condition. Therefore, when a blanket order is sought by the appellants, the Court has to consider whether the case falls in exception or not.*"

6. The convict bears the onus of demonstrating exceptional circumstances to persuade the appellate court to waive the mandatory deposit of compensation under Section 148 of the Negotiable Instruments Act. Considering the legislative intent behind the provision, which seeks to expedite justice and alleviate the complainant's hardship due to prolonged litigation, it is generally appropriate for the appellate court to impose this condition when an appeal is filed against a conviction under Section 138. Such a requirement ensures that the complainant is not unjustly deprived of compensation while safeguarding the appellate process from frivolous or dilatory tactics. Under Section 148 of the Negotiable Instruments Act, the requirement to deposit the compensation amount as a condition for appeal is generally mandatory, emphasizing its status as a rule.

The Hon'ble Supreme Court in a judgment titled as ***Muskan Enterprises & Anr. Vs. The State of Punjab 2024 INSC 1046,*** has held thus:

> "*xxxxxxxxxxxxxxxxxx. While there can be no gainsaying that normally the discretion of the Appellate Court should lean towards requiring a deposit to be made with the quantum of such deposit depending upon the factual situation in every individual case, more so because an order under challenge does not bear the mark of invalidity on its forehead, retention of the power of such court not to order any deposit in a given case (which in its view and for the recorded reasons is exceptional) and calling for exercise of the discretion to not order deposit, has to be conceded. xxxxxxxxxxxxxxx.*"

Ergo, the ratio *decidendi* of the judgments of the Hon'ble Supreme Court in cases of ***Jamboo Bhandari*** (supra) and ***Muskan Enterprises*** (supra) enunciates that the appellate Court holds the discretion to waive this condition only in exceptional circumstances. Such circumstances must be demonstrated through compelling and substantiated material provided by the appellant-convict. Absent such cogent material, it would be in appropriate for appellate Court to impose such condition. This approach ensures adherence to the legislative intent, discouraging frivolous appeals and protecting the interests of the complainant.

6.1. Applying the ratio *decidendi* of the judgments in the case of ***Jamboo Bhandari*** case (supra) and ***Muskan Enterprises*** (supra), no ground is made out to quash/modify the condition imposed vide the impugned order whereby the petitioner has been directed to deposit 20% of the amount of the compensation as awarded by the learned trial Magistrate. The grounds pleaded by the petitioner herein cannot be said to be sufficient enough for carving out an exception from the mandate contained in Section 148 of the Negotiable Instruments Act, 1881. It also cannot be said, in the facts and circumstances of the present case, that imposition of the condition of deposit of 20% of the amount of compensation as awarded by the learned trial Magistrate can be said to be unjust or would amount to effectively taking away the right of appeal of petitioner. Thus, the impugned order does not suffer from any infirmity *nay* legal infirmity calling for any interference by this Court. Accordingly, the petition in hand is **dismissed**.

7. Pending application(s), if any, shall also stand disposed off.

8. Nothing said hereinabove shall be deemed to be an expression of opinion upon merits of the appeal pending before the learned Sessions Court.

(SUMEET GOEL)
JUDGE

July 23, 2026
mahavir
Whether speaking/reasoned: Yes/No
Whether reportable: Yes/No