



CRM-M-18736-2025 & 08 connected cases

IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH

Sr. No.	Cases No.	Petitioner(s)	Respondent(s)
01	CRM-M-18736-2025	PAWAN GOYAL	ANSHUL GOYAL
02	CRM-M-47266-2025	KULDEEP SINGH	THE MAHENDERGARH CENTRAL COOPERATIVE BANK LTD
03	CRM-M-47186-2025 (O&M)	SANTOKH SINGH	NITIN SELHI AND ANR
04	CRM-M-40531-2025	GAURAV KUMAR JHA	DANVIR
05	CRM-M-31715-2025	MANOJ KUMAR JAIN	STATE OF HARYANA AND ANOTHER
06	CRM-M-38520-2025	TEJPAL	DEVI RAM
07	CRM-M-42090-2024	RATTAN KUMAR GUPTA	M/S JAGDAMBA SPINNING AND WEAVING MILLS AND ANR
08	CRM-M-16276-2025	RAJWINDER SINGH	PRITPAL SINGH AND ANR
09	CRM-M-17841-2025 (O&M)	JASHAN @ JASHAN KUMAR	SHAM SINGH

1.	Date when Order was reserved	23.12.2025
2.	Date of Pronouncement of Order	24.12.2025
3.	Date of uploading Order	24.12.2025
4.	Whether operative part or full Order is pronounced	FULL
5.	Delay, if any, in pronouncing of full order, and reasons thereof	NOT APPLICABLE

CORAM: HON'BLE MR. JUSTICE SANJAY VASHISTH

Present: Mr. H.S. Randhawa, Advocate,
Amicus Curiae.

Mr. Rythem Bajaj, Advocate (in CRM-M-16276-2025)
Mr. Lupil Gupta, Advocate (in CRM-M-17841-2025)



CRM-M-18736-2025 & 08 connected cases

Mr. Tarun Hooda, Advocate,
for Mr. K.P. Singh, Advocate (in CRM-M-18736-2025)
Mr. Ramesh Hooda, Advocate (in CRM-M-38520-2025)
for the petitioner(s).

Mr. J.S. Cooner, Advocate (in CRM-M-42090-2024)
Mr. Kanwaljeet Singh, Advocate, and
for the respondent(s).

SANJAY VASHISTH, J.

1. This common order would decide aforementioned nine petitions, as the primary issue involved therein is same.
2. These petitions, under Section 528 of the BNSS, 2023, have been filed by the petitioner(s) assailing the order(s) passed by the concerned Appellate Court(s) while deciding the application(s) for suspension of sentence, filed by the petitioner(s) alongwith the appeal(s) preferred by them against the judgement of conviction and order of sentence passed by the Trial Court, while deciding complaints under Section 138 of the Negotiable Instruments Act, 1881 (for short, ‘the NI Act’).

In all the cases, respective Appellate Court(s), while allowing the application(s) and suspending the sentence during pendency of the appeal(s), subjected the appellant(s)/petitioners herein to deposit 20% of the amount of compensation imposed by the Trial Court, within stipulated time. Feeling aggrieved, the petitioner(s) have approached this Court by filing the aforementioned petitions.

3. For the sake of brevity, the basic details of these three petitions have been summed up in tabular form, as under:-

(i) CRM-M-18736-2025:-

1.	Complaint No.	NACT/1123/2019, under Section 138 of the NI Act.
2.	Judgment of conviction	07.02.2025, passed by Judicial Magistrate Ist Class, Faridabad (Trial Court)
3.	Criminal Appeal No.	CRA-102-2025, dated 11.03.2025
4.	Date of impugned order	11.03.2025, passed by Additional



CRM-M-18736-2025 & 08 connected cases

		Sessions Judge-III, (Appellate Court)	Faridabad
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(ii) CRM-M-47266-2025:-

1.	Complaint No.	98 of 2018, under Sections 138 to 142 of the NI Act	
2.	Judgment of conviction	26.05.2025, passed by Sub-Divisional Judicial Magistrate, Mohindergarh (Trial Court)	
3.	Criminal Appeal No.	CRA-198-2025, dated 11.06.2025	
4.	Date of impugned order	11.06.2025, passed by Additional Sessions Judge, Narnaul (Appellate Court)	

(iii) CRM-M-47186-2025:-

1.	Complaint No.	NACT-317-2020, under Section 138 of the NI Act	
2.	Judgment of conviction	15.04.2024, passed by Judicial Magistrate Ist Class, Shaheed Bhagat Singh Nagar (Trial Court)	
3.	Criminal Appeal No.	CRA-64-2024, dated 13.05.2024	
4.	Date of impugned order	14.05.2024 & 21.07.2025, passed by Additional Sessions Judge, Shaheed Bhagat Singh Nagar (Appellate Court)	

(iv) CRM-M-40531-2025:-

1.	Complaint No.	NACT-192-2020, under Section 138/142 of the NI Act read with Section 420 IPC	
2.	Judgment of conviction	24.03.2025, passed by Sub Divisional Judicial Magistrate, Hodal, District Palwal (Trial Court)	
3.	Criminal Appeal No.	CRA-97-2025, dated 24.04.2025	
4.	Date of impugned order	24.04.2025, passed by Additional Sessions Judge, Palwal (Appellate Court)	

(v) CRM-M-31715-2025:-

1.	Complaint No.	RBT/403/2019, under Section 138 of the NI Act	
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CRM-M-18736-2025 & 08 connected cases

4

2.	Judgment of conviction	03.04.2025, passed by Special Railway Magistrate, Haryana-cum-Judicial Magistrate Ist Class, Ambala (Trial Court)
3.	Criminal Appeal No.	CRA-153-2025, dated 01.05.2025
4.	Date of impugned order	01.05.2025, passed by Additional Sessions Judge, Ambala (Appellate Court)

(vi) CRM-M-38520-2025:-

1.	Complaint No.	RBT/578/2022, CIS No. NACT/2502/2018, under Section 138/142 of the NI Act
2.	Judgment of conviction	07.04.2025, passed by Judicial Magistrate Ist Class, Panipat (Trial Court)
3.	Criminal Appeal No.	CRA-145-2025, dated 05.05.2025
4.	Date of impugned order	08.05.2025, passed by Additional Sessions Judge (Fast Track Court), Panipat (Appellate Court)

(vii) CRM-M-42090-2024:-

1.	Complaint No.	COMA-13031-2017, under Section 138 of the NI Act
2.	Judgment of conviction	16.01.2024, passed by Judicial Magistrate Ist Class, Ludhiana (Trial Court)
3.	Criminal Appeal No.	CRA-145-2024, dated 14.02.2024
4.	Date of impugned order	14.02.2024, passed by Additional Sessions Judge, Ludhiana (Appellate Court)

(viii) CRM-M-16276-2025:-

1.	Complaint No.	NACT-80-2020, under Section 138 read with Section 142 of the NI Act
2.	Judgment of conviction	29.11.2024, passed by Judicial Magistrate Ist Class, Abohar, District Fazilka (Trial Court)
3.	Criminal Appeal No.	CRA-409-2024, dated 18.12.2024
4.	Date of impugned order	18.12.2024, passed by Additional Sessions Judge, Fazilka (Appellate Court)



CRM-M-18736-2025 & 08 connected cases

		Court)
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(ix) CRM-M-17841-2025:-

1.	Complaint No.	NACT-387-2021, under Section 138 of the NI Act read with Section 420 IPC
2.	Judgment of conviction	29.11.2024, passed by Judicial Magistrate Ist Class, Abohar, District Fazilka (Trial Court)
3.	Criminal Appeal No.	CRA-414-2024, dated 19.12.2024
4.	Date of impugned order	19.12.2024, passed by Additional Sessions Judge, Fazilka (Appellate Court)

4. In matters of **M/s Coromandel International Limited v. Shri Ambica Sales Corporation (CRM-M-7799-2025)**, and **M/s Coromandel International Limited v. Shri Ambalica Agro Solutions Pvt. Ltd. (CRM-M-8498-2025)**, the petitioner company, i.e. M/s Coromandel International Limited, which was the complainant before the Trial Court, had assailed the order(s) dated 06.03.2024, passed by the Additional Sessions Judge, Bathinda, primarily on the ground that concession of suspension of sentence granted in favour of the respondent(s) therein, is liable to be vacated because the respondent(s) failed to comply with the condition of deposit of 20% of the compensation amount awarded by the Trial Court, within the stipulated period of 60 days, i.e. from the date of order(s) dated 06.03.2024. In the alternative, prayer was made for directing the respondent(s) to deposit the same.

5. While dealing with the aforesaid two petitions filed by M/s Coromandel International Limited, after noticing relevant provisions of the NI Act, Code of Criminal Procedure, judgments of this Court (Punjab and Haryana High Court), and the judgments of the Hon’ble Apex Court, this Court found that in none of the cases, the implication of non-payment of the ordered amount under Section 148 of the NI Act vis-a-vis the right of suspension of sentence, with the parameters as speculated by the Hon’ble Apex Court in **Jamboo Bhandari v. M.P. State Industrial Development Corporation Ltd. & Ors., (2023) 10 SCC 446 : Law**



Finder Doc Id # 2313888 [SC, D/d. 04.09.2023] and Muskan Enterprises and another v. State of Punjab and another, 2024 SCC Online SC 4107 : Law Finder Doc Id # 2680202 [SC, D/d. 19.12.2024], was considered by Single Benches of this Court or the Hon'ble Apex Court. This Court also found that there were divergent view of different Co-ordinate Benches.

6. After recording reasons in detail, this Court, vide order dated 08.04.2025, passed in CRM-M-7799-2025 (*supra*) and CRM-M-8498-2025 (*supra*) referred the matter to a Larger Bench, for answer on the following questions of law:-

- “(a) Whether imposition of condition to deposit 20% of the compensation amount awarded by the Trial Court, is sustainable or not, while deciding the application for suspension of sentence in an appeal, when the judgment of conviction and order of sentence is still awaiting confirmation?”***
- (b) Whether the right of the convict-appellant being on bail in pending appeal, can be subjected to the compliance of direction to pay 20% of the compensation amount under Section 148 of the NI Act?***
- (c) Whether the right of bail can be taken away by the Appellate Court, where final adjudication of the appeal is pending, due to non-compliance of the direction to pay 20% of the compensation amount under Section 148 of the NI Act, for any justifiable or un-justifiable reason, as discussed in the cases of Jamboo Bhandari (*supra*) and Muskan Enterprises (*supra*)?***
- (d) Whether it is a pre-condition to deposit 20% of the compensation amount awarded by the Trial Court, for getting an appeal decided?”***

7. The aforementioned questions were then considered and answered by the Larger Bench/Division Bench (Anoop Chitkara, J. and Sanjay Vashisth, J.) of this Court, vide detailed order dated 24.09.2025, passed in the case of M/s Coromandel International Limited v. Shri Ambica Sales Corporation, Law Finder Doc Id # 2783918 : 2025 (4) RCR (Criminal) 490.



In para Nos. 36, 40, 41, 51, 52, and 57 of the order dated 24.09.2025 (supra), the Larger Bench/Division Bench firstly answered the four questions individually. For the sake of ready reference, the questions and the answers given are being extracted, in juxtapose, as under:-

	<u>Question</u>	<u>Answer</u>
(a)	Whether imposition of condition to deposit 20% of the compensation amount awarded by the Trial Court, is sustainable or not, while deciding the application for suspension of sentence in an appeal, when the judgment of conviction and order of sentence is still awaiting confirmation?	<i>“36. After analyzing the statutory provision vis-à-vis the judicial precedents referred to above, the answer to the first proposition is that the imposition of condition to deposit 20% of the compensation amount awarded by the Trial Court, is sustainable, while deciding the application for suspension of sentence in an appeal, when the judgment of conviction and order of sentence is still awaiting confirmation.”</i>
(b)	Whether the right of the convict-appellant being on bail in pending appeal, can be subjected to the compliance of direction to pay 20% of the compensation amount under Section 148 of the NI Act?	<i>“40. Answer to the second proposition was once addressed by Surinder Singh Deswal supra [Second case], where the Hon’ble Supreme Court held that when an Appellate Court suspends the sentence on a condition, then the failure to comply with that condition adversely affects the continuation of the suspension.</i> <i>41. The Appellate Court that has suspended the sentence on a condition, after observing non-compliance, could reasonably hold that the suspension stood vacated due to the non-compliance, and it is the responsibility of the said Appellate Court, which granted the suspension, to consider the non-compliance and make an appropriate decision. Nonetheless, non-compliance with the suspension condition is enough to declare that the suspension has been vacated.”</i>
(c)	Whether the right of bail can be taken away by the	<i>“51. In the light of the judicial precedents mentioned above, the</i>



	Appellate Court, where final adjudication of the appeal is pending, due to non-compliance of the direction to pay 20% of the compensation amount under Section 148 of the NI Act, for any justifiable or unjustifiable reason, as discussed in the cases of Jamboo Bhandari (supra) and Muskan Enterprises (supra)?	<i>answer to the third proposition is that the right of bail cannot be taken away by the Appellate Court, where final adjudication of the appeal is pending, due to non-compliance with the direction of paying 20% of the compensation amount under Section 148 of the NI Act. Whenever an Appellate Court directs a deposit under Section 148 of the NI Act and imposes conditions on the suspension of sentence, such conditions must be just conditions.</i> 52. Here it requires to be understood that once the issue regarding deposit of 20% of the compensation or fine amount, payable under Section 148 of NI Act, is decided by the concerned Appellate Court by following the spirit of the observations made in the judgments of Jamboo Bhandari (supra) and Muskan Enterprises (supra), and condition, if any, is imposed while suspending the sentence, the same would be deemed to be just and fair, and undoubtedly such condition requires its fulfillment at the end of the appellant, who seeks suspension of sentence.”
(d)	Whether it is a pre-condition to deposit 20% of the compensation amount awarded by the Trial Court, for getting an appeal decided?	“57. From the judgments of Noor Mohammed (supra) and Vijay D. Salvi (supra), it is clear that non-deposit of 20% of the compensation or fine amount would not disentitle the accused from availing any of his substantive rights, including the right of appeal. The case of Vijay D. Salvi (supra) clearly answers the fourth proposition of law. Thus, to get the appeal decided, there cannot be any precondition for depositing the amount ordered under Section 148 of the NI Act by the Appellate Court. The fourth question is answered accordingly.”



CRM-M-18736-2025 & 08 connected cases

9

8. It was also found that all the aforementioned four questions are interconnected and interwoven, thus, the Larger Bench/Division Bench has also given cumulative answers in para Nos. 59 to 76 of the order dated 24.09.2025 (supra), and after bare reading thereof, it can be summarized as under:-

- The offence under Section 138 of the NI Act is bailable, and after summoning of the accused in a complaint under Section 138 of the NI Act, bail is a right subject to the furnishing of bonds.
- In the event of conviction and sentence, fine, and compensation, it is for the convict to decide whether to undergo the sentence or to challenge it before the Appellate Court by filing an Appeal.
- In the cases of juristic persons, these can only be fined, and in the absence of a substantive sentence of imprisonment, there is no need for these entities to seek suspension of sentence.
- Section 148 of the NI Act neither restricts right of the convict to challenge the conviction, sentence, or compensation by filing an appeal, nor does it permit the Appellate Court to impose any prerequisites for the appeal to be admitted or decided.
- Section 148 of the NI Act, due to its non-compliance, does not explicitly prohibit the suspension of sentence or the hearing of the appeal.
- Neither Section 148 nor any other provision of the NI Act prescribes any provisions for the suspension of sentence. Therefore, Section 430 of the BNSS, 2023 shall apply.
- Neither Section 148 of the NI Act nor Section 430 of the BNSS, 2023 places any specific restrictions on suspension of sentence. Instead, Section 430 of the BNSS has carved out a separate, most lenient category, and in cases where the sentence prescribed is up to three years of imprisonment, or when the offences in which an accused is convicted are bailable offences, the sentence is suspended by the trial Court/convicting Court.
- The very purpose of Section 430 of the BNSS, 2023, which corresponds to Section 389 Cr.P.C., is to restore the liberty curtailed post-conviction until the decision of the appeal challenging such conviction and sentence.
- Appellate Court assumes the jurisdiction to order a deposit under Section 148 of the NI Act only if the convict files an appeal before it, challenging the conviction and sentence, and the jurisdiction stays only during the pendency of such an appeal, and jurisdiction of the Appellate Court would eclipse on the decision of the appeal.
- In the absence of specific provision in the language of Section 148 of the NI Act, that in the absence of deposit of 20% of compensation, neither shall any appeal be entertained nor the sentence shall be suspended, it shall be re-writing Section 148 of NI Act and Section 430 of the BNSS, 2023, to treat the deposit of 20% as a prerequisite for filing an appeal or for suspending the sentence.



- During pendency of an appeal, the Appellate Court is also competent to direct a deposit upon the filing of an application by the complainant.
- The words, “(2) The amount referred to in sub-section (1) shall be deposited within sixty days from the date of the order, or within such further period not exceeding thirty days as may be directed by the Court on sufficient cause being shown by the appellant.”, used in Section 148(2) of the NI Act are significant, because sixty days extendable by another thirty days, are granted to a convict to deposit only if the appeal is pending, because of the words, “in an appeal by the drawer against conviction” used in Section 148 of the NI Act. In case, before the expiry of said period (sixty days + thirty days), the appeal itself is decided, then the Appellate Court shall also lose its jurisdiction to order such deposit.
- If the appeal is not decided within 60 days, with a possible extension of 30 days, then the convict must comply with the directions, if any, to deposit the compensation amount.
- When the convict challenges the conviction, sentence, or compensation by filing an appeal, **the requirement to deposit 20% or more of the fine amount or compensation is not an absolute rule and is subject to exceptions mentioned in Jamboo Bhandari (supra) and Muskan Enterprises (supra), it can be reduced to below the statutory minimum of 20% or even waived in exceptional cases by assigning reasons.**
- When a convict challenges the judgment of conviction by filing an appeal, then during the pendency of appeal, i.e. if the appeal is not decided within 60 days, extendable by 30 days, then the convict might be compelled to deposit the amount as was directed, by taking recourse to Section 395 BNSS, 2023.
- Deposit of a minimum 20% amount is not an absolute rule.
- Whenever the deposits are expensive than the liberty, and the Appellate Courts are convinced that the convicts are not in a position to deposit and likely to forego their liberty even when the first appeal is yet to be decided, the Appellate Courts must make efforts to prioritize hearing appeals filed against the convictions under Section 148 NI Act and decide those preferably within sixty days of filing, and not later than ninety days, which clearly aligns with the legislators’ intentions. However, the time of sixty days should be extended to the extent to which the decision of the appeal is delayed because of the complainant.

9. In view above, matters in hand are required to be sent back to the respective Appellate Courts, for decision afresh on the application(s) for suspension of sentence of the appellant(s)/petitioner(s) herein, in consonance with the order dated 24.09.2025, passed by the Larger Bench/Division Bench of this Court in the case of M/s Coromandel International Limited (supra).

**CRM-M-18736-2025 & 08 connected cases****11**

10. Ordered accordingly.
11. The said exercise shall be undertaken by the Appellate Court(s) not later than 15 days from the date of receipt of a certified copy of this order, and after issuing notice(s) to the respective parties.
12. Further, it is directed that till the time application for suspension of sentence is decided afresh, the condition of deposit of 20% of the compensation amount, as directed by the Appellate Court in its earlier order, shall remain inoperative, and the bail shall not be cancelled in consequence thereof.
13. In case the Appellate Court, after re-appreciation of the matter, comes to the conclusion that the deposits are expensive than the liberty, and the convict is not in a position to deposit and likely to forego his liberty even when the first appeal is yet to be decided, the Appellate Court must make efforts to prioritize hearing appeal filed against the conviction under Section of the 148 NI Act and decide the same preferably within next sixty days of passing of fresh order, and not later than ninety days, which clearly aligns with the legislators' intentions. However, the time of sixty days should be extended to the extent to which the decision of the appeal is delayed because of the complainant.
14. Registry is directed to transmit copy of this order to the respective Appellate Court (as detailed in para No. 3 above) forthwith for compliance.
15. These petitions stand disposed of in the above terms.
16. A photocopy of this order be placed on the files of connected cases.

(SANJAY VASHISTH)
JUDGE

December 24, 2025
Pkapoor

Whether Speaking/Reasoned: **YES/NO**
Whether Reportable: **YES/NO**