



**IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH**

Sr. No.305

CRM-M-69625-2025
Date of Decision: 09.04.2026

UMANG D JOSHI

...Petitioner

Versus

M/S SPACEAGE SWITCHGEARS LIMITED

....Respondent

CORAM: HON'BLE MS. JUSTICE MANDEEP PANNU

Present:- Mr. Abhishek Sharma, Advocate
for the petitioner.

MANDEEP PANNU, J. (Oral)

1. The instant petition has been filed seeking quashing/setting aside of the impugned order dated 13.09.2024 (Annexure P-3), passed by the learned Additional Sessions Judge, Gurugram in case No.CRA/422/2024 titled *Umang D Joshi Vs. M/S Spaceage Switchgears Limited*, (arising out of complaint No. NACT-4781-2018 titled ('M/S Spaceage Switchgears Limited Vs. M/S Sai Products and Others' decided on 08.03.2018) vide which the petitioner has been directed to deposit 20% of the compensation amount awarded by the learned trial Court within 60 days from date of order.

2. Vide judgment of conviction and order on sentence dated 17.08.2024 passed by the learned Judicial Magistrate First Class, Gurugram, the petitioner was convicted for the offence punishable under Section 138 of the NI Act and sentenced to undergo simple imprisonment for a period of six months. The petitioner was further directed to pay compensation amounting to Rs. 12,58,600/-, and in default of payment, to undergo additional simple imprisonment for a period of three months. Thereafter, the petitioner



preferred an appeal against the said judgment of conviction and quantum of sentence before the learned Additional Sessions Judge, Gurugram. The learned Appellate Court, vide order dated 13.09.2024, suspended the sentence of the petitioner subject to furnishing bail bond in the sum of Rs.2,00,000/- with one surety in the like amount, subject to the condition of depositing 20% of the compensation amount by the petitioner in the learned trial Court within 60 days.

3. Learned counsel for the petitioner *inter alia* contends that the petitioner is not in a position to deposit 20% of the compensation amount due to his financial hardship. It has been further contended that the learned lower Appellate Court failed to appreciate the facts in the right perspective and imposed the condition to deposit 20% of the compensation amount and such a condition is illegal, arbitrary and in violation of the law as laid down by the Hon'ble Supreme Court in ***Jamboo Bhandari vs. M.P. State Industrial Development Corporation Ltd. and others, 2023 (10) SCC 446.***

Speaking through Justice Abhay S. Oka, it has been held as follows:-

“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 a petitioner 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 4 conclusion must be recorded.”

4. Learned counsel for petitioner has further drawn attention of this Court to the operative part of the impugned order and submits that the order passed is not in spirit of the dicta laid down by the Hon’ble Supreme Court in *Jamboo Bhandari’s case (supra)* rather is passed in a mechanical manner without recording its reasons to come to the conclusion as to its satisfaction regarding existence or non-existence of exceptional circumstances to waive the condition of deposit of 20% of the compensation amount.

5. Having heard learned counsel for the petitioner and after perusing the judgment passed in *Jamboo Bhandari’s case (supra)* and the impugned order, the learned Appellate Court was required to pass a speaking order while recording its reasons to come to the conclusion as to its satisfaction regarding existence or non-existence of exceptional circumstances for waiving the condition of deposit of 20% of the compensation amount.

6. Consequently, the impugned order dated 13.09.2024 (Annexure P-3) is hereby set aside to the extent of imposing the condition of depositing 20% of compensation amount. The learned lower Appellate Court concerned



is directed to re-examine the matter after granting an opportunity to the petitioner to make submissions regarding the exceptional circumstances and pass a speaking order as to whether it is an appropriate case that warrants waiver of the requirement of deposit of 20% of the compensation awarded by learned trial Court or not.

7. The matter is remanded back to the learned lower Appellate Court concerned with a direction to decide the matter afresh in accordance with law in the light of judgment passed by the Hon'ble Supreme Court in *Jamboo Bhandari's case (supra)*.

8. The petition is disposed of accordingly.

9. All pending miscellaneous application(s), if any, stands disposed of.

09.04.2026
Anu

(MANDEEP PANNU)
JUDGE

Whether speaking/reasoned	:	Yes/No
Whether reportable	:	Yes/No