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A WARM WELCOME FROM RENAISSANCE UNIVERSITY FAMILY

CA SWAPNIL KOTHARI

Chancellor, Renaissance University and
Founder Chairman, Renaissance Group



Dr. DIVYADITYA KOTHARI

Director, Renaissance University and
Renaissance group,
Founder Chairman, Renaicon (advisory and
research LLP) and Renaicon Legal

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EROS RESORTS & HOTEL LTD. V. MUNICIPAL CORPORATION OF DELHI (CITATION: 2025 DHC 8145)

In a significant judgment on taxation and equality, the Delhi High Court upheld the decision of the Municipal Corporation of Delhi (MCD) to classify hotels based on star ratings and impose a uniform user factor (UF) of 10 and a higher property tax rate of 20% on hotels of 3-star and above. The Court ruled that such classification is neither arbitrary nor violative of Article 14, as it is based on an intelligible differentia with a rational nexus to the object of imposing a greater fiscal burden on luxury establishments.

The case arose when several hotels challenged the Municipal Valuation Committee's recommendations, contending that using star ratings as a tax basis was arbitrary and discriminatory, and that including non-revenue-generating areas like basements, stilts, and garages in the "covered space" was ultra vires the Delhi Municipal Corporation Act, 1957.

Rejecting these arguments, the Bench held that hotels voluntarily seek star accreditation and cannot subsequently object to obligations flowing from such classification. The Court observed that star-rated

hotels enjoy superior infrastructure and cater to affluent clientele, making a higher tax burden justifiable. Further, it clarified that inclusion of ancillary non-FAR spaces within “covered space” is legally valid, as such areas support the property’s overall utility.

The Court also found that the procedure adopted by the MCD and the Municipal Valuation Committee complied with statutory requirements, with due consideration of public objections before finalising the scheme.

This judgment is significant as it reaffirms that differential taxation based on objective classifications, such as star ratings, withstands Article 14 scrutiny and underscores that technical or procedural objections cannot override a fair and rational fiscal policy.

Read the full judgment here:

https://www.verdictum.in/pdf_upload/eros-resorts-hotel-ltd-v-municipal-corporation-of-delhiwatermark-1744691.pdf

FOREIGN NATIONAL'S RIGHT TO BAIL UNDER NDPS ACT CANNOT BE DENIED SOLELY ON CITIZENSHIP: HIMACHAL PRADESH HIGH COURT UPHOLDS ARTICLE 21 PROTECTION

TIDJ MAMANE ALIAS TIDY MAMANE V. STATE OF HIMACHAL PRADESH (NEUTRAL CITATION: 2025 HHC 30402)

In a significant ruling on liberty and constitutional protections, the Himachal Pradesh High Court granted bail to a foreign national accused under the NDPS Act and Section 14 of the Foreigners Act. The Court held that mere foreign nationality or visa irregularities cannot justify the denial of bail, as the right to life and personal liberty under Article 21 of the Constitution of India extends to all persons, not just citizens.

The case arose when the petitioner was implicated solely based on confessional statements made by the co-accused, without any recovery of contraband from him. The State opposed bail, citing the petitioner's expired visa and alleged doubts over his passport's authenticity. The Court, however, observed that such matters fall within the trial's domain and cannot be decisive grounds for refusing bail.

Rejecting the State's objections, the Bench emphasised that prolonged incarceration of over 18 months without conclusion of trial amounts to a violation of Article 21, particularly in the absence of risk of tampering with evidence, threatening witnesses, or absconding.

The Court further reiterated that confessional statements under Section 67 of the NDPS Act cannot by themselves sustain continued detention.

Granting bail subject to strict conditions such as surrender of passport, surety, and travel restrictions—the Court clarified that foreign nationality cannot be a standalone ground to curtail liberty, and all individuals are entitled to the constitutional safeguard of fair and reasonable procedure.

This judgment is significant as it reaffirms that Article 21's guarantee of life and personal liberty applies universally, reinforces the principle that bail cannot be denied solely on citizenship grounds, and underscores that weak evidence coupled with trial delay militates in favour of bail.

READ THE FULL JUDGMENT Here:

https://www.verdictum.in/pdf_upload/kahc010607542025122-1744388.pdf

DEPENDENT CAN'T BE DENIED FAMILY PENSION MERELY BECAUSE EMPLOYEE'S APPOINTMENT LETTER SAID "PURELY TEMPORARY BASIS": RAJASTHAN HIGH COURT

SMT. MISHRI DEVI V DIRECTOR, PENSION AND PENSIONERS WELFARE DEPARTMENT PENSION BHAWAN & ORS.

The Rajasthan High Court recently provided significant relief in a petition concerning the grant of family pension and other post-retirement benefits, which had been filed nearly twenty-four years after the death of the petitioner's husband. The Court, while ruling in Favor of the widow, emphasized that the State could not rely on technical grounds such as limitation or delay to withhold legitimate service benefits that were otherwise due to a government servant or his dependents. Justice Anand Sharma, while deciding the matter, underscored that when the appointment procedure of a government servant is akin to that of a regular substantive employee, pensionary and related benefits cannot be denied merely because the appointment letter used the expression "purely on temporary basis."

The facts of the case revealed that the petitioner's husband was appointed as a Lower Division Clerk in 1989 through a regular recruitment process. Unfortunately, he passed away after serving for about a year, in 1990. Since his appointment letter described his position as "purely temporary," the authorities denied his family any pensionary or post-retirement benefits. For years, the widow was left without such entitlements, though she herself was granted compassionate appointment after her husband's demise, a move

which itself reflected the substantive nature of his appointment. In 2014, she approached the High Court seeking redress.

The State, in its defence, raised two major objections. Firstly, it argued that the petition could not be entertained because it was filed after an unreasonable delay of more than two decades, making it barred by the principles of delay and laches. Secondly, it insisted that since the husband's appointment letter explicitly mentioned "purely temporary," he could not be treated as a substantive employee and, therefore, his dependents had no claim over family pension.

The High Court categorically rejected both contentions. It noted that the recruitment of the deceased was carried out in the same manner as that of substantive employees, and therefore, the label of "temporary" in the appointment letter could not deprive his dependents of their rightful entitlements. To reinforce this view, the Court relied on Rule 268A of the Rajasthan Service Rules, 1951, which explicitly provides that the dependents of government employees are entitled to family pension, whether the appointment of the deceased was temporary or permanent.

On the issue of delay, the Court clarified that pension is not a gratuitous concession or bounty bestowed at the discretion of the State, but a legal right flowing from service. Consequently, such a right cannot be defeated merely on grounds of limitation or delay. Recognizing the prolonged hardship caused to the widow, the Court directed the State to release all due family pension and retirement benefits, along with interest calculated at 9% per annum, noting that

the delay was solely attributable to the State's unjustified stance. Through this ruling, the Rajasthan High Court reaffirmed the principle that pensionary rights are sacrosanct and cannot be withheld by the State on hyper-technical grounds, thereby extending long-awaited justice to the petitioner

Read full guidelines:

https://www.livelaw.in/pdf_upload/2052000490120144-622336.pdf

EMPLOYEE NEED NOT DEPOSIT RETRENCHMENT COMPENSATION AS PRE-CONDITION TO CHALLENGE TERMINATION: BOMBAY HIGH COURT

YASHWANT ANNA BHOIR V. STATE OF MAHARASTRA & ORS.

The Bombay High Court has recently clarified an important principle under labour law by holding that an employee cannot be forced to deposit retrenchment compensation as a precondition to contesting the legality of his retrenchment. The Court emphasized that such compensation, mandated under Section 25F of the Industrial Disputes Act, 1947, is a statutory right designed to provide sustenance to an employee during the period of unemployment. Imposing a requirement that the amount be deposited before pursuing legal remedies could, in effect, deprive employees of their right to challenge retrenchment, as financial difficulties may prevent them from complying with such conditions.

The case arose from writ petitions filed by two employees who had been retrenched by their employer. They challenged orders passed by the Industrial Court which had directed them to deposit the amount of retrenchment compensation with the Labour Court as a prerequisite for continuing their complaints. The petitioners contended that under Section 25F, the payment of retrenchment compensation is not merely procedural but a condition precedent for a valid retrenchment. Therefore, irrespective of the outcome of their challenge, they were legally entitled to retain the compensation.

The employer, on the other hand, argued that since retrenchment effectively severs the employer–employee relationship, it was appropriate that the amount be secured by way of deposit until the dispute was resolved. To support this position, reliance was placed on certain precedents involving voluntary retirement and closure compensation.

Justice Rohit W. Joshi, while deciding the matter, rejected the employer’s contention and distinguished the precedents cited. The Court pointed out that voluntary retirement and closure involve situations where the employee consents to termination or where the establishment itself ceases to function. Retrenchment, by contrast, is an involuntary act imposed by the employer for reasons such as cost-cutting, restructuring, or other business exigencies. In such cases, even if the retrenchment is later upheld, the employee’s entitlement to compensation remains unaffected.

The Court further observed that forcing employees to deposit the compensation would create an inequitable situation. Since retrenchment compensation is statutorily intended to act as a cushion against sudden unemployment, compelling its deposit could place employees in severe financial distress, potentially discouraging them from challenging their termination. The Court noted: although the compensation may have been paid, no settlement or mutual agreement exists between the parties; hence, requiring its deposit is undesirable.

Reiterating that the right to retrenchment compensation flows directly from statute, the Court held that employees should not be

deprived of its immediate benefit, regardless of the fate of their challenge. Accordingly, the High Court quashed and set aside the orders of the Industrial Court dated 13 December 2018 and 23 January 2020, thereby restoring the employees' right to both challenge their retrenchment and simultaneously retain their compensation.

Through this decision, the Bombay High Court reinforced the protective purpose of Section 25F and safeguarded employees from conditions that could undermine their statutory rights during disputes over retrenchment.

Read full guidelines:

https://www.livelaw.in/pdf_upload/yashwant-anna-bhoir-v-state-of-maharashtra-ors-622393.pdf

DELHI HIGH COURT REJECTS PLEA BY DEVANGANA KALITA TO RECONSTRUCT DIARIES

DEVANGANA KALITA VS STATE NCT OF DELHI

On 06.11.2024 petitioner raised the issue of tampering and ante dating of the statements under section 161 Cr.P.C. which were part of the case dairy and supplementary chargesheet on the premise that there was a discrepancy in the Booklet Nos. and Page Nos. of the respective sheets on which the statements under section 161 Cr.P.C. had been recorded and thereby requested for preservation of case diary i.e. booklet no. 9989 and 9990. 2.5. The Ld. Trial Court declined the relief sought with reason that the issue was a procedural aspect thereby truthfulness and veracity of the allegations could not be looked upon by the court at the present stage. Further the court also clarified that the statements recorded under section 161 Cr.P.C. are barred by section 162 Cr.P.C., thus, are not even considered as a substantive piece of evidence and could be used by accused persons at appropriate stage for specific purpose as provided under the said section.

The statements recorded by the investigating agency under section 161 Cr.P.C. in the present FIR are ante-dated statements on ground that subsequent numbered pages in Volume No. 9989 and 9990 of Police dairy maintained in terms of mandate under section 172 Cr.P.C. containing statements are recorded earlier and prior numbered pages containing the same statements have been recorded subsequently.

3.2. In the present case, despite the mandate of Section 172

Cr.P.C., the chargesheet filed contains extracts from police diary Volumes No. 9989 and 9990 which have demonstrable ante dated statements recorded under section 161 Cr.P.C as illustrated below:

3.2.1. In Case Diary booklet no. 9990, statement dated 09.03.2020 is recorded at page 8, whereas the statement dated 26.02.2020 are recorded subsequently at pages 31-43.

3.2.2. In Case Diary booklet no. 9989, statements purporting to have been recorded on 09.06.2020 are at page nos. 7-15, whereas statements purportedly recorded on 10.04.2020 are at page nos. 20-27.

3.3. Reliance is placed on the judgment passed by the Apex court in Bhagwant Singh v. Commissioner of Police, Delhi (1983) 3 SCC 344 wherein the court observed that Section 172 Cr.P.C. is a mandatory provision and requires the proper maintenance of case diaries by police officers, which are volumed and are duly paginated. Only proper chronological maintenance of case diaries ensures sanctity/purity of the investigation process and allows the court to ascertain whether the investigation has been conducted in fair manner.

3.4. This court in light of such facts granted interim protection of preservation of the case diary booklets vide order dated 02.12.2024.

3.5. Respondent has regularly shifted its stance, firstly it stated that procuring the case diaries would be a logistical challenge, whereas in its 2nd status report (Para 7) claimed that that the other pages of booklet no. 9989 and 9990 relate to other cases and therefore fall

outside the ambit of the impugned order dated 02.12.2024.

3.6. Further, Respondent in his reply dated 05.07.2025 again changed their stance by submitting that the petitioner never sought the preservation of records beyond those relating to the pages recording the investigation in FIR 48/2020 whereas petitioner throughout their petition have consistently pressed their prayer for reconstruction and preservation of the entire records of the case diaries booklet no. 9989 and 9990.

3.7. Lastly, The Ld. Trial Court failed to appreciate that section 172 read with section 91 Cr.P.C. empowers the court to summon case diaries at any stage whenever it considers desirable for the purpose of aiding it in a case under inquiry or trial or other proceedings under the Cr.P.C. before the court and such right is of significance when there exists a suspicion against the version of the police authorities.

Coming to the use of police diary by the accused, sub-section (3) of Section 172 clearly lays down that neither the accused nor his agents shall be entitled to call for such diaries nor he or they may be entitled to see them merely because they are referred to by the Court.

9. The Hon'ble Supreme Court in the case of Mukund Lal vs. Union of India and Anr., AIR 1989 SC 144 while considering the question relating to inspection of the entries made in the case diary by the accused has observed thus:-

"We are of the opinion that the provision embodied in sub-section

(3) of Section 172 of the CrPC cannot be characterised as unreasonable or arbitrary. Under sub-section (2) of Section 172 CrPC the court itself has the unfettered power to examine the entries in the diaries. This is a very important safeguard. The legislature has reposed complete trust in the court which is conducting the inquiry or the trial. It has empowered the court to call for any such relevant case diary; if there is any inconsistency or contradiction arising in the context of the case diary the court can use the entries for the purpose of contradicting the police officer as provided in sub-section (3) of Section 172 of the CrPC. Ultimately there can be no better custodian or guardian of the interest of justice than the court trying the case. No court will deny to itself the power to make use of the entries in the diary to the advantage of the accused by contradicting the police officer with reference to the contents of the diaries. In view of this safeguard, the charge of unreasonableness or arbitrariness cannot stand scrutiny. The petitioners claim an unfettered right to make roving inspection of the entries in the case diary regardless of whether these entries are used by the police officer concerned to refresh his memory or regardless of the fact whether the court has used these entries for the purpose of contradicting such police officer. It cannot be said that unless such unfettered right is conferred and recognised, the embargo engrafted in sub-section (3) of Section 172 of the CrPC would fail to meet the test of reasonableness.

For instance in the case diary there might be a note as regards the identity of the informant who gave some information which resulted in investigation into a particular aspect.

Public interest demands that such an entry is not made available to

the accused for it might endanger the safety of the informants and it might deter the informants from giving any information to assist the investigating agency, as observed in *Mohinder Singh v. Emperor*:

"The accused has no right to insist upon a police witness referring to his diary in order to elicit information which is privileged. The contents of the diary are not at the disposal of the defence and cannot be used except strictly in accordance with the provisions of Sections 162 and 172. Section 172 shows that witness may refresh his memory by reference to them but such use is at the discretion of the witness and the judge, whose duty it is to ensure that the privilege attaching to them by statute is strictly enforced." The public interest requirement from the standpoint of the need to ensure a fair trial for an accused is more than sufficiently met by the power conferred on the court, which is the ultimate custodian of the interest of justice and can always be trusted to be vigilant to ensure that the interest of accused persons standing the trial, is fully safeguarded."

Coming back to the present case, petitioner has made two-fold prayer, i.e. preservation of the case diary booklets and reconstruction of the same.

12. Dealing with the first limb of the prayer of preservation of the case diary booklets, this Court vide interim order dated 02.12.2024 granted interim protection towards preservation of case diary booklet and directed as under:

"The case dairies involved in the present case be preserved by the

respondent and more particularly Volume No. 9989 and Volume No. 9990. Any decision of the MM shall be subject to the outcome of the petition."

13. The case diary is not the evidence but its absence may affect the fairness of trial and therefore directions may be given to preserve it. The power of giving such directions flows from the court duty to ensure compliance with Article 21 and its inherent powers and under Section 482 Cr.P.C. In view of the same, the interim order dated 02.12.2024 issuing directions for the preservation of the case diaries particularly volume nos. 9989 and 9990 is made absolute.

14. However the other pages of booklet nos. 9990 and 9989 which do not form part of case diary in the present case and which would have been used by the investigating officers for recording statements in various other FIRs being investigated by them at the relevant time cannot be reconstructed as the same is being beyond the scope of Section 172 and 91 Cr. P.C and also because petitioner is not entitled to have the copy of the same. The Court is within its competence to read the police diary only for aid and for satisfying its conscience in appreciating the legal evidence available on record but not beyond. The entries in the case diaries are not evidence nor they can be used by the accused in the court unless the case comes within the scope of Section 172(3) Cr.P.C.

SUPREME COURT OBSERVED THAT FOR JOINT DISCLOSURE STATEMENTS, MADE BY MULTIPLE ACCUSED SIMULTANEOUSLY, TO BECOME ADMISSIBLE UNDER SECTION 27 OF THE EVIDENCE ACT

NAGAMMA @ NAGARATHNA & ORS. VERSUS THE STATE OF KARNATAKA

The Supreme Court on Monday (Sep. 22) observed that for joint disclosure statements, made by multiple accused simultaneously, to become admissible under Section 27 of the Evidence Act, high scrutiny is needed to rule out the possibilities of tutoring of the accused.

The Court added that while simultaneous disclosure statements can be legally admissible, courts must exercise heightened caution, and the prosecution bears the burden of proving that the disclosures were genuine, independent, and corroborated by other evidence.

“While asserting that a joint or simultaneous disclosure would per se be not inadmissible under Section 27, it was observed that it is very difficult to place reliance on such an utterance in chorus; which was also held to be, in fact, a myth. Recognising that there would be practical difficulty in placing reliance on such evidence, it was declared that it is for the Courts to decide, on a proper evaluation of evidence, whether and to what extent such a simultaneous disclosure could be relied upon.”, the Court said relying on *Kishore Bhadke v.*

State of Maharashtra, (2017) 3 SCC 760.

The Court noted that in *Kishore Bhadke* that simultaneous statements were admitted only because "the information given by one, after the other, was without any break, almost simultaneously and such information was followed up by pointing out the material thing by both the accused, in which circumstance it was held that there is no reason to eschew such evidence."

A bench of Justice KV Viswanathan and Justice K Vinod Chandran set aside the conviction of three individuals in a case over the murder of a Karnataka based police constable, after noting that a simultaneous disclosure statements were made by two accused, but the Investigating Officer failed to clarify whether the disclosures by the accused were sequential or simultaneous, undermining the credibility of the recovery of murder weapon. Moreover, the independent witnesses turned hostile, and forensic links were absent, leading the Court to observe that the prosecution failed to discharge the proof beyond a reasonable doubt.

A key piece of evidence was the recovery of a murder weapon (a chopper) at the instance of A4. However, the Investigating Officer testified that both A3 and A4 had made disclosure statements about the weapon's location. The Court found this evidence "sketchy" and unreliable, citing *Kishore Bhadke* (supra).

“The fact that confessions were made by both the accused and the recovery was made from one of the accused, A4, leading the police to the spot would restrain us from treating the recovery as an inculcating circumstance against A3 or A4, especially when the confession is taken simultaneously from both the accused. We are of the opinion that in the present case there can be no reliance placed on the recovery based on the sketchy evidence adduced.”, the judgment authored by Justice Chandran observed.

The Court also reiterated that confession to police officers are not admissible in evidence. The prosecution's case rested wholly on circumstantial evidence, but the chain of circumstances was incomplete.

Motive, recovery, and alleged presence of body in house of accused were not proved beyond reasonable doubt. Suspicion about genesis and origin of crime further created reasonable doubt.

Accordingly, the appeal was allowed, and the conviction was set aside.

THE COURT EXPLAINED THAT ONLY WHEN A REVIEW PETITION IS ALLOWED (LEADING TO REHEARING OR MODIFICATION) CAN THE AGGRIEVED PARTY CHALLENGE THE REVIEW ORDER

SATHEESH V.K. V. THE FEDERAL BANK LTD

The Supreme Court in the present case dealt with whether successive Special Leave Petitions (SLPs) are maintainable and, importantly, whether an appeal lies from an order refusing review.

Factual Background:

Satheesh V.K., a borrower under the SARFAESI Act, defaulted on his loan repayment to Federal Bank. His loan account was classified as NPA, leading to SARFAESI proceedings. He challenged the measures before the Kerala High Court. On 1 October 2024, the High Court ordered him to pay ₹2 crores upfront and the balance in twelve instalments, failing which the bank could proceed under SARFAESI.

Satheesh's first challenge to this order came through an SLP before the Supreme Court. When the Bench showed reluctance to entertain it, he withdrew the petition voluntarily, without seeking liberty to re-file. Thereafter, he sought review before the High Court, which dismissed his petition on 5 December 2024. He then filed two civil appeals before the Supreme Court—one against the High Court's main order and another against the review rejection.

Key Legal Issues:

1. Whether a litigant file a second SLP after withdrawing the first without liberty?
2. Whether an appeal maintainable against an order rejecting a review petition?

Respondent Bank: Emphasised that the withdrawal of the first SLP without liberty foreclosed further recourse. Additionally, by virtue of Order XLVII Rule 7(1) of the CPC, no appeal lies against an order refusing review.

Appellant: Relied on precedents (Kunhayammed v. State of Kerala, Khoday Distilleries Ltd.) to argue that rejection of an SLP does not bar subsequent remedies like review. He urged the Court to exercise its extraordinary powers under Article 136 to prevent injustice.

Court's Analysis on Appeal Against Review:

The Court made it clear that an appeal does not lie from an order refusing review. It drew upon the plain wording of Order XLVII Rule 7(1) CPC, which expressly prohibits an appeal from an order rejecting review. The rationale is that dismissal of a review petition does not alter the original decree or order—it merely affirms it.

Hence:

- No merger: The High Court's original order remains intact, unaffected by the review dismissal.
- No new cause of action: Since the review rejection simply affirms the earlier order, there is nothing new to be challenged.
- Remedy lies against the original order, not against review dismissal.

The Court explained that only when a review petition is allowed (leading to rehearing or modification) can the aggrieved party challenge the review order. If it is dismissed, the original judgment stands untouched and must be challenged directly.

On the maintainability of successive SLPs, the Court relied on *Upadhyay & Co. v. State of U.P.* (1999) and *Sarguja Transport Service v. STAT* (1987), which extended the principle of Order XXIII Rule 1 CPC (withdrawal without liberty bars refiling) to writ petitions and, by extension, to SLPs. It ruled that a litigant who withdraws an SLP without liberty cannot later re-challenge the same order.

The Court dismissed both civil appeals. It categorically held that:

1. A second SLP against the same order is not maintainable where the earlier SLP was withdrawn without liberty.
2. No appeal lies against an order refusing review, as per Order XLVII Rule 7(1) CPC.

This ruling has significant implications for appellate practice. It underscores that once a review petition is dismissed, the path of appeal is barred against that review order. Litigants must focus their challenge on the original decree or order, not the failed review. By doing so, the Court discourages procedural misuse and protects the integrity of judicial finality.

SUPREME COURT MODIFIES GUIDELINES ON COMPOUNDING OF CHEQUE DISHONOUR CASES

SANJABIJ TARI v. KISHORE S. BORCAR & ANR

The Supreme Court has recently modified the guidelines on compounding dishonour of cheque Cases issued in Damodar S.Prabhu vs Sayed Babalal H.

The Supreme Court bench comprising Justice Manmohan and Justice NV Anjaria in Sanjabij Tari Vs Kishore S Borkar and another 2025 LiveLaw (SC) 952, observed that since a very large number of cheque bouncing cases are still pending and interest rates have fallen in the last few years, the Court is of the view that it is time to 'revisit and tweak the guidelines' issued by Supreme Court in Damodar S.Prabhu vs Sayed Babalal H.

Guidelines

- (a) If the accused pays the cheque amount before recording of his evidence (namely defence evidence), then the Trial Court may allow compounding of the offence without imposing any cost or penalty on the accused.
- (b) If the accused makes the payment of the cheque amount post the recording of his evidence but prior to the pronouncement of judgment by the Trial Court, the Magistrate may allow compounding of the offence on payment of additional 5% of the cheque amount with the Legal Services Authority or such other Authority as the Court deems fit.

- (c) Similarly, if the payment of cheque amount is made before the Sessions Court or a High Court in Revision or Appeal, such Court may compound the offence on the condition that the accused pays 7.5% of the cheque amount by way of costs.
- (d) Finally, if the cheque amount is tendered before the Supreme Court, the figure would increase to 10% of the cheque amount.
- (e) The above guidelines were issued by a The Bench also held that if the Accused is willing to pay in accordance with the aforesaid guidelines, the Court may suggest to the parties to go for compounding.

As per the guidelines in the *Damodar Prabhu* judgment, if the compounding was made at first or second hearing, there was no cost. 10% of the cheque amount had to be paid as cost if the compounding was at a subsequent stage before the Magistrate. If it was before the Sessions Court or High Court, the cost was 15% of the cheque amount. If it was before the Supreme Court, the cost was 20%.

Read full guidelines:

https://www.livelaw.in/pdf_upload/sanjabij-tari-v-kishore-s-borcar-anr-622730.pdf

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DR. RAJESH DIXIT

Vice Chancellor, Renaissance University

DR. AMIT KUMAR HASIJA

Registrar, Renaissance University

DR. DEEPIKA BHATNAGAR

Principal, Renaissance Law School

PROF. MOHAN KUMAR MOYAL

HOD, Renaissance Law School

OUR TEAM

PROOF READING

ASST PROF. DEVESH PANDEY

ASST PROF. SAKSHI SHARMA

ASST PROF. NIKITA CHOUDHARY

TEAM

ASST PROF. CHETAN PATWA

ASST PROF. SAMEEP JAIN

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