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SUBHAS MEHLA, J

1. These are three connected revisions that have come up before this Court, which shall be taken up together as they arise from the same/similar set of facts and are connected in their cause of action.

2. CRR-1281-2025 and CRR-1282-2025 have been filed by the revisionists against orders of even date 22.04.2025, wherein the Appellate Court upheld the Judgement of conviction dated 09.06.2023, of the appellants under Section 138 of NI Act as pronounced by learned JMIC, Gurgaon, and further enhanced the sentence and compensation awarded to the revisionists vide order of sentence dated 13.06.2023, by partly allowing the appeal of the respondent/complainant as follows:

INITIAL SENTENCE AWARDED BY J.M.I.C., GURUGRAM	ENHANCED SENTENCE AWARDED BY LEARNED ADDITIONAL SESSIONS JUDGE VIDE ORDERS DATED 22.04.2025
<i>1. CRR-1281-2025 against CRA-420-2023</i>	
Imprisonment for period of 1 year and compensation of ₹1 crore	Rigorous imprisonment for a period of 1 year and 6 months and compensation of ₹1 crore 75 lakh
<i>2. CRR-1282-2025 against CRA-408-2023</i>	
Imprisonment for period of 1 year and compensation of ₹2 crore 50 lakh	Rigorous imprisonment for a period of 1 year and 6 months and compensation of ₹4 crore

3. Brief facts of the case are that in April-May 2015, accused/revisionist No.1 Sunaina Chauhan requested the respondent/complainant Sanjeev Chugh for a loan of ₹2 crore and 50 lakh for investment purposes. Respondent extended a loan of ₹2 crore 07 lakh. ₹2



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crore was advanced through bank transactions, and ₹7 lakh was advanced in cash. While the revisionist(s) claim that the said amount borrowed as loan was returned in cash, however, the respondent has alleged that cheques were issued by the revisionist(s) to discharge the aforesaid liability.

4. To discharge the said liability, certain cheques were allegedly issued by revisionist Sunaina Chauhan, and some were issued jointly by both revisionists Sunaina Chauhan and Rakesh Chauhan. All of them were dishonoured. After giving the due legal notice, and completing all formalities, the complainant lodged two complaints qua the dishonour of the cheques – first, qua cheques issued by *Sunaina Chauhan alone* (NACT/21963/2018), and the other, qua cheques issued by *both Sunaina Chauhan and Rakesh Chauhan* (NACT/21962/2018). In both the complaints, the revisionists were convicted by learned JMIC Gurgaon vide even dated orders 09.06.2023 and sentenced vide even dated orders 13.06.2023. The revisionists were sentenced as follows:

Complaint	Cheques Issued		Sentence Awarded
Qua cheques issued by <i>Sunaina Chauhan</i> (NACT/21963/2018)	<i>CHEQUE NO.</i>	<i>AMOUNT (In Rs.)</i>	Rigorous Imprisonment for a period of 1 year along with fine equivalent to cheque amount.
	649422	55,00,000/-	
	649424	42,00,000/-	
	649425	3,00,000/-	
	649429	1,00,00,000/-	
	649430	50,00,000/-	
	TOTAL	2,50,00,000/-	
Qua cheques issued by <i>both Sunaina Chauhan and Rakesh Chauhan</i> (NACT/21962/2018)	<i>CHEQUE NO.</i>	<i>AMOUNT</i>	Rigorous Imprisonment for a period of 1 year along with fine equivalent to cheque amount.
	649395	50,00,000/-	
	649394	50,00,000/-	
	TOTAL	1,00,00,000/-	



5. The revisionists appealed against the said aforementioned orders of conviction and sentence before learned Additional Sessions Judge, who, dismissed the appeals vide orders dated 03.01.2024, and upheld the conviction and sentence awarded by the learned JMIC, Gurgaon; however, learned Additional Sessions Judge modified the compensation to include bank interest from the date of issuance of cheque.

6. Consequently, the appellants approached this Court vide CRR-199-2024 AND CRR-200-2024. Both criminal revisions were decided via common order dated 14/2/2025 (Annexure P-3) passed by this Court, whereby both revisions were remanded back to the court of Additional Sessions Judge to be heard afresh, on the ground that the impugned judgements were passed in the absence of the revisionists/accused persons.

7. Both matters were heard afresh by the learned Additional Sessions Judge, Gurugram. Vide even dated orders dated 22/04/2025, the judgements of conviction rendered by the learned JMIC in both the complaint cases were upheld Further, the order of sentences awarded in both the complaints were enhanced by partly allowing the appeal of the respondent/complainant, as depicted in previously depicted table.

8. Consequently, criminal revisions were filed by the convicts/revisionists: CRR-1282-2025 for cheques issued by Sunaina Chauhan alone, and CRR-1281-2025 for cheques issued jointly by Sunaina Chauhan and Rakesh Chauhan. Simultaneously, the complainant filed a criminal revision CRR-1563-2025 seeking that the impugned judgement dated 22/04/2025 passed by Additional Sessions Judge in CRA-420-2023 and CRA-411-2023 be set aside or modified, and the quantum of sentence in the both the



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aforementioned appeals be enhanced to rigorous imprisonment for a period of two years, and that the accused/revisionists be directed to pay a further compensation of ₹2 crores.

9. In the criminal revisions filed by the accused/revisionists, a co-ordinate Bench of this Court, vide its common order dated 15.05.2025, suspended the sentences as well as payment of compensation in the both the cases.

10. Against the suspension of sentences allowed by this Court vide common order dated 15.05.2025, the complainant filed a Special Leave Petition before the Hon'ble Apex Court. Vide order dated 03.12.2025, the Hon'ble Supreme Court held that the High Court, in its exercise of revisional powers, could not have stayed the payment of the entire amount of compensation while suspending the sentence. The Hon'ble Supreme Court further directed the accused/respondents to deposit a sum of ₹2 crores with the revisional court within 2 weeks from the date of the order, and to furnish security for the remaining amount.

11. Learned Senior Counsel for the revisionists in CRR-1281-2025 and CRR-1282-2025 contended that both complaints have been filed by the complainant with *mala fide* intention, as the debt had already been returned by the end of the year 2015; the complaints were filed in the year 2018 and there was no prudent reason for the complainant to wait for three years for the debt to be re-paid; the complainant had actually misused the cheques tendered by the revisionists as security cheques, at the time of availing the loan. Learned Senior Counsel further contended that the complainant ought not to have filed two separate complaints as the matter pertains to the same debt of ₹2 crore 7



lakh, availed by revisionist No.1, Sunaina Chauhan. Both complaints arise out of the same subject matter, and hence only one conviction and sentence would be tenable in the eyes of law. It is a settled principle of law that more than one complaint cannot be filed arising out of the same cause of action. Given the same, the learned Trial Court ought to have considered both complaints as one, and pronounced a single verdict in both of them. Hence, he prayed that these judgements do not hold good in law as they go against the basic rule of jurisprudence of *non bis in idem*. Further, learned Senior Counsel contended qua CRR-1281-2025 that no liability exists against revisionist No.2 i.e. Rakesh Chauhan as there is no legally enforceable debt against him as the loan/ debt was availed by his wife Sunaina Chauhan. Since there existed no legally enforceable debt against him, even if the cheque signed by him was dishonoured, the rigours of Section 138 NI Act would not be attracted and presumption under Section 139 would not arise. Hence, he prayed that the conviction by learned JMIC in complaint NACT/21962/2018 is bad in law, as basic ingredients to constitute offence under Section 138 were lacking. learned Senior Counsel further contended qua the enhancement of sentences by the learned Additional Sessions Judge that the enhancement was only based on the absence of the accused/appellants on the day the judgement was to be pronounced; the appellants had moved an application for exemption from appearance on medical grounds as revisionist Rakesh Chauhan was a heart patient. The said enhancements do not hold good in law as they were not based on the merits of the case, rather they were based on the non-appearance of the appellants, and the enhancement was more punitive than in the interest of justice; the object of the criminal liability under Section 138, NI Act is only to



enforce civil liability through criminal procedure and extract the payment due, not to imprison the person defaulting the payment. In this regard, learned Counsel for the revisionists sought to place reliance on *Meters and Instruments Pvt. Ltd. v. Kanchan Mehta, 2017 INSC 1009*. Hence, on the basis of aforesaid arguments, learned Senior Counsel prayed that the conviction in both complaints be set aside.

12. Learned Senior Counsel for the respondent/complainant has vehemently opposed the contentions advanced by the learned Senior Counsel for the accused/revisionists, and sought the dismissal of the present revision petitions. Learned Senior Counsel contended that the contention of the learned Senior Counsel for the revisionists is unbelievable that they returned the whole amount of debt along with interest in cash, when the loan was extended through bank transactions; the revisionists have been unable to show how they came in possession of such huge amount in cash before the learned trial Court. As far as filing of two separate complaints is concerned, the learned Senior Counsel contended that the same was based on the fact that there were 5 cheques tendered by revisionist No.1-Sunaina Chauhan alone, and 2 cheques were tendered jointly by both the revisionists; hence, the same was done to fix separate liabilities as to the respective amounts undertaken to be returned by the revisionists, and hence, the same does not affect the maintainability of the complaints in question and the impugned judgements of conviction. Learned Senior Counsel then addressed the contention of the learned Senior Counsel for revisionists qua the liability of Rakesh Chauhan. It was contended that as soon as Rakesh Chauhan tendered a cheque to discharge the liability towards his wife, he also assumed the debt to himself. Learned Senior Counsel further



submitted the contention of the revisionists as to the cheques having been issued as security cheques, has already been considered by the learned Additional Session Judge in the impugned judgement, wherein it was held that the contention that the cheques were in nature of security cheques was a mere bald allegation, and was not supported by any evidence. As to contention of security cheques, learned Senior Counsel has sought to place reliance on judgments of the Hon'ble Supreme Court as well as co-ordinate Bench of this Court: *M/s Womb Laboratories Pvt. Ltd. v. Vijay Ahuja, 2022 (18) SCC 631; Sube Singh v. Poonam Chand Ratti, 2025(2) RCR(Criminal) 648; Ram Karan v. VijayKumar, 2026(1) RCR(Criminal) 645*. As to liability of Rakesh Chauhan, learned Senior Counsel has sought to place reliance on judgments of the co-ordinate Bench of this Court: *Atma Ram v. Jagat Ram , CRR-252 of 2021 (O&M); Dharam Pal Sharma v. Jai Singh, 2025 NCPHHC 212289; Sube Singh v. Poonam Chand Ratti; 2025 NCPHHC 26112*, wherein it has been held that once a cheque is issued, and signatures thereon are admitted by the drawer of the cheque, a presumption arises that the cheque was issued to discharge a legally enforceable debt; the burden to rebut such presumption lied on the accused, and such rebuttal cannot be done by a mere bald assertion without evidence. Moreover, given the nature of their relationship, as that of husband and wife, law treats them as one unit; it is not the case that the liability is being shadowed onto Rakesh Chauhan simply on account of being husband of Sunaina Chauhan, rather the case is that he himself assumed that liability by tendering a cheque towards his wife's liability. Not only this, Rakesh Chauhan in his cross-examination has himself admitted his signatures on the cheques in question, and has also admitted that the said cheques were



given to the complainant to repay the loan amount and interest. Hence, there is no question as regards liability of Rakesh Chauhan which was undertaken by himself by issuing cheques, and by the further dishonour of those cheques. Qua the contention of the learned Senior counsel for revisionists as to the fact that the punishment imposed by the Learned Additional Sessions Judge was excessive, and not based on merits of the case, learned Senior Counsel for the complainant submitted that the learned Additional Sessions Judge has rightly enhanced the punishment as the loan was tendered by the complainant in the year 2015, with compounded monthly interest at the rate of 1.5 % per month; more than a decade has passed since the debt was advanced and the complainant has had to run from pillar to post to receive his own money which he had advanced, solely on the basis of trust placed in the long standing association between the two families. The complainant has also suffered the loss of multiple avenues towards which he may have invested his hard-earned money and reaped its gains; instead, he placed his faith in the accused/revisionists, resulting in him being harassed mentally as well as financially to seek what rightfully was owed to him; hence, learned Senior Counsel submitted that the enhancement of the sentence was not excessive, rather, it was in the interest of justice, as it compensated the complainant for the mental as well as financial hardship and turmoil he was forced to undergo for more than a decade. With this submission, learned Senior Counsel for the complainant further pressed on the prayer in CRR-1563-2025, that a further compensation to the tune of ₹2 crores should be awarded to the complainant for the hardship suffered by him.

13. Heard



14. Following issues arise in the present revision petition for adjudication:

i. whether two separate complaints in the present case were maintainable?

ii. whether judgement of conviction of Rakesh Chauhan is tenable?

iii. whether the sentence imposed by the Learned Additional Sessions Judge vide orders dated 22/04/2025 is excessive?

15. Insofar as the first question, i.e., whether two separate complaints in the present case were maintainable is concerned, this Court has considered the rival submissions advanced by learned Senior Counsel for the parties. This Court finds merit in the contention of learned Senior Counsel for the complainant/respondent that the filing of two separate complaints was necessitated by the distinct nature of the cheques forming the subject matter of the proceedings.

It is not in dispute that out of the total seven cheques, two were issued jointly by both accused, whereas the remaining five cheques were issued solely by accused Sunaina Chauhan. In such circumstances, the liability arising from the dishonour of the said cheques cannot be said to be identical in nature or extent qua both accused. The cause of action, though emanating from a common financial transaction, is cheque-specific under Section 138 of the Negotiable Instruments Act, and each dishonoured cheque constitutes a separate offence.



In this regard, the Hon'ble Supreme Court in *Sumit Bansal v. M/s MGI Developers and Promoters, 2026 INSC 40*, has held that a separate complaint under Section 138 of the NI Act is maintainable in respect of each dishonoured cheque, even if arising from a single transaction, so long as each cheque is independently presented, dishonoured, and followed by the requisite statutory notice, thereby giving rise to a distinct cause of action.

A perusal of the judgments of conviction passed by the learned JMIC, Gurugram reveals that the two sets of cheques were dishonoured on different dates and were followed by separate statutory notices. The two joint cheques were dishonoured vide bank memo dated 17.04.2018 and were followed by a legal notice dated 04.05.2018, whereas the five cheques issued by Sunaina Chauhan were dishonoured vide bank memo dated 08.05.2018 and were followed by a separate legal notice dated 15.05.2018. Thus, independent statutory compliance in respect of each set of cheques gave rise to distinct and separate causes of action.

Therefore, the complainant was justified in segregating the complaints based on the drawers of the respective cheques so as to appropriately fix and attribute liability. Merely because the cheques emanate from a common transaction would not render the filing of separate complaints impermissible, particularly when the liability is not uniform against all accused in respect of each cheque. Further, no prejudice is shown to have been caused to the accused on account of such bifurcation. On the contrary, such separation ensures clarity in adjudication and prevents any confusion in determination of individual liability.



Accordingly, this Court holds that the filing of two separate complaints, differentiated on the basis of the drawers of the cheques for varying amounts, was legally permissible and does not suffer from any infirmity.

16. The second question posed before this Court pertains to culpability of accused/revisionist Rakesh Chauhan, particularly in light of the contention that the debt was availed by his wife Sunaina Chauhan and not him. Another contention in this regard submitted by learned Sr. Counsel for the revisionist was that the cheques in question were merely issued as security cheques, and were not intended to be used for discharge of the debt. In this regard, reliance may be placed on the judgements submitted by the learned Sr. Counsel for the complainant. In *M/s Womb Laboratories Pvt. Ltd. (supra)*, *Sube Singh v. Poonam Chand (supra)*, and *Ram Karan v. (supra)*, it has been held that a cheque issued towards discharge of a liability, even if pertaining to a third party, attracts liability under Section 138 of the NI Act, and the drawer cannot escape liability merely on the ground that the debt was not personally incurred by him. It was further held that the mere plea of a cheque having been issued as a “security cheque” does not by itself absolve the drawer of cheque from the liability, if on the date of its presentation a legally enforceable debt or liability existed. Further, in *Atma Ram v. (supra)*, *Dharam Pal Sharma (supra)*, and *Sube Singh v. (supra)*, it has been held that the presumption under Section 139 of the NI Act operates in favour of the holder of the cheque, and the burden lies upon the accused to rebut the same by raising a probable defence; mere denial of liability or bald assertions, including the plea of cheque being issued as security, are



insufficient to rebut the statutory presumption unless supported by cogent and credible evidence.

Given the nature of the relationship between the parties, being that of husband and wife, the law does not treat the transaction in isolation so as to permit evasion of liability on a technical plea. It is not a case where liability is being imputed upon Rakesh Chauhan merely by virtue of his marital relationship with Sunaina Chauhan; rather, it is a case where he consciously and voluntarily assumed such liability by issuing the cheques in question towards discharge of his wife's debt. Notably, during cross-examination, Rakesh Chauhan has admitted his signatures on the cheques and has further acknowledged that the said cheques were handed over to the complainant towards repayment of the loan amount along with interest. These admissions lend significant credence to the case of the complainant and leave little room for disputing the existence of liability.

If such an interpretation of the provision is to be adopted in circumstances where a close relative tenders a cheque towards discharging the debt taken by another, it would defeat the very object and purpose of Section 138 of the Negotiable Instruments Act. Permitting a person to issue a cheque in discharge of another's liability and thereafter escape liability upon its dishonour by claiming absence of a legally enforceable debt, would create a significant loophole in law. Such an interpretation would not only enable evasion of liability, but would also undermine the legislative intent behind the provision of Section 138 of NI Act. It would erode public confidence in cheques as a reliable and legally enforceable mode of payment, thereby defeating the object of ensuring credibility and sanctity in commercial



transactions. Accordingly, this Court holds that the accused/revisionist, by issuing the cheques in question towards discharge of his wife's liability, consciously assumed the debt upon himself, and a legally enforceable liability existed against him for the purposes of Section 138 of the Negotiable Instruments Act.

17. The third and the last question posed before this Court is whether the sentences/enhancements thereof imposed by learned Additional Sessions Judge were excessive. Learned Senior Counsel for the revisionists has contended that the enhancement of sentence is disproportionate and not based on the merits of the case, but rather appears to have been influenced by a stringent view taken on account of the absence of the accused on the date of pronouncement of judgment. On the other hand, learned Sr. Counsel for the complainant/respondent submitted that the sentence was rightly enhanced, given that the debt was advanced more than a decade ago, and the accused successfully evaded discharging their liability for all these years, thereby causing immense mental as well as economic distress to the complainant, who parted with his hard-earned money only based on their familial relations, however, the trust and faith reposed by him in the revisionists was violated. Learned Senior Counsel for the revisionist(s) has sought to place reliance in this regard on the judgement of the Hon'ble Supreme Court in *Meters and Instruments (supra)*. In this decision, the Hon'ble Supreme Court emphasized the quasi-civil nature of proceedings under Section 138 of the Negotiable Instruments Act, holding that the primary object of the provision is compensatory rather than punitive, and that courts should encourage compounding of offences and expeditious disposal, including through



summary procedures. Hence, the judgement is directed towards procedural flexibility and settlement-oriented adjudication in cheque dishonour cases. That said, to the extent that the parties in the present case were afforded opportunities to explore an amicable settlement, the spirit of *Meters and Instruments Pvt. Ltd. (supra)* stands duly complied with. However, since no settlement could ultimately be arrived at, the case necessarily requires to be decided on merits, where the principles governing liability and presumption under the NI Act—as discussed hereinabove—would prevail.

Having considered the rival submissions, this Court finds merit in the contention of learned Senior Counsel for the complainant insofar as enhancement of compensation is concerned. The same appears to have been awarded to offset the financial loss suffered by the complainant, including the element of interest accrued over a prolonged period during which the liability remained unpaid. However, as regards the sentence of imprisonment, this Court is of the view that in light of the protracted nature of the proceedings and the overall facts and circumstances of the case, no further enhancement in term of imprisonment is warranted. The ends of justice would be adequately met by maintaining the compensation so awarded, without enlarging the term of imprisonment.

18. Thus, in view of the foregoing discussion, the conviction of the revisionists, as recorded by the learned Additional Sessions Judge, is hereby upheld. However, the sentence is partly modified. The revisionists are sentenced to undergo rigorous imprisonment for a period of one year and shall pay compensation as awarded by the Appellate Court of learned Additional



Sessions Judge vide order dated 22.04.2025, as tabulated in para 2 of this order.

19. Another aspect which requires consideration is that revisionist Sunaina Chauhan has been sentenced to undergo 1 year of rigorous imprisonment in both complaints, and in absence of any specific order directing the sentence to run concurrently, this court would deem it appropriate to order that the sentence shall run concurrently. The Hon'ble Supreme Court in *V.K. Bansal vs State of Haryana (2013) 7 SCC 211*, has held that discretion shall be exercised to order the sentence to run concurrently, where the prosecution is based on a single transaction no matter different complaints in relation thereto may have been filed as is the position in cases involving dishonour of cheques issued by the borrower towards repayment of a loan to the creditor. Accordingly, considering that both complaint cases arise out of the same transaction and liability, it is directed that the *sentences of imprisonment awarded to revisionist Sunaina Chauhan in both complaint cases shall run concurrently.*

20. Insofar as the revision petition filed by the complainant/respondent, being CRR-1563-2025, seeking enhancement of imprisonment awarded to the revisionists to two years, as well as seeking an additional compensation to the tune of ₹2 crores on account of the alleged hardship suffered by him is concerned, this Court is of the view that the quantum of compensation already awarded is just, fair, and sufficient to redress the grievance of the complainant. Accordingly, no further enhancement is warranted. Consequently, CRR-1563-2025 stands dismissed.



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21. Hence, the sentence of the revisionists now stands as follows:

Case	Sentence
1. <i>CRR-1281-2025 against CRA-420-2023</i>	Rigorous imprisonment for a period of 1 year and compensation of ₹1 crore 75 lakh
2. <i>CRR-1282-2025 against CRA-408-2023</i>	Rigorous imprisonment for a period of 1 year and compensation of ₹4 crore

(Sentences of imprisonment qua Sunaina Chauhan to run concurrently.)

22. The revisionists are directed to surrender before the Trial Court within a period of **two weeks** from the date of this order, and the Trial Court is directed to issue fresh warrant of conviction as per the modified sentence. In event of revisionists failing to surrender before the trial Court within the said period, the Trial Court shall take appropriate steps, in accordance with law.

23. The compensation amount, already deposited by the revisionists with this Court, is directed to be released to the complainant. The remaining compensation amount if not paid in time shall be recoverable under the provisions of Section 461 of BNSS (erstwhile Section 421 Cr.P.C.).

24. All the revision petitions stand disposed of accordingly.

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

26. A photocopy of this order be placed on the file of other connected case.

**(SUBHAS MEHLA)
JUDGE**

March 27, 2026

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Whether Speaking/ Reasoned:
Whether Reportable:

Yes/ No
Yes/ No