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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
+ **CRL.M.C. 1220/2025**
LEO INFRACAPITAL LIMITED

.....Petitioner

Through: Mr. Avadh Bihari Kaushik, Mr.
Prateek Goyal, Mr. Risabh Kumar &
Ms. Saloni Mahajan, Advs.

versus

RADLAY METAL PRODUCTS PRIVATE LIMITED & ORS.

.....Respondents

Through: Mr. Mohit Chaudhary, Mr. Kunal
Sachdeva and Ms. Katyani Vajpayee,
Advs.

+ **CRL.M.C. 1221/2025**
LEO ISPAT LIMITED

.....Petitioner

Through: Mr. Avadh Bihari Kaushik, Mr.
Prateek Goyal, Mr. Risabh Kumar &
Ms. Saloni Mahajan, Advs.

versus

RADLAY METAL PRODUCTS PRIVATE LIMITED & ORS.

.....Respondents

Through: Mr. Mohit Chaudhary, Mr. Kunal
Sachdeva and Ms. Katyani Vajpayee,
Advs.

+ **CRL.M.C. 1222/2025**
LEO INFRACAPITAL LIMITED

.....Petitioner

Through: Mr. Avadh Bihari Kaushik, Mr.
Prateek Goyal, Mr. Risabh Kumar &
Ms. Saloni Mahajan, Advs.

versus

RADLAY METAL PRODUCTS PRIVATE LIMITED & ORS.

.....Respondents

Through: Mr. Mohit Chaudhary, Mr. Kunal
Sachdeva and Ms. Katyani Vajpayee,



Advs.

+ CRL.M.C. 1223/2025
LEO ISPAT LIMITEDPetitioner
Through: Mr. Avadh Bihari Kaushik, Mr.
Prateek Goyal, Mr. Risabh Kumar &
Ms. Saloni Mahajan, Advs.
versus

RADLAY METAL PRODUCTS PRIVATE LIMITED & ORS.
.....Respondents
Through: Mr. Mohit Chaudhary, Mr. Kunal
Sachdeva and Ms. Katyani Vajpayee,
Advs.

+ CRL.M.C. 1224/2025
LEO INFRACAPITAL LIMITEDPetitioner
Through: Mr. Avadh Bihari Kaushik, Mr.
Prateek Goyal, Mr. Risabh Kumar &
Ms. Saloni Mahajan, Advs.
versus

RADLAY METAL PRODUCTS PRIVATE LIMITED & ORS.
.....Respondents
Through: Mr. Mohit Chaudhary, Mr. Kunal
Sachdeva and Ms. Katyani Vajpayee,
Advs.

+ CRL.M.C. 1225/2025
LEO ISPAT LIMITEDPetitioner
Through: Mr. Avadh Bihari Kaushik, Mr.
Prateek Goyal, Mr. Risabh Kumar &
Ms. Saloni Mahajan, Advs.
versus

RADLAY METAL PRODUCTS PRIVATE LIMITED & ORS.
.....Respondents
Through: Mr. Mohit Chaudhary, Mr. Kunal
Sachdeva and Ms. Katyani Vajpayee,



Advs.

+ CRL.M.C. 1226/2025

LEO INFRACAPITAL LIMITED

.....Petitioner

Through: Mr. Avadh Bihari Kaushik, Mr.
Prateek Goyal, Mr. Risabh Kumar &
Ms. Saloni Mahajan, Advs.

versus

RADLAY METAL PRODUCTS PRIVATE LIMITED & ORS.

.....Respondents

Through: Mr. Mohit Chaudhary, Mr. Kunal
Sachdeva and Ms. Katyani Vajpayee,
Advs.

CORAM:

HON'BLE MR. JUSTICE SANJEEV NARULA

ORDER

10.12.2025

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1. The above-captioned petitions are directed against a common judgment dated 13th November, 2024, whereby seven revision petitions, instituted by the complainant seeking enhancement of sentence upon conviction under Section 138 of the Negotiable Instruments Act, 1881¹, were dismissed. By the impugned judgment, the revisional court declined to interfere with the orders on sentence dated 1st February, 2018, passed by the Trial Court in the respective complaints under Section 138 NI Act.

2. The relevant background, in brief, is this: Seven complaints were instituted in relation to dishonour of seven cheques. Upon trial, the accused company (Radlay Metal Products Pvt. Ltd.) and its directors were convicted under Section 138 NI Act. By separate, but substantially identical, orders on sentence dated 1st February, 2018, the Trial Court imposed a fine of INR

¹ "NI Act"



10,000/- on the company (payable to the State) in each complaint, and directed the directors to pay compensation, with interest at 9% per annum from the date of the respective cheque, in the ratio of 50:50, with a default sentence of three months' simple imprisonment in the event of non-payment. The only variation across the seven cases is the compensation amount, which is as per the cheque amounts involved in each complaint.

3. The record reflects that the accused persons had preferred criminal appeals against conviction and sentence. Those appeals came to be dismissed by judgment dated 15th May, 2023, which upheld conviction against the company and one director, while acquitting the other director. The Appellate Court also recorded that the fine and compensation had been paid and released, and confined the modification to clarifying that liability would not survive against the acquitted director.

4. Aggrieved by the impugned orders, the Petitioners initially preferred an appeal under Section 378 of the Code of Criminal Procedure, 1973² seeking enhancement of the sentence. However, subsequently realising that such an appeal is not maintainable, permission was sought to withdraw the same with liberty to file revision petition.

5. Thereafter, the complainant pursued the remedy for enhancement by invoking revisional jurisdiction. The revisional court rejected the revisions primarily on two grounds. First, the revisions were held to be barred by limitation, even after accounting for the period spent in pursuing the earlier remedy. Second, on merits, the revisional court found no perversity or illegality in the sentencing order to warrant enhancement in the limited revisional jurisdiction



6. The Petitioner now invokes the inherent jurisdiction of this Court under Section 482 CrPC to assail the revisional orders.

7. Mr. Avadh Bihari Kaushik, counsel for the Petitioners, contends that both courts below have misdirected themselves in the sentencing exercise. According to him, the Trial Court confined the sentence to a compensatory direction, essentially restricting the relief to the cheque amounts with interest at 9% per annum, and the Revisional Court failed to correct this error. He submits that the approach reflects undue leniency and does not accord with the deterrent purpose underlying Section 138, particularly in a case involving multiple dishonoured cheques and prolonged non-payment.

8. He urges that the sentence awarded is perverse and erroneous because it overlooks the full amplitude of punishment contemplated under Section 138, which permits imprisonment up to two years and fine up to twice the cheque amount. Mr. Kaushik submits that, on the facts as proved in trial, the matter warranted a stern sentencing response, including substantive imprisonment and enhanced monetary penalty, rather than a purely restitution measure. He argues that the courts below extended unwarranted indulgence to the Respondents, resulting in monetary loss and prejudice to the Petitioners, and thereby occasioning a miscarriage of justice which calls for interference in the inherent jurisdiction.

9. Mr. Kaushik further submits that sentencing under Section 138 is not a mechanical exercise and that the Supreme Court has repeatedly cautioned that misplaced sympathy or imposition of an inadequate sentence undermines the credibility of the criminal justice system and erodes confidence in commercial enforcement. On this premise, it is urged that the

² “CrPC”



sentencing court must fashion a consequence that is sufficiently deterrent to curb cheque dishonour as a mode of economic default.

10. On the question of interest, Mr. Kaushik submits that the award of 9% per annum is, in the commercial context, plainly insufficient. He argues that the Petitioners themselves were constrained to service credit facilities and banking obligations at substantially higher rates, stated to be in the region of 15% (compounded), and that a compensatory award which does not reasonably reflect the real cost of money fails to restore the Petitioners to the position they would have occupied but for the dishonour. In support, he emphasises that during proceedings arising at an intermediate stage, the Supreme Court directed the Respondents to deposit the cheque amounts with interest at 15% per annum as a condition for entertaining their challenge. Although the direction was complied with, Mr. Kaushik submits that it indicates the appropriate benchmark that should have guided the sentencing court while determining the compensatory component. He accordingly contends that, at the very least, interest should have been aligned to 15% per annum and, in addition, the Trial Court ought to have imposed a more stringent penal consequence consistent with the statutory ceiling and the established facts.

11. This Court has considered the aforementioned submissions and perused the record. Two constraints govern the present adjudication.

12. The first is the nature and limits of the jurisdiction invoked. The inherent jurisdiction of this Court under Section 482 CrPC is designed to prevent abuse of the process of law and to secure the ends of justice. It is neither an alternate appellate mechanism nor meant to function as a second



revisional forum. The Supreme Court, in *Rajinder Prasad v. Bashir*³, relying upon its earlier decision in *Krishnan v. Krishnaveni*⁴, has categorically held that where a second revision is barred under Section 397(3) CrPC, a party cannot be permitted to invoke the inherent powers of the High Court to circumvent this statutory embargo, as such an exercise would defeat the object and intent of the provision. Further, in *Kailash Verma v. Punjab State Civil Supplies Corporation & Anr.*⁵, the Supreme Court emphasised that the power under Section 482 cannot be utilised as a substitute for a second revision and may be exercised only in exceptional circumstances, such as cases of grave miscarriage of justice, abuse of the process of the Court, violation of mandatory statutory provisions, or where interference is imperative to correct a manifest error committed by the revisional court. The inquiry, therefore, is not whether a different or higher sentence could have been imposed, but whether the approach adopted by the courts below suffers from such fundamental illegality or perversity that non-interference would itself result in a miscarriage of justice.

13. The second constraint is the character of the relief sought. Enhancement of sentence is not a routine corrective exercise. Section 138 NI Act prescribes a maximum punishment. It does not create a presumption that the upper end of the sentencing spectrum must be applied in every case. Sentencing, including the choice between imprisonment, fine, and compensation, depends on the totality of circumstances. In cheque dishonour matters, courts often adopt a restitution-oriented approach, placing emphasis on compensation so that the complainant is made whole, while still ensuring

³ (2001) 8 SCC 522.

⁴ (1997) 4 SCC 241.



that the sentence retains deterrent content and does not degenerate into a paper decree. Thus, the imposition of fine to be paid as compensation as part of sentencing in Section 138 cases is a matter of structured discretion, not arithmetic compulsion.

14. Tested on these parameters, no ground is made out for exercise of inherent jurisdiction. The Trial Court imposed compensation pegged to the cheque amounts with interest and provided a default sentence in the event of non-payment. The appellate record reflects that the amounts so directed were deposited, paid, and released. Once the compensatory component has been realised and the sentence has worked itself through compliance, in absence of any demonstrable legal infirmity, there is no justification to exercise inherent jurisdiction under Section 482 CrPC.

15. Moreover, the Trial Court's order on sentence discloses a reasoned exercise of discretion rather than a mechanical award. It recognised that proceedings under Section 138 NI Act are criminal in character, yet warrant a restitution-focused outcome which secures the complainant's dues while preserving deterrent value through compensation and a default clause. The Trial Court weighed the rival positions on *bona fides* and noted that the convicts had, at different stages, expressed willingness to pay and had even offered payment with interest, though the complainant did not accept an offer confined to the cheque amount. It also rejected the submission that an offer becomes illusory merely because the accused reserves legal rights, or that the Court can insist on an unequivocal admission of guilt as a condition precedent to a monetary settlement. Further, the Trial Court did not treat recourse to legal remedies as an aggravating circumstance, holding that

⁵ (2005) 2 SCC 571.



pursuing lawful challenges cannot, without more, be equated with obstructive conduct warranting enhancement. In this backdrop, the award of compensation with 9% interest and default imprisonment cannot be characterised as perverse, arbitrary, or vitiated by non-application of mind so as to invite revisional correction or the extraordinary exercise of inherent jurisdiction.

16. The Petitioners' reliance on the statutory maximum of twice the amount of the cheque does not advance their cause. The existence of a ceiling does not convert the ceiling into a norm. Interference with sentence is justified where the sentence is grossly inadequate in the sense recognised by law, or where relevant considerations have been ignored and irrelevant considerations have dominated the decision. The impugned reasoning does not disclose such a defect. It reflects an exercise of discretion. The possibility of another view does not render the chosen view perverse.

17. The submission that 9% interest is inadequate because the complainant allegedly bore higher borrowing costs also does not warrant interference under inherent jurisdiction. Borrowing costs may be a relevant circumstance where supported by material, but the sentencing court retains discretion to adopt a reasonable rate in the facts of the case. The sentencing order cannot be labelled perverse merely because it did not mirror a rate the complainant asserts it paid to its bankers.

18. Reliance on an interim direction of the Supreme Court requiring deposit with 15% interest also does not carry the matter further. Such directions are passed to balance equities and ensure seriousness in prosecuting a challenge. They do not operate as a binding sentencing template for all cases, nor do they displace the discretion that the Trial Court



must exercise while finalising sentence and compensation in the facts of each complaint.

19. The revisional court has also returned a finding on limitation, and even while examining the matter on merits, it found no perversity or patent illegality. Its approach is consistent with the settled limits of revisional scrutiny explained in *Sanjaysinh Ramrao Chavan v. Dattatray Gulabrao Phalke*⁶, which cautions that a revisional court does not substitute its own view merely because an alternative view is possible.

20. The expressions ‘miscarriage of justice’ and ‘undue sympathy’ are not self-executing. They must be tied to an identifiable legal error. The record, on the contrary, indicates that the complainant has already received the compensation as directed. In these circumstances, the grievance that interest ought to have been higher, or that imprisonment ought to have been imposed, does not, by itself, justify invoking inherent powers to unsettle finality.

21. For these reasons, no ground is made out for interference under Section 482 CrPC. The present petitions are accordingly dismissed. Pending applications, if any, also stand disposed of.

SANJEEV NARULA, J

DECEMBER 10, 2025/ng

⁶ (2015) 3 SCC 123.