



IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 8TH DAY OF JUNE, 2026

BEFORE

THE HON'BLE MR. JUSTICE RAVI V HOSMANI

CRIMINAL PETITION NO. 7454 OF 2021

BETWEEN:

1. MRS. LALITHA RAMKUMAR
W/O C B RAMKUMAR,
AGED ABOUT 57 YEARS
2. MR C B RAMKUMAR
S/O LATE I B MENON,
AGED ABOUT 58 YEARS,

BOTH ARE R/AT NO.52,
ADARSH VISTA,
BASAVANAGARA MAIN ROAD,
VIBHUTIPURA,
NEAR TASTY BEKERY,
BENGALURU - 560 017.

PRESENTLY R/AT SY NO.79,
KODIHALLI VILLAGE,
MADHURE HOBLI,
HESARAGHATTA,
DODDABALLAPUR TALUK,
BANGALORE RURAL DISTRICT.

...PETITIONERS

(BY SRI K R KRISHNAMURTHY, ADVOCATE)

AND:

1. STATE OF KARNATAKA
BY STATION HOUSE OFFICER,
HALASUR POLICE STATION,
REPRESENTED BY SPP,
HIGH COURT BUILDING,
BENGALURU-560 001.

Digitally signed
by ANUSHA V
Location: High
Court of
Karnataka



2. MR. MANU RISHI GUPTHA,
MAJOR, CEO,
M/s. NIRAAMAYA RETREATS PVT. LTD.,
NO.54, RICHMOND ROAD,
ROCKLINE CENTRE, 2ND FLOOR,
BENGALURU - 560 025.

...RESPONDENTS

(BY SMT. SOWMYA R., HCGP FOR R1 (PH);
SRI MADHU KIRAN JAGGA, ADVOCATE FOR
SRI JOSEPH ANTHONY, ADVOCATE FOR R2)

THIS CRL.P IS FILED U/S.482 CR.P.C PRAYING TO QUASH ORDER DATED 01.07.2021 PASSED IN C.C.NO.14195/2021 PASSED BY THE I ACMM, BANGALORE AND FURTHER SET ASIDE ENTIRE PROCEEDINGS IN C.C.NO.14195/2021 PENDING ON THE FILE OF THE I ACMM, BANGALORE FOR THE OFFENCE P/U/S.406, 408, 420 OF IPC AND SECTION 66(D) OF INFORMATION TECHNOLOGY ACT (PRODUCED AT ANNEXURE-A).

THIS PETITION IS COMING ON FOR *ORDERS*, THIS DAY, ORDER WAS MADE THEREIN AS UNDER:

CORAM: HON'BLE MR. JUSTICE RAVI V HOSMANI

ORAL ORDER

This petition is filed for following reliefs:

"i. Call for the entire records in CC No.14195/2021 pending on the file of I ACMM at Bengaluru;

ii. Quash the order dated 07.07.2021 passed in C.C.No.14195/2021 passed by the I ACMM, at Bengaluru and further set aside the entire proceeding in CC No.14195/2021 pending on the file of I ACMM at Bengaluru, initiated against the Petitioners for offences punishable under Section 406, 408, 420 of IPC and



section 66(D) of Information Technology Act (produced at Annexure-A); and

iii. Pass such other order/s this Hon'ble court deems fit and proper on the facts and circumstances of the case."

2. Heard Sri KR Krishnamurthy, learned counsel for petitioners, Smt.Sowmya R., learned HGCP for respondent no.1-State and Sri Madhu Kiran Jagga, learned counsel appearing for Sri Joseph Anthony, learned counsel for respondent no.2.

3. It is submitted by learned counsel for that there is settlement between parties, as per terms enumerated in joint memo wherein respondent no.2-complainant concedes for allowing petition.

4. Joint memo reads as under:

***"JOINT MEMORANDUM OF SETTLEMENT FILED BY
THE PETITIONERS AND RESPONDENT NO.2***

The Petitioners and Respondent No. 2 respectfully submit as follows:

1. The Petitioners have filed the above Criminal Petition under Section 482 of the Code of Criminal Procedure seeking quashing of the order dated 01.07.2021 passed in C.C. No.14195/2021 by the learned I Additional Chief Metropolitan Magistrate, Bengaluru, and consequential quashing of the entire proceedings in C.C. No.14195/2021



arising out of Crime No.329/2019 registered by Respondent No.1 Police for the offences punishable under Sections 406, 408 and 420 of the Indian Penal Code and Section 66D of the Information Technology Act, 2000.

2. Crime No.329/2019 came to be registered by Respondent No.1 pursuant to a complaint lodged by Mr. Manu Rishi Gupta in his capacity as the Chief Executive Officer of M/s Niramaaya Retreats Private Limited, which is presently known as M/s Himalia Prime Assets Private Limited. It is submitted that Mr. Manu Rishi Gupta is no longer associated with the said Company and has since ceased to be in its employment.

3. It is submitted that disputes arose between the Petitioners and Respondent No.2 in relation to certain commercial transactions between the parties. The said disputes culminated in the Petitioners initiating arbitral proceedings in Arbitration Case No.513/2023 and thereafter filing Com. A.A. No.317/2025 before the Hon'ble LXXXVI Additional City Civil and Sessions Judge, Bengaluru (CCH-87).

4. During the pendency of the aforesaid proceedings, the Parties entered into mutual discussions and negotiations with a view to amicably resolving their disputes. Pursuant thereto, the Parties have arrived at an out-of-court settlement and have amicably resolved all their civil, commercial, and criminal disputes and differences in full and final settlement.

*5. The Parties have reduced the terms and conditions of their amicable settlement into a comprehensive Settlement Agreement dated 26.05.2026. The said Settlement Agreement has already been placed on record before the Hon'ble Commercial Court in Com. A.A. No.317/2025. A copy of the Settlement Agreement is annexed hereto as **Annexure-A** for the kind perusal of this Hon'ble Court and may be treated as forming part of the present Joint Memo.*

6. In terms of the said Settlement Agreement, Respondent. No. 2 (Complainant) categorically states that they have no further claims against the Petitioners and have unconditionally agreed to cooperate in getting the criminal proceedings closed/quashed in Crime No.



329/2019 and all consequential proceedings arising out of it.

7. Respondent No. 2 submits that the settlement has been arrived at voluntarily, out of their own free will, without any coercion, undue influence, or force from any quarter, and they do not wish to prosecute the Petitioners any further in the interest of maintaining long-term peace and harmony.

*8. It is submitted that Mr. Manu Rishi Gupta resigned from the Complainant Company on 02.07.2021, hence, Mr. Purushotham Rao V. was authorised to sign Vakalat and engage counsel in the present Petition, on behalf of the Company. However, Mr. Purushottam Rao has since resigned from the Company with effect from 15.01.2025. Therefore, the present Joint Memo is being executed and signed on behalf of the Complainant Company by its authorised signatory Mr. Kuppuswamy Ramesh. It is further submitted that M/s Niramaaya Retreats Private Limited, the original complainant, has since changed its name and is presently known as M/s Himalia Prime Assets Private Limited, and both entities are one and the same legal entity, the change being only in nomenclature. Copies of the Resignation letter of Mr. Manu Rishi Gupta dated 02.07.2021, Board Resolution authorising Mr. Purushotham Rao V. in place of Mr. Manu Rishi Gupta, Resignation letter of Mr. Purushotham Rao V. dated 16.12.2024, DIR-12 recording the appointment of Mr. Kuppuswamy Ramesh as Director of the Complainant Company, and Board Resolution of the Complainant Company authorising Mr. Kuppuswamy Ramesh to execute this present memorandum, Certificate of Incorporation pursuant to change of name of the Complainant Company are annexed herewith and marked as **Annexure - B, C, D, E, F, and G**, respectively.*

9. Since the underlying dispute is essentially private and commercial in nature, and the parties have fully settled their grievances, no purpose would be served in continuing the criminal prosecution. Continuation of the trial would merely result in an abuse of the process of law and a waste of judicial time.



PRAYER

WHEREFORE, it is most respectfully prayed that this Hon'ble Court may be pleased to:

- a) Take the present Joint Memo of Settlement on record;*
- b) Allow the Criminal Petition and quash the FIR in Crime No.329/2019 registered by Respondent No.1 Police and all consequential proceedings arising therefrom, including C.C. No.14195/2021 pending on the file of the learned I Additional Chief Metropolitan Magistrate, Bengaluru, insofar as the Petitioners are concerned;*
- c) Pass such other order or orders as this Hon'ble Court may deem fit in the facts and circumstances of the case, in the interest of justice and equity".*

5. To a Court query, learned HCGP points out that proceedings were initiated and charge sheet has been filed against accused for offences punishable under Sections 406, 408, 420 of Indian Penal Code, 1860 (**IPC**) and Section 66D of Information Technology Act, 2000 (**Act**). As per decision in ***Gian Singh v. State of Punjab*** reported in **(2012) 10 SCC 303**, even in case of compromise petition, Court would require to examine stage of settlement to determine whether petition would fall within anyone of three grounds provided in Section 482 of Code of Criminal Procedure, 1973.

6. Perusal of complaint as well as charge sheet indicates that accused-petitioners herein were owners of Native



Resorts Pvt. Ltd (**NRPL**) located at Kodihalli village, Doddaballapura. Respondent no.2-complainant were CEO of M/s.Niraamaya Retreats Pvt. Ltd. (**Niraamaya**). In complaint, it is alleged that there was operation, management and service agreement between Niraamaya and NRPL whereunder, Niraamaya was required to maintain NRPL for maintenance fee of 10% of gross receipts with entire revenue earned to be maintained in Account no.128102000000435 of IDBI Bank, Mission road, Bengaluru, to be jointly operated by accused and complainant. It was stated, apart from above, NRPL had Account bearing no.01690500871 with ICICI Bank, Indiranagar, Bengaluru. It was agreed that from January, 2017, only bank account with IDBI Bank was to be used. It was alleged that accused no.1 had unilaterally transferred money from IDBI Bank to ICICI Bank account without intimating complainant or Niraamaya dishonestly induce it to enter into Agreement and amounted to criminal breach of trust and sought for taking action.

7. It was submitted, said allegations were incorrect and false as complainant had suppressed fact that there was agreement of sale of NRPL to Niraamaya and during course of



said transaction and since Niraamaya was unable to pay consideration as agreed, operation and maintenance agreement was entered into as an interim arrangement, wherein obligation for making labour payment was on NRPL and as there was pending labour dues not cleared by Niraamaya, accused no.1/petitioner no.1 had operated account through online mode, transferred money from IDBI to ICICI Bank and made payment. For operation of bank account through online mode, there was no restriction. It was submitted that there was no allegation of misappropriation or conversion of funds for own use or criminal breach of trust by clerk or servant. There was also no allegation of dishonest inducement to deliver any property.

8. Likewise, there was no allegation of misappropriation or impersonation using computer while operating bank account. Thus, there were no necessary ingredients of any of offences alleged. However, for reasons best known, police after investigation filed charge sheet as per Annexure-G for offences punishable under Sections 406, 408, 420 of IPC read with Section 66(d) of IT Act. Immediately



thereafter, petitioners have approached this Court challenging entire proceedings.

9. It was submitted, insofar dispute arising out of agreement for purchase of NRPL, petitioners had initiated arbitral proceedings. It was submitted, entire transactions as alleged in complaint were after signing of agreement for sale of NRPL and during pendency of arbitral proceedings. Thus, firstly, civil dispute preceded allegations against petitioners. Secondly, complaint/chargesheet do not contain any essential ingredients for offences alleged and thirdly, there is settlement of dispute between accused and complainant as stated in joint memo and in light of settlement, no useful purpose would be served in continuing prosecution, there was no likelihood of conviction and continuation of proceedings would amount to abuse of process of Court and on other hand, in case of acceptance of settlement, ends of justice would be met. On these grounds, sought for allowing petition.

10. Learned counsel for respondent no.2 gracefully accedes.



11. Learned HCGP for respondent no.1-State however would oppose petition on ground that police have filed charge sheet whereunder *prima facie* material was found against petitioners.

12. As noted above, proceedings initiated against petitioners are for offences punishable under Sections 406, 408, 420 of IPC and Section 66(d) of Act. On perusal of complaint and charge sheet, absence of essential ingredients for offences alleged i.e., dishonest misappropriation or conversion of property for own use insofar as Section 406; allegation of breach of trust by any clerk or servant insofar as Section 408; dishonest intention/inducement to deliver property insofar as Section 420; and impersonation using computers insofar as offence under Section 66 of IT Act. Consequently, continuation of proceedings would be futile.

13. Apart from above, noting antecedent civil dispute as well as settlement of same between parties, this Court finds it just and necessary for securing ends of justice to quash proceedings. Joint memo is taken on record. Hence, following:



ORDER

- (i) Petition is ***allowed***;
- (ii) Order dated 07.07.2021 passed by I ACMM, Bengaluru in C.C.No.14195/2021 is set-aside and entire proceedings in CC No.14195/2021 on the file of I ACMM, Bengaluru, are quashed.

**Sd/-
(RAVI V HOSMANI)
JUDGE**

AV
List No.: 1 Sl No.: 9