IN THE HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD

MONDAY, THE THIRTIETH DAY OF DECEMBER
TWO THOUSAND AND TWENTY FOUR

PRESENT

THE HONOURABLE SRI JUSTICE K.SURENDER

CRIMINAL APPEAL Nos: 200 AND 202 OF 2018

CRIMINAL APPEAL NO: 200 OF 2018

Appeal filed under Section 378(4) of Cr.P.C., against the Judgment dated 31.07.2015 passed in C.C.No. 439 of 2013 on the file of the court of the I Special Magistrate, Ranga Reddy District at Hasthinapuram.

Between:

Korpol Rakesh Reddy, S/o. Chandra Reddy, Occ: Business, R/o. H.No. 10-19/19, Sridhar Colony Jillelguda, Village, Saroornagar Mandal, Ranga Reddy District

...APPELLANT/COMPLAINANT

AND

1. Muddam Ravichandra Reddy, S/o. Dayanand Reddy, R/o. H.No. 17-1-383/A/43, Vijaynagar Colony, Saidabad, Hyderabad- 500059.

...RESPONDENT/ACCUSED

2. The State of Telangana, Rep., by the Public Prosecutor, High Court at Hyderabad for the State of Telangana and Andhra Pradesh, Hyderabad

...RESPODENTS

CRIMINAL APPEAL NO: 202 OF 2018

Appeal filed under Section 378(4) of Cr.P.C., against the Judgment dated 30.05.2015 passed in C.C.No. 93 of 2015 on the file of the court of the I Special Magistrate, Ranga Reddy District at Hasthinapuram.

Between:

Korpoal Rakesh Reddy, S/o. Chandra Reddy, R/o. H.No. 10-19/19, Sridhar Colony, Jillelguda Village, Saroornagar Mandal,Ranga Reddy District.

...APPELLANT/COMPLAINANT

AND

1. Muddam Ravichandra Reddy, S/o. Dayanand Reddy, R/o. H.No. 17-1/383/A/43, Vinayanagar Colony, Saidabad, Hyderabad.

...RESPONDENT/ACCUSED

2. The State of Telangana, Rep. by its Public Prosecutor, High Court at Hyderabad, for the State of Telangana and Andhra Pradesh, Hyderabad.

...RESPODENTS

Counsel for the Appellants in both cases : Sri Basety Karthik

Counsel for the Respondent No. 1 in both cases : Sri Harinadh Nidamanuri

Counsel for the Respondent No. 2 in both cases : Sri M Vivekanda Reddy Assistant Public Prosecutor

The Court delivered the following:

THE HON'BLE SRI JUSTICE K.SURENDER

CRIMINAL APPEAL NOs.200 AND 202 OF 2018

COMMON JUDGMENT:

Criminal Appeal Nos.200 and 202 of 2018 are filed by the appellant questioning the judgments dated 31.07.2015 and 30.05.2016 passed in C.C.Nos.439 of 2013 and 93 of 2015 respectively by the learned I Special Magistrate at Hasthinapuram, R.R. District, wherein the respondent No.1/accused was found not guilty for the offence punishable under Section 138 of the Negotiable Instruments Act, 1881 (for short 'the NI Act, 1881').

2. Since the issue involved in both the appeals is one and the same, hence, they are being disposed of by way of this common judgment.

3. During the course of trial, the complainant examined himself as PW.1 and marked Exs.P1 to P5 in C.C. No.439 of 2013 and Exs.P1 to P16 in C.C.No.93 of 2015 respectively. On the other hand, on behalf of the defence, Ex.D.1 was marked in C.C.439 of 2013 and Exs.D1 to D4 were marked in C.C.No.93 of 2015.

4. The learned trial Court found the respondent No.1-accused not guilty as no offence was made out against him and in support of the same, gave various reasons.

5. The learned counsel appearing for the appellant-complainant submits that the reasons given by the learned Magistrate are incorrect. However, upon reviewing the record, it is evident that the cheques in question were issued by M/s. Sri Uma Maheshwara Paper Private Limited (Company), signed by the respondent No.1-accused, in the capacity of Managing Director of the said Rice Mill. Nonetheless, the Company was not shown as an accused in the complaint.

6. Under Section 141 of the NI Act, 1881, when an offence is committed by a Company, the Company or the person responsible for the day-to-day affairs of the Company would be liable for prosecution. The persons responsible would be made vicariously liable on behalf of the Company. Unless the Company itself is shown as an accused, the prosecution case against any person, who is incharge of the Company, cannot be maintained. Therefore, due to the failure on the part of the appellant to include the Company as a party/accused to the criminal proceedings before the Court below, the complaint

under Section 138 of the NI Act, 1881, cannot be sustained. Accordingly, both the appeals are dismissed.

Miscellaneous applications pending, if any, shall stand dismissed.

Sd/- I. NAGA LAKSHMI
DEPUTY REGISTRAR

//TRUE COPY//

SECTION OFFICER

To,

1. The I Special Magistrate, Ranga Reddy District at Hasthinapuram. (With records)
2. Two CCs to Public Prosecutor, High Court for the State of Telangana at Hyderabad. (OUT)
3. One CC to Sri Basety Karthik, Advocate [OPUC]
4. One CC to Sri Harinadh Nidamanuri, Advocate [OPUC]
5. Two CD Copies

DL/gh

HIGH COURT

DATED:30/12/2024



COMMON JUDGMENT

CRLA.Nos.200 AND 202 of 2018

DISMISSING BOTH THE APPEALS

(8)
12/2/25