IN THE HIGH COURT OF JUDICATURE AT MADRAS

Reserved on : 11.09.2025

Pronounced on : **19.09.2025**

CORAM :

THE HONOURABLE MR. JUSTICE N. SATHISH KUMAR

Crl.O.P.No.4863 of 2024
and
Crl.M.P.Nos.3539 & 3538 of 2024

1.Vignesh Natarajan
2.Suresh Thekkedath Padmanabhan ... Petitioners

Vs.

1.State represented by
The Inspector of Police,
Nungambakkam Police Station,
Chennai.

2.Prasad Varadarajan ... Respondents

Common Prayer : Criminal Original Petition filed under Section 482 of Code of Criminal Procedure to call for the records in C.C.No.1471 of 2023 on the file of the XIV Metropolitan Magistrate, Egmore, Chennai, and quash the same.

For Petitioners : Mr.P.H.Aravindh Pandian
Senior Counsel
assisted by Mr.G.Kalyan Jhabakh
for M/s.Surana and Surana

For R1	:	Mr.R.Vinothraja, Government Advocate (Crl. Side)
For R2	:	Mr.Sathish Parasaran Senior Counsel for M/s.R and P Partners

ORDER

This Criminal Original Petition has been filed to quash the final report in C.C.No.1471 of 2023 on the file of the XIV Metropolitan Magistrate, Egmore, Chennai, for the offences under Sections 420, 465, 467, 468, 471 IPC r/w. Section 66-C of Information Technology Act, 2000.

2.The crux of the charges as against the petitioners herein is that the *de facto* complainant became the Director of M/s.Cargo International Private Limited along with one Srinivasan Ramkumar and each held a share of 10% each, totally 20% share in the company. Though the company was running in profit, no share was given to the *de facto* complainant and the other partner. Therefore, they resigned from the company on 26.11.2018. After resigning from the Company, they came to know that the digital signature of the *de facto* complainant was misused by the petitioners and huge amounts have been transferred to some other accounts to the tune of

Rs.85,00,000/- on 04.12.2018 and a sum of Rs.74,08,903.19 on 05.12.2018. According to the *de facto* complainant, the entire amount has been sent to the foreign company in order to cheat the *de facto* complainant. Based on the complaint lodged by the *de facto* complainant, a case was registered by the 1st respondent Police in Crime No.285 of 2022. After investigation, the Police have filed a final report as against the petitioners herein for the offences under Sections 420, 465, 467, 468, 471 IPC r/w. Section 66-C of Information Technology Act, 2000. Challenging the same, the present Criminal Original Petition has been filed.

3.The main ground on which the final report is sought to be quashed is that the entire matter is civil in nature and the *de facto* complainant and the other Director have committed misappropriation and a forensic audit has also been conducted in this regard, in which, it is found that an amount to the tune of Rs.6,53,96,555/- has been misappropriated. The *de facto* complainant and Srinivasan Ramkumar expressed their desire to resign from the company on 04.12.2018 and the *de facto* complainant took the responsibility of clearing the outstanding creditors including intercontinental logistics. According to the petitioners, the Minutes of Meeting is also recorded on 09.10.2018 to that effect. It is his contention that, to process the overseas payment, the company has to submit a covering letter in company's letterhead along with Form A2, Form 15CA, Form 15CB, Overseas Agencies Invoice and Bill of Lading. The *de facto* complainant's digital key was not at all handed over to the petitioners at any point of time, which is used to take Form 15CA from Income Tax Portal. It is the main contention of the learned Senior Counsel for the petitioners that it is only a civil transaction and already Company Petitions have been filed by the petitioners in C.P.No.519 of 2019 as against the *de facto* complainant and the other Director, which are pending before the National Company Law Tribunal (NCLT) on the very same set of allegations. Therefore, the learned Senior Counsel would submit that a purely civil dispute has been given criminal colour and hence, seeks to quash the entire criminal proceedings.

4.Whereas, the learned Senior Counsel appearing for the 2nd respondent/ *de facto* complainant would submit that the very crux of the charge is the alleged fabrication of records and issuance of duplicate invoices and transfer of amounts to foreign accounts by misusing the digital signature of the *de facto* complainant even after he resigned from the company. Therefore, he would submit that the proceedings cannot be quashed at this stage.

5.Heard the learned counsel on either side and perused the materials available on record.

6.Though the learned Senior Counsel for the petitioners would emphasize that this case is nothing but a civil dispute which has been given a criminal colour and civil proceedings are also now pending before the NCLT, on perusal of the records and the statements of the witnesses recorded by the prosecution, the same clearly indicate that there are specific allegations as against the petitioners to the effect that, despite the fact that the *de facto* complainant had stepped out from the company on 26.11.2018, the digital signature of the *de facto* complainant has been used on 29.11.2018 and Form-15CA has been issued and huge amounts have been transferred to foreign company. It is also the allegation of the *de facto* complainant that ante-dated invoices have been raised in the name of the 1st petitioner through UK Company for consignment and job work which was already raised, executed and paid for previously and thereby, created duplication of bills and had taken out funds from the petitioner company to its UK Company. However, such facts have been disputed by the petitioners. The statements of the witnesses recorded by the Investigation Officer available on record also clearly indicate the nature of alleged duplicate invoices issued and the transfer of amounts.

7.Whether or not the digital signature of the *de facto* complainant has used after his resignation from the company, is a matter of evidence. Whether the invoices issued are duplicate or original, is also a matter of evidence. Further, there are even disputed question of facts, which is also a matter of evidence. When there are specific serious allegations of transfer of huge amounts using the digital signature and falsification of records, which is clear from the materials collected and the statements of the witnesses recorded by the Investigation Officer, this Court, at this stage, cannot go into the veracity of the statements under Section 161 Cr.P.C. in a petition under Section 482 Cr.P.C. and give a finding. It is for the trial Court to go into the correctness of the statements on appreciation of substantive evidence which comes on record before the trial Court. Therefore, this Court cannot conduct a roving enquiry or mini-trial in exercise of its jurisdiction under Section 482 Cr.P.C., as held by the Hon'ble Supreme Court in ***Gunmala Sales Pvt. Ltd. v. Anu Mehta and others*** reported in ***(2015) 1 SCC 103.***

8.Further, merely because civil proceedings have been initiated by the petitioners before the NCLT, it cannot be said that the criminal case has to be quashed in entirety. When the statements of the witnesses disclose the alleged fabrication of records and misuse of the digital signature and when there are *prima facie* incriminating materials as against the petitioners, mere pendency of civil proceedings before the NCLT cannot be a ground to quash the entire criminal case. In peculiar circumstances, the act of the parties may constitute both civil as well as criminal wrong. Therefore, merely because civil action is already initiated before NCLT, it does not render criminal action invalid. Having regard to the nature of the allegations made as against the petitioners, particularly with regard to the fabrication of the records and transfer of huge amounts to foreign accounts by misusing the digital signature of the persons who have already resigned from the company, this Court is of the view that all these facts can be unearthed only in the trial on appreciation of substantive evidence on record. Hence, this

Court is not inclined to quash the criminal proceedings at this stage.

9.Hence, I do not find any merit in this petition. Accordingly, this Criminal Original Petition is dismissed. Consequently, connected miscellaneous petitions are closed.

19.09.2025

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Internet : Yes
Index : Yes / No
Speaking order : Yes / No
Neutral Citation : Yes / No

To

1.The XIV Metropolitan Magistrate,
Egmore, Chennai.

2.The Inspector of Police,
Nungambakkam Police Station,
Chennai.

3.The Public Prosecutor,
High Court, Madras.

N. SATHISH KUMAR, J.

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<u>Order in</u>
<u>Crl.O.P.No.4863 of 2024</u>

19.09.2025