



Crl.O.P.Nos.5506, 5509 & 5513 of 2024

IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated: 14.07.2025

Coram:

THE HONOURABLE MR.JUSTICE **P.VELMURUGAN**

Crl.O.P.Nos.5506, 5509 & 5513 of 2024 &
Crl.M.P.Nos.4020 & 4021, 4025 & 4026, and 4028 & 4030 of 2024
Crl.M.P.Nos.13292, 13294 & 13275 of 2024

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1.Dr.Kandhadi Jagadish Reddy,
Director,
M/s.Sai Sravan Health Care Private Ltd.,
Son of Late Kandhadi Rangreddy,
4-1-121/254/A, Plot No.254/A,
VST Colony Nacharam PS, Uppal,
Telangana - 500 076.

2.Dr.Mallikarjun Pulluri,
Director,
M/s.Sai Sravan Health Care Private Ltd.,
Son of Late Ramulu,
Residing at No.11-116/, Srisai Garden,
Ramathapur, Uppal,
K.V.Rangareddy District,
Telangana - 500 013.

3.Dr.Venkata Agapati Santhosh Kumar,
Director,
M/s.Sai Sravan Health Care Private Ltd.,
Son of Late A.Srinivasallu,
Residing at No.1-7-8, Vignanpuri Colony,
Street No.8, Hasbiguda,
Hyderabad,
Telangana - 500 007.

.. Petitioners in all Crl.O.Ps'

Vs.

K.Baskaran

.. Respondent in Crl.O.P.No.5506 of 2024

S.Karthic

.. Respondent in Crl.O.P.No.5509 of 2024

R.Ranjith

.. Respondent in Crl.O.No.5513 of 2024

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Criminal Original Petitions filed under Section 528 of BNSS, to call for the records pertaining to C.C.Nos.362 of 2020, 969 of 2024, 2533 of 2021, pending on the file of Fast Track Court No.I, Allikulam at Chennai and quash the same.

For petitioners in
all Crl.O.Ps : Mr.MA.P.Thangavel

For respondent in
all Crl.O.Ps : Mr.R.Ravi

COMMON ORDER

These Criminal Original Petitions have been filed under Section 482 of the Code of Criminal Procedure, 1973, seeking to quash the proceedings in C.C.Nos.362 of 2020, 969 of 2024, 2533 of 2021, pending on the file of Fast Track Court No.I, Allikulam at Chennai, for the alleged offence under Section 138 read with Section 141 of the Negotiable Instruments Act, 1881.

2. The learned counsel for the petitioners submitted that the cheques in question were issued at the time of execution of a Memorandum of Understanding between the parties, and that they were not intended for discharge of any legally enforceable debt or liability. It is submitted that the said cheques were given as a matter of business understanding and only for security purposes. It is further submitted that the business itself was discontinued and the company in question

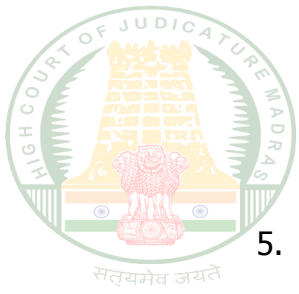


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was closed in the year 2019. The complainants, having full knowledge of these facts, have deliberately suppressed them while initiating the present proceedings.

3. The learned counsel further contended that the complainants failed to serve a proper statutory notice under Section 138(b) of the Negotiable Instruments Act, and that in the absence of due service, the petitioners were denied the opportunity to send any reply. It is also stated that the MoU contains a clause for arbitration and stipulates that jurisdiction for any dispute lies exclusively with the competent court at Hyderabad. On these grounds, the learned counsel submitted that the complaints are an abuse of process and liable to be quashed.

4. Per contra, the learned counsel appearing for the respondents/complainants submitted that since the complainants are not signatories to the Memorandum of Understanding, it does not bind them in any manner. It is submitted that the cheques were admittedly issued by the petitioners and were returned unpaid due to insufficiency of funds. Statutory notices were duly issued and served on the petitioners. It is further submitted that one of the petitioners even issued a reply notice. It is contended that the allegations raised by the petitioners are all matters of defence which can only be adjudicated during the course of trial.



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

6. It is not in dispute that the cheques bear the signatures of the petitioners and were issued in favour of the complainants. The complaints were taken on file by the learned Magistrate after examining the averments and supporting documents including the dishonoured cheques, the return memos, and the statutory notices. The core contention of the petitioners that the cheques were issued merely as security pursuant to a commercial understanding raises factual questions that necessarily require appreciation of evidence. Likewise, the question as to whether the Memorandum of Understanding binds the complainant or excludes the jurisdiction of the present Court are all matters which involve disputed facts and interpretation of documents. These are not matters that can be conclusively determined in a petition under Section 482 Cr.P.C.

7. This Court, at the stage of exercising its inherent jurisdiction, is not required to conduct a mini-trial or weigh the correctness of the defence raised by the accused. The test is whether the complaints, on the face of it, disclose the commission of an offence and whether the continuance of proceedings amounts to an abuse of process. In the present case, the essential ingredients of the offence under Section 138 of the Negotiable Instruments Act are clearly made out. The



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issuance of cheques, their dishonour due to insufficiency of funds, the issuance of the statutory notice, and non-payment within the prescribed time have all been duly pleaded and are supported by documents. This Court, therefore, finds no ground to interfere at this stage.

8. In view of the above discussion, these Criminal Original Petitions are dismissed. However, it is made clear that the petitioners are at liberty to raise all their contentions and defences before the learned trial Magistrate, and the same shall be considered on its own merits and in accordance with law, without being influenced by any observation made in this order. Consequently, connected miscellaneous petitions are closed.

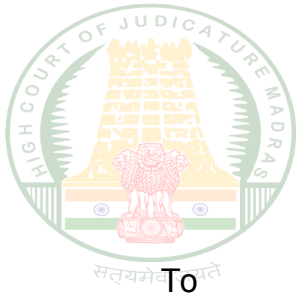
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Index : Yes/No

Neutral Citation Case : Yes/No

Speaking Order : Yes/No



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To
The Fast Track Court No.I, Allikulam.



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P.VELMURUGAN, J

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