



Crl.O.P.No.383 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 07.04.2025

CORAM:

THE HONOURABLE MR. JUSTICE G.K.ILANTHIRAIYAN

Crl.O.P.No.383 of 2025
and Crl.M.P.Nos.147 and 148 of 2025

M.Murali Appamgari

... Petitioner

Vs

M/s. Shenglong Bio Tech (India) Pvt Ltd,
Rep By Its Deputy Manager,
M.Senthil

... Respondent

PRAYER: Criminal Original Petition is filed under Section 482 of Cr.P.C/
Section 528 of the Bharatiya Nagarik Suraksha Sanhita, 2023, to call for the
records relating to the complaint in STC.No.8075 of 2024 pending on the file of
the learned II Fast Track, Metropolitan Magistrate, Allikulam, Chennai and
quash the same as against the petitioner.

For Petitioner : M/s A.Charumathy

For Respondent : Mr.T.Jayaraj

ORDER

This petition has been filed to quash the complaint in STC.No.8075
of 2024 pending on the file of the learned II Fast Track, Metropolitan
Magistrate, Allikulam, Chennai.

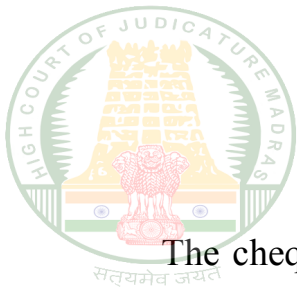


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2. Heard the learned counsel appearing on either side and perused the materials placed on record.

3. The petitioner is the third accused in the complaint lodged by the respondent for the offence punishable under Section 138 of Negotiable Instruments Act, alleging that the first accused is the Proprietrix of the company and the second accused is the Proprietor of the first accused. The third accused is the Power of Attorney of the second accused and he is actively involved in the Proprietrix concern and doing his business. The accused purchased shrimp feeds from the respondent to the tune of Rs.1,06,45,491/-. In order to discharge their liability, they issued cheque for a sum of Rs.1,06,46,917/- and the same was presented for collection. However, it was returned dishonoured for the reason “Account Closed”. After causing statutory notice, the respondent filed a complaint.

4. The learned counsel for the petitioner would submit that the petitioner is arrayed as third accused. Even according to the respondent, the petitioner is the Power of Attorney in the Proprietrix concern and looking after the business of the Proprietrix concern. However, the petitioner is not given any authority to sign the cheque and he is not an authorised signatory of the cheque.



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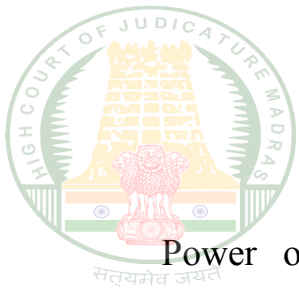
The cheque was issued by the Proprietrix concerned signed by the Proprietrix viz., the cheque is in the name of the first accused and signed by the second accused.

5. In support of his contention, he relied upon the Judgment of the Hon'ble Supreme Court of India reported in **2007 INSC 379** in the case of ***Raghu Lakshminarayanan Vs M/s Fine Tubes.***

6. Per contra, the learned counsel for the respondent submitted that though the petitioner did not sign in the cheque, he is actively managing the Proprietrix concern and as such, he is also vicariously liable to be punished for the offence under Section 138 of Negotiable Instrument Act. In support of his contention he relied upon the Judgments of the Hon'ble Supreme Court of India.

7. Heard both sides and perused the materials available on record.

8. A perusal of records revealed that there are totally three accused, in which the petitioner is arrayed as third accused. Admittedly, the petitioner is the



Power of Attorney holder of the Proprietrix concern, appointed by its Proprietrix. The first accused is the Proprietrix of the said concern and the second accused is the Proprietor of the first accused. Though the petitioner is the Power of Attorney, he is not authorised to operate the bank account of the Proprietrix concern. After the purchase of shrimp feeds from the respondent, the cheque was issued by the Proprietrix concern, signed by the Proprietor viz., A1 and A2.

9. The only point that arises in this case is that whether the petitioner is liable to be punished under Section 141 of Negotiable Instrument Act?

10. It is relevant to extract the provisions under Section 141 of Negotiable Instruments Act as follows:-

141. Offences by companies.—

(1) If the person committing an offence under section 138 is a company, every person who, at the time the offence was committed, was in charge of, and was responsible to, the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:

Provided that nothing contained in this sub-section shall render any person liable to punishment if he proves that the offence was committed without his knowledge, or that he had exercised all due diligence to prevent the commission of



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such offence:

6[Provided further that where a person is nominated as a Director of a company by virtue of his holding any office or employment in the Central Government or State Government or a financial corporation owned or controlled by the Central Government or the State Government, as the case may be, he shall not be liable for prosecution under this Chapter.]

(2) Notwithstanding anything contained in subsection (1), where any offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to, any neglect on the part of, any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

11. Therefore, “Company” means any body corporate and includes a firm or other association of individuals. Therefore, the definition of Company is not at all attracted to the Proprietrix concern. Admittedly, the cheque was issued by the Proprietrix concern signed by the Proprietor. Therefore, Section 141 of Negotiable Instruments Act is not at all attracted as against the petitioner for prosecuting the petitioner under Section 138 of Negotiable Instruments Act. To attract the offence under Section 141 of Negotiable Instruments Act, the complaint petition must contain the requisite averments to bring about a case within the purview of Section 141 of Negotiable Instruments Act. Therefore, the Judgment cited by the learned counsel for the respondent is not at all



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applicable to the case on hand.

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12. In view of the above, the entire complaint cannot be sustained as against the petitioner alone. Accordingly, the complaint in STC.No.8075 of 2024 pending on the file of the learned II Fast Track, Metropolitan Magistrate, Allikulam, Chennai, is hereby quashed as against the petitioner alone. The Trial Court is directed to proceed with the trial as against A1 and A2 in the manner known to law and complete the same, within the period of three months from the date of receipt of a copy of this order.

13. In the result, this Criminal Original Petition stands allowed. Consequently, connected Miscellaneous petitions are closed.

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Internet: Yes
Index: Yes/No
Speaking/Non speaking order
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CrI.O.P.No.383 of 2025

To
The II Fast Track, Metropolitan Magistrate,
Allikulam, Chennai.



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G.K.ILANTHIRAIYAN. J.

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