IN THE HIGH COURT FOR THE STATE OF TELANGANA AT HYDERABAD

THURSDAY, THE TWENTY SEVENTH DAY OF NOVEMBER
TWO THOUSAND AND TWENTY FIVE

PRESENT

THE HONOURABLE SMT JUSTICE K. SUJANA

CRIMINAL PETITION NO: 3419 OF 2025

Between:

Sd Abdul Karimullah, S/o. Syed Abdul Salam, Aged about 56 years, R/o. Flat No.411, Sai Bharathi Apartments, Koppuravun road, Pedakakani Mandal, Guntur District.

...PETITIONER/ACCUSED

AND

1. The State of Telangana, Rep. Through the Public Prosecutor, High Court of Telangana at Hyderabad.
2. Panithi Glory Victoria Rani, Aged about 54 years, Occ Govt Employee, D/o. Panithi Jaya Chandra Sekhara Rao, Flat No.402, 4th Floor, Dokuri's Vasudeva Residence, Employees Colony, Yapral, Hyderabad.

...RESPONDENT/COMPLAINANTS

Petition under Section 528 of BNSS praying that in the circumstances stated in the Memorandum of Grounds of Criminal Petition, the High Court may be pleased to Quash the proceedings in STC.N.I.No. 6651 OF 2023 registered on the file of the VIII Metropolitan Magistrate, Manoranjan Complex, for the offences punishable under Section 138 and 141 of Negotiable Instruments Act, 1881 in the interest of equity and justice while exercising its inherent jurisdiction under Section 482 of Cr.P.C.

I.A. NO: 2 OF 2025

Petition under Section 482 of Cr.P.Cpraying that in the circumstances stated in the Memorandum of Grounds of Criminal Petition, the High Court may be pleased to grant stay of all further proceedings including appearance of the Petitioner in STC.N.I.No. 6651 OF 2023 registered on the file of the VIII Metropolitan Magistrate, Manoranjan Complex, for the offences punishable under Section 138 and 141 of Negotiable Instruments Act, 1881 pending disposal of the above Criminal Petition.

This Petition coming on for hearing, upon perusing the Memorandum of Grounds of Criminal Petition and upon hearing the arguments of Smt. Radha Rani Devineni representing Smt. PULIPATI VANDANA ,Advocate for the Petitioner, Sri. Arun Kumar Dodla Additional Public Prosecutor (TG) on behalf of the Respondent No.1. and, Sri Syed Khamruddin Advocate for the Respondent No. 2

The Court made the following: ORDER

THE HONOURABLE SMT. JUSTICE K. SUJANA

CRIMINAL PETITION No.3419 of 2025

ORDER:

This Criminal Petition is filed seeking to quash the proceedings against the petitioner in STC.NI.No.6651 of 2023 pending on the file of the learned VIII Metropolitan Magistrate, Manoranjan Complex, registered for the offences punishable under Sections 138 and 141 of the Negotiable Instruments Act, 1881.

2. The brief facts of the case are that the complainant had filed a private complaint on 22.02.2023 before the VIII Metropolitan Magistrate, alleging that the petitioner had borrowed Rs.9,00,000/- and Rs.21,00,000/- as hand loans and had executed two promissory notes for Rs.30,00,000/-. It was further alleged that the petitioner had issued two cheques of Rs.15,00,000/- each, which were dishonoured with the endorsement "Exceeds Arrangement". The complainant claimed to have issued a statutory notice and, upon receiving a reply denying liability, filed the complaint under Sections 138 and 141 of the NI Act.

3. Heard Smt. Radha Rani Devaneni, learned counsel representing Smt. Pulipati Vandana, learned counsel appearing on behalf of the petitioner as well as Sri. D. Arun Kumar, learned Additional Public Prosecutor appearing on behalf of the respondent - State and Sri Syed Khamruddin, learned counsel appearing on behalf of respondent No.2.

4. Learned counsel for the petitioner had submitted that the allegations were false and did not disclose any offence under the NI Act and that the complaint was time-barred, vague, inconsistent, and based on a legally unenforceable debt. She further submitted that part payments were not endorsed on the cheques, the statutory notice lacked material particulars, and the alleged cash loan violated the Income Tax Act. She contended that the cognizance order lacked reasons and that continuation of proceedings amounted to abuse of process. In support of her submissions, she relied upon the judgment of the Hon'ble Supreme Court in **Krishnam Raju Finances, Hyderabad v. Abida Sultana and another** [1], **Basalingappa v. Mudibasappa** [2], and **Sampelly Satyanarayana Rao v. Indian Renewable Energy**

[1] 2004 (1) ALD (Crl.) 546 (AP)
[2] AIR 2019 SC 1983

Development Agency Limited[3], Therefore, she prayed the Court to quash the proceedings against the petitioner by allowing this criminal petition.

5. Learned counsel for respondent No.2 submitted that the petitioner had approached the Court with unclean hands by suppressing material facts and was attempting to misuse Section 482 Cr.P.C. to evade repayment of a clearly admitted and legally enforceable debt. He further submitted that the petitioner had taken a hand loan of Rs.30,00,000/- in the year 2016, acknowledged the liability by issuing two promissory notes and two cheques for Rs.15,00,000/- each, and thereafter defaulted on both principal and agreed interest. He contended that the cheques were dishonoured with the endorsements "Exceeds Arrangement" and "Funds Insufficient", and a statutory notice was duly issued within time. He further submitted that the complaint was filed within the limitation period, the pleas of the petitioner were false, vague and intended to mislead the Court, and that the allegations in the complaint constituted a clear *prima facie* offence under Section 138 NI Act. He emphasized that the

[3] (2016) 10 SCC 458

petitioner had been evading trial, had not appeared before the Magistrate, and was seeking to derail the proceedings. In support of his submissions, he relied upon the judgments of the Hon'ble Supreme Court in **A.V. Murthy v. B.S. Nagabasavanna**[4], and **Biten P. Dalal v. Bratindranatha Banerjee**[5], Therefore, he prayed the Court to dismiss the criminal petition.

6. In the light of the submissions made by both the learned counsel and upon perusal of the material placed on record, it appears that the primary contention of the petitioner that the promissory note was executed in the year 2016 and the complaint was filed in the year 2022, thereby rendering the alleged debt time-barred, cannot be adjudicated at this stage in a petition under Section 482 Cr.P.C. Whether a legally enforceable debt existed on the dates of issuance of the cheques, whether any part-payment amounted to acknowledgment of debt under law, and whether the debt was time-barred or saved by such acknowledgment, are all matters which require evidence to be led before the trial Court. Such disputed questions of fact cannot be examined in quash

[4] (2002) 7 SCC 642
[5] (2001) 6 SCC 16

proceedings. The reliance placed by the petitioner on the judgment in Basalingappa (supra) is not applicable to the facts of the case on hand, as the said decision arose out of appellate proceedings after full-fledged trial based on appreciation of evidence.

7. The further contention of the petitioner that the complainant did not possess a money-lending licence is also not a ground for quashing proceedings under Section 138 of the NI Act, as the existence of a licence is not a statutory requirement for the maintainability of a complaint under the said provision. This issue, too, is a triable factual question. At the stage of considering a petition under Section 482 Cr.P.C., the Court is required only to examine whether the complaint, taken at face value, discloses the ingredients of the offence.

8. In the present case, the allegations in the complaint, issuance of cheques, their dishonour, statutory notice, and filing of complaint within time collectively disclose a *prima facie* offence under Section 138 NI Act. Consequently, the grounds raised by the petitioner involve disputed factual

aspects which cannot be adjudicated in proceedings under Section 482 Cr.P.C. and no case for quashing is made out. Hence, the criminal petition lacks merit and the same is liable to be dismissed.

9. Accordingly, this Criminal Petition is dismissed.

Miscellaneous applications, if any pending, shall stand closed.

SD/- L. VIJAYA LAXMI
ASSISTANT REGISTRAR

//TRUE COPY//

SECTION OFFICER

To,

1. The VIII Metropolitan Magistrate, Manoranjan Complex, Hyderabad.
2. The SHO Afzalgunj Police Station, Hyderabad.
3. One CC to Smt. PULIPATI VANDANA Advocate [OPUC]
4. Two Copies to PUBLIC PROSECUTOR, High Court for the State of Telangana at Hyderabad [OUT]
5. One CC to Sri Syed Khamruddin,Advocate (OPUC)
6. Two CD Copies

PK/PSL

HIGH COURT

DATED:27/11/2025

CRLP.No.3419 of 2025



CRIMINAL PEITITION IS DISMISSED.

15/12/25