HC-KAR

NC: 2026:KHC:62700
CRL.P No. 11838 of 2025

CNR: KAHC010538402025

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 12TH DAY OF NOVEMBER, 2026

BEFORE

THE HON'BLE MR. JUSTICE SURAJ GOVINDARAJ

CRIMINAL PETITION NO. 11838 OF 2025

(482(Cr.PC) / 528(BNSS)-)

BETWEEN

MR VENKATESH KANNAPPAN
S/O SRI. KANNAPPAN RAMASAMI,
AGED ABOUT 50 YEARS,
RESIDING AT A-11, APPLE BLOCK,
APPASWAMY ORCHIDS,
85-87, ARCOT ROAD,
OPPOSITE TO AVM STUDIO, VADAPALANI,
CHENNAI 600 026

...PETITIONER

(BY SRI: A. RAMESH., SENIOR COUNSEL FOR
SRI. ATUL MADHAVAN., ADVOCATE)

AND

1. THE STATE OF KARNATAKA
BY PARAPPANA AGRAHARA P.S.
REPRESENTED BY SPP,
HIGH COURT OF KARNATAKA
HIGH COURT BUILDING,
BENGALURU-560001.

2. MR. K. VENKATESH CHELLAM,
S/O. MR. V.C. KRISHNA MURTHY,
AGED ABOUT 49 YEARS,
RESIDING AT NO.20, 2ND CROSS,
PARAPPANNA AGRAHARA,
BENGALURU-560 010

...RESPONDENTS

(BY SRI. RANJITH KUMAR N., HCGP FOR R1;
SRI. ARUNA SHYAM., SR. COUNSEL FOR
SRI. S. RAJU., ADVOCATE FOR R2)

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THIS CRIMINAL PETITION IS FILED U/S.482(FILED U/S.528 BNSS) CR.P.C BY PRAYING TO QUASH THE FIR (ANNEXURE-A) IN CR.NO.146/2025 IX ADDL. CHIEF JUDICIAL MAGISTRATE, BENGALURU REGISTERED BY RESPONDENT NO.1 PARAPANNA AGRAHARA POLICE, FOR THE OFFENCES U/S.S 318(4),319(2),322,351(2),351(3) OF THE BNS, 2023 AND CONSEQUENTLY THE COMPLAINT (ANNEXURE-B) FILED BY RESPONDENT NO.2 AND ETC.

THIS CRIMINAL PETITION COMING ON FOR ORDERS AND HAVING BEEN RESERVED FOR ORDERS ON 13.10.2026, THIS DAY, THE COURT PRONOUNCED THE FOLLOWING:

CORAM: HON'BLE MR. JUSTICE SURAJ GOVINDARAJ

CAV ORDER

1. The Petitioner is before this Court seeking for the following reliefs:

   i. Quash the FIR (Annexure-A) in Cr.No.146/2025 IX Addl. Chief Judicial Magistrate, bengaluru registered by Respondent no.1 Parapanna Agrahara Police, for the o/p/s 318(4), 319(2), 322, 351(2), 351(3) of the BNS, 2023 and consequently the complaint (Annexure-B) filed by Respondent no.2.

   ii. Pass any such other and further orders as this Hon'ble Court deems fit to grant under the facts and circumstances of the case, in the interest of justice and equity.

2. On a complaint being filed by Respondent No.2 on 12.05.2025, an FIR in Crime No.146 of 2025 came to be registered by the Parappana Agrahara Police Station on 15.05.2025 for offences under Sections

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318(4), 319(2), 322, 351(2) and 351(3) of the Bharatiya Nyaya Sanhita, 2023. Challenging the same, the Petitioner is before this Court seeking for the aforesaid reliefs.

3. The submission of Sri.A.Ramesh., learned Senior counsel for the Petitioner is that:

3.1. The complaint has been filed only to give a criminal colour to a civil dispute to require this Court to intercede.

3.2. He submits that, according to the complaint, Respondent No.2 claims to be the absolute owner and in peaceful possession of the property bearing No.584, A-Block, AECS Layout, Kudlu Village, Sarjapura Hobli, Anekal Taluk, Bengaluru, measuring 2,400 sq. ft., which was purchased under a sale deed dated 28.03.2022 executed by Smt. Usha in his favour.

3.3. It is alleged that, as Respondent No.2 was required to travel frequently, he executed a General Power of Attorney (GPA) in favour of the Petitioner on 07.12.2022 to look after the property in his absence. Respondent No.2 is

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stated to have cancelled the GPA on 15.04.2025, caused a publication in two local newspapers on 22.04.2025 and informed the Petitioner of the cancellation on 23.04.2025. Despite such intimation, the Petitioner is alleged to have sold the property under a sale deed. Respondent No.2 claims to have learnt of the sale on 05.05.2025 and thereafter to have received threatening calls.

3.4. Learned Senior Counsel submits that, even if the allegations in the complaint are accepted as true, they concern the transfer of immovable property and arise out of a civil dispute. According to him, the allegations do not disclose the ingredients of the offences alleged against the Petitioner.

3.5. He disputes the complainant's version and submits that it was, in fact, the Petitioner who funded the purchase of the property. Respondent No.2 had allegedly approached the Petitioner for financial assistance, representing that he was a contractor and would develop the property, thereby securing good returns for the Petitioner.

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3.6. Learned Senior Counsel submits that the emails and other correspondence placed on record demonstrate that Respondent No.2 acknowledged that the funds for purchasing the property were provided by the Petitioner. Though Respondent No.2 paid the registration charges and stamp duty, those amounts were also reimbursed by the Petitioner. He further relies upon WhatsApp conversations between the parties which, according to him, establish Respondent No.2's acknowledgment of the Petitioner's financial contribution.

3.7. He submits that the explanation that the GPA was executed merely to look after the property during Respondent No.2's travel is improbable. The property is situated in Bengaluru, whereas the Petitioner resides in Chennai. According to learned Senior Counsel, the GPA, which also conferred the power to sell, was executed to secure the Petitioner's investment in the property and not merely to enable the Petitioner to look after it in Respondent No.2's absence.

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3.8. Learned Senior Counsel further submits that Respondent No.2 failed to hand over the developed project despite repeatedly assuring the Petitioner that he would do so. Instead, Respondent No.2 unilaterally cancelled the GPA, thereby jeopardising the Petitioner's interests. The Petitioner thereafter executed sale deeds in respect of the property and the development thereon at a lesser cost, which, according to him, also resulted in financial loss to the Petitioner.

3.9. On these facts, learned Senior Counsel submits that the execution of the sale deeds was an attempt to protect the Petitioner's investment and would not constitute an offence under Section 318 of the Bharatiya Nyaya Sanhita, 2023 (BNS). He contends that the offence of cheating requires deception and dishonest intention from the inception of the transaction. In the present case, the dealings between the parties commenced in 2022, with the Petitioner providing funds for the purchase of the property, construction and other expenses. Respondent No.2, on the other hand, did not pay any amount to the Petitioner. It is the

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Petitioner's case that Respondent No.2 has retained the benefit of the investment while cancelling the GPA and denying the Petitioner the benefit of the transaction.

3.10. He, therefore, submits that the essential ingredients of cheating, particularly dishonest intention at the inception of the transaction, are absent. The dispute concerning the cancellation of the GPA and the subsequent execution of the sale deeds cannot, in the circumstances, be converted into an offence under Section 318(4) of the BNS.

3.11. Learned Senior Counsel further submits that the Petitioner had lodged a complaint against Respondent No.2, which was registered as Crime No.96 of 2025. Respondent No.2 challenged the registration of the said criminal proceedings before the Madras High Court in Crl.O.P. No.18787 of 2025. The petition came to be dismissed. The challenge to that order before the Hon'ble Supreme Court in SLP (Crl.) No.3004 of 2026 was also dismissed.

3.12. He points out that the Petitioner's complaint was lodged on 30.04.2025, whereas the

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complaint filed by Respondent No.2 was lodged subsequently, on 12.05.2025. He relies upon this sequence of events in support of his submission that the complaint filed by Respondent No.2 is a counterblast to the proceedings initiated by the Petitioner.

3.13. Learned Senior Counsel also submits that Respondent No.2 has filed O.S. No.620 of 2026 before the Senior Civil Judge and JMFC, Anekal, Bengaluru Rural, seeking cancellation of the sale deeds executed by the Petitioner in favour of various persons, a declaration that the sale deeds are void ab initio, recovery of possession of the ten flats constructed on the property, mesne profits and permanent injunction.

3.14. In view of the Petitioner's complaint being under investigation and the civil suit filed by Respondent No.2 being pending, learned Senior Counsel submits that the dispute is essentially civil in nature and that the criminal complaint has been instituted only to give it a criminal colour.

3.15. On the aforesaid grounds, learned Senior Counsel submits that the criminal proceedings

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against the Petitioner are an abuse of the process of Court and that the petition is liable to be allowed.

4. Sri.Aruna Shyam., learned Senior Counsel appearing for Respondent No.2 would submit that:

4.1. The property in question stands in the name of Respondent No.2 under a registered sale deed. The Petitioner's contention that he had funded the purchase of the property is disputed and is a matter requiring investigation. According to him, even assuming that the Petitioner had provided funds towards the purchase or development of the property, such financial contribution would not, by itself, confer ownership of the property upon the Petitioner or authorise him to deal with it contrary to the terms of the authority granted to him.

4.2. Learned Senior Counsel submits that Respondent No.2 had executed a General Power of Attorney in favour of the Petitioner on 07.12.2022. The said GPA was, however, cancelled on 15.04.2025, and a registered deed of revocation was also executed on that date. Thereafter, a public notice notifying the

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cancellation was published in two local newspapers on 22.04.2025. The Petitioner was also specifically informed of the cancellation on 23.04.2025. Thus, according to learned Senior Counsel, there can be no dispute, at least at this stage, that the Petitioner had notice of the revocation of the GPA before the subsequent sale transactions.

4.3. He further submits that, notwithstanding the cancellation of the GPA and the intimation thereof, the Petitioner proceeded on 05.05.2025 to execute sale deeds in favour of various purchasers in respect of the ten flats constructed on the property, together with the corresponding ten car parking areas. The sale transactions were thus undertaken after the authority under which the Petitioner claims to have acted had been revoked and after such revocation had been communicated to him. Learned Senior Counsel contends that this circumstance is central to the complaint and cannot be brushed aside as a mere disagreement concerning accounts or investment between the parties.

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4.4. According to learned Senior Counsel, the Petitioner's assertion that he had funded the purchase and development of the property does not answer the specific allegation that he proceeded to execute the sale deeds after the revocation of the GPA. Whether the Petitioner actually provided the funds, the nature and extent of such funding, the purpose for which the GPA was executed, the rights conferred thereunder and the circumstances in which the Petitioner proceeded to execute the sale deeds are all matters which require examination during investigation. The Petitioner cannot, merely by relying upon the alleged financial contribution, claim an unrestricted right to deal with the property after the authority granted to him had been revoked.

4.5. Learned Senior Counsel submits that the allegations require the Investigating Officer to examine the registered sale deed under which Respondent No.2 acquired the property, the GPA executed in favour of the Petitioner, the registered deed of revocation, the public notice and the subsequent sale deeds executed by the Petitioner. The circumstances in which the sale

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deeds came to be executed, the purchasers in whose favour they were executed, the consideration received, the manner in which the sale proceeds were dealt with and the Petitioner's knowledge of the revocation are all relevant aspects. These matters cannot be conclusively determined on the basis of the Petitioner's interpretation of the correspondence and financial transactions between the parties.

4.6. On these facts, learned Senior Counsel submits that the complaint discloses allegations of conduct going beyond a mere breach of contractual or civil obligations. The allegation is not confined to a failure to account for the money allegedly invested by the Petitioner or to a disagreement regarding the development of the property. The specific allegation is that, after the revocation of the GPA had been communicated to him, the Petitioner proceeded to execute sale deeds in respect of the flats and car parking areas in favour of third parties. Whether this conduct attracts the offences alleged is a matter to be examined on the basis of the material collected during investigation. It

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would, therefore, be premature for this Court to accept the Petitioner's explanation and terminate the investigation at its threshold.

4.7. Learned Senior Counsel also questions the Petitioner's contention that the dispute is purely civil in nature. He submits that the mere availability of civil remedies does not exclude the possibility of criminal liability where the allegations independently disclose the ingredients of an offence.

4.8. Respondent No.2 has instituted O.S. No.620 of 2026 seeking, among other reliefs, cancellation of the sale deeds executed by the Petitioner, a declaration that they are void ab initio, recovery of possession of the ten flats, mesne profits and permanent injunction. The pendency of the civil suit does not, according to him, prevent the jurisdictional police from investigating the allegations concerning the Petitioner's conduct after the revocation of the GPA.

4.9. He further submits that the Petitioner's contention is internally inconsistent. The Petitioner has himself lodged a criminal complaint against Respondent No.2, which

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came to be registered as Crime No.96 of 2025, arising out of the very same transaction. Respondent No.2 challenged the registration of those proceedings before the Madras High Court in Crl.O.P. No.18787 of 2025, and the petition was dismissed. The challenge to that order before the Hon'ble Supreme Court in SLP (Crl.) No.3004 of 2026 was also dismissed. Having invoked the criminal process against Respondent No.2 in relation to the transaction, the Petitioner cannot, merely for the purpose of resisting the present complaint, contend that the dispute is exclusively civil in nature and that no criminal investigation can be undertaken against him.

4.10. Learned Senior Counsel further submits that the fact that the Petitioner's complaint was lodged on 30.04.2025, before Respondent No.2 lodged the present complaint on 12.05.2025, does not by itself render the latter a counterblast. The sequence of complaints is only one circumstance and cannot, without examining the allegations and the events preceding them, determine the bona fides or otherwise of the complaint filed by Respondent

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No.2. The latter complaint specifically concerns the execution of the sale deeds after the cancellation of the GPA and the communication of such cancellation to the Petitioner.

4.11. Learned Senior Counsel submits that the Petitioner is seeking, at this stage, to rely upon his own version of the financial arrangements between the parties and to invite this Court to accept that the sale transactions were undertaken only to protect his investment. Such a defence involves disputed questions concerning the source of funds, the understanding between the parties, the scope of the GPA, the effect of its revocation and the circumstances surrounding the execution of the subsequent sale deeds. These questions require investigation and cannot be resolved merely by accepting the Petitioner's interpretation of the correspondence, emails and WhatsApp exchanges relied upon by him.

4.12. He, therefore, submits that the allegations in the complaint, particularly the execution of the sale deeds after the registered revocation of the GPA and after the Petitioner had been informed

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of such revocation, warrant investigation by the jurisdictional police. The pendency of the Petitioner's complaint, the civil suit filed by Respondent No.2 and the Petitioner's claim of having funded the property do not, by themselves, justify quashing the present proceedings. The investigation ought not to be interdicted at this stage.

4.13. On the aforesaid grounds, learned Senior Counsel submits that the contention that Respondent No.2 has given a criminal colour to a civil dispute is untenable. He submits that the complaint discloses allegations requiring investigation and that the petition is liable to be dismissed.

5. Heard Sri.A.Ramesh., learned Senior counsel for the Petitioner, and Sri.Aruna Shyam., learned Senior Counsel for Respondent No.2. Perused the papers.

6. Though there are several decisions which have been relied upon by Sri.A.Ramesh., learned Senior Counsel for the Petitioner, they are not being adverted to, since most of the said citations relate to general

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principles, which would not be applicable to the peculiar facts and circumstances of this matter.

7. The peculiar facts of the present case are that the Petitioner is stated to be residing in Chennai. Respondent No.2 had allegedly approached the Petitioner at Chennai with an investment proposal. The Petitioner claims to have invested several crores of rupees towards the purchase of the property in Bengaluru in the name of Respondent No.2 and the subsequent construction of ten flats on the said property.

8. The dispute appears to have arisen at the stage when the flats were to be handed over. The Petitioner contends that, upon cancellation of the General Power of Attorney, he proceeded to transfer the flats to third parties to safeguard his investment.

9. Respondent No.2, on the other hand, claims that the property belongs to him, that the Petitioner was merely his power of attorney holder and that the Petitioner, despite being informed of the cancellation of the GPA, proceeded to sell the flats to third parties. On this basis, Respondent No.2 alleges commission of the offences referred to above.

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10. It is also necessary to notice that the Petitioner lodged a criminal complaint on 30.04.2025. Though the complaint was lodged on that date, it came to be registered only on 28.05.2025 as Crime No.96 of 2025 for an offence under Section 420 of the IPC, corresponding to Section 318(4) of the BNS, 2023. Respondent No.2 lodged a complaint on 12.05.2025, which came to be registered on 15.05.2025 as Crime No.146 of 2025.

11. Thus, both the Petitioner and Respondent No.2 have set the criminal law in motion against each other in respect of the very same transaction. It is relevant that Respondent No.2 challenged the registration of Crime No.96 of 2025 before the Madras High Court in Crl.O.P. No.18787 of 2025. The said petition was dismissed on 07.10.2025, permitting the investigation to proceed. The challenge to that order before the Hon'ble Supreme Court in SLP (Crl.) No.3004 of 2026 was also dismissed on 23.02.2026, with the Hon'ble Supreme Court declining to interfere. Consequently, investigation in Crime No.96 of 2025 is proceeding before the Chennai CCB, whereas further proceedings in Crime No.146 of 2025 have been stayed by this Court in the present petition.

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12. The legal position concerning counter-complaints is well settled. A complaint by the opposite party setting out a rival version of the same transaction is not barred merely because an earlier FIR has already been registered. Where there are rival versions of the same occurrence, separate complaints may be registered and investigated. The two complaints in the present case are, on the face of the record, rival versions put forward by the parties to the same underlying transaction. The mere fact that the Petitioner's complaint was lodged earlier does not render the complaint of Respondent No.2 impermissible.

13. What requires consideration is the manner in which the two complaints are to be investigated. The allegations in both complaints are interlinked and concern the same investment arrangement, the purchase and development of the property, the execution and cancellation of the GPA, and the subsequent sale of the flats. The alleged dealings and financial arrangements extend between Chennai and Bengaluru. Since the Chennai CCB is already investigating Crime No.96 of 2025, it would be appropriate for the connected allegations made by Respondent No.2 in Crime No.146 of 2025 also to be

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examined in coordination with the jurisdictional police in Karnataka. This would facilitate a comprehensive investigation of both versions and avoid inconsistent or uncoordinated investigations.

14. The complaint lodged by Respondent No.2 has already resulted in the registration of Crime No.146 of 2025 in Karnataka. It is, therefore, not a case for registering a fresh FIR at Chennai. The competent police authorities of Karnataka and Tamil Nadu shall work out the necessary arrangements, in accordance with law, for the connected investigation to be undertaken by the Chennai CCB, with the assistance of the jurisdictional police in Karnataka wherever required. The two complaints shall nevertheless be examined as separate rival versions, and the merits of each shall be independently assessed.

15. In the facts and circumstances of the present case, the complaint lodged by Respondent No.2 cannot be quashed merely on the ground that it gives a criminal colour to a civil dispute. The Petitioner himself has invoked the criminal process in respect of the very same transaction, and the challenge to the proceedings arising from his complaint has been rejected by the Madras High Court and the Hon'ble

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Supreme Court has declined to interfere with that order. The pendency of a civil suit concerning the property does not, by itself, exclude the possibility of criminal offences having been committed. Whether the allegations ultimately establish the ingredients of the offences alleged is a matter for investigation. At this stage, the complaint of Respondent No.2 cannot be interdicted on the grounds urged by the Petitioner.

16. In that view of the matter, taking into account the peculiarity of the facts, this Court passes the following:

ORDER

(i) The Criminal Petition is ***dismissed.***

(ii) The interim order staying further proceedings in Crime No.146 of 2025, registered by Parappana Agrahara Police Station, Bengaluru, is hereby vacated.

(iii) Having regard to the interconnection between the allegations in Crime No.96 of 2025, being investigated by the Chennai CCB, and Crime No.146 of 2025, registered in Karnataka, the Director General of Police, Karnataka, shall coordinate with the Director General of Police, Tamil Nadu, to facilitate an effective and coordinated investigation of both complaints, in accordance with law.

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(iv) The investigating agency in Crime No.146 of 2025 shall coordinate with the Chennai CCB, obtain relevant materials collected in Crime No.96 of 2025 and examine the allegations of Respondent No.2 in the light of the material available in both cases. The Chennai CCB shall extend necessary assistance and cooperation to the jurisdictional investigating agency in Karnataka.

(v) Both complaints shall be treated as separate rival versions of the underlying transaction. The investigation in each case shall be conducted independently and impartially, without being influenced by the observations made in this order or by the mere fact that one complaint was lodged earlier than the other.

(vi) All contentions of the parties on the merits of the allegations are kept open. Nothing stated in this order shall be construed as an expression of opinion on the guilt or innocence of either party.

(vii) The investigation shall be conducted expeditiously and in accordance with law

This Court has been assisted by Ms. Harshada R.B., Law Clerk, in reviewing this judgement.

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(SURAJ GOVINDARAJ)
JUDGE

SR, List No.: 1 Sl No.: 62