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CrI.O.P.No.23468 of 2022

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 02.03.2026

CORAM

THE HON'BLE Mr. JUSTICE G.K.ILANTHIRAIYAN

CrI.O.P.No.23468 of 2022

and

CrI.M.P.No.14976 of 2022

K.Manickkaraja

.... Petitioner

Vs

1.State represented by
Inspector of Police,
Vridhachalam Town Police Station,
Vridhachalam, Cuddalore.

2.P.Senthilkumar

.... Respondents

Prayer: Criminal Original Petition is filed under Section 482 of the Code of Criminal Procedure, to call for the records and to quash the complaint C.C.No.72 of 2022 on the file of the Judicial Magistrate Court No.I, Vridhachalam.

For Petitioner : Mr.E.V.Chandru @ E.Chandrasekaran

For R1 : Mr.A.Gopinath
Government Advocate (CrI.Side)

For R2 : Mr.L.P.Shanmugasundaram
for Mr.A.Rajaperumal



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ORDER

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This Criminal Original Petition has been filed to quash the proceedings in C.C.No.72 of 2022 on the file of the Judicial Magistrate No.I, Virudhachalam.

2. The second respondent lodged a private complaint alleging that the petitioner and the second respondent were allegedly cheated by one Ashok of Kuravankuppam Village, Virudhachalm, who claimed to be running a manpower agency and promised to secure employment for their relatives. Believing his representation, they paid money to him for the said purpose. However, when they demanded repayment of money, the said Ashok evaded the same. As security for the amount due, the said Ashok handed over possession of a car viz., TATA Indigo Manza bearing registration No.TN-31-AT-0011 which belonged to his uncle Baranidharan, along with the necessary transfer forms enabling transfer of ownership if the money was not repaid. Subsequently, the said Ashok absconded. Since the petitioner and the second respondent had to settle the claims made by others, they decided to transfer the said vehicle in the name of the petitioner and hypothecate the same with Sri Ram Finance, through which a loan of Rs.2,56,000/- was obtained. The said amount was intended to be utilised for tracing the said Ashok and recovering the

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money from him. Thereafter, the said Ashok was arrested in connection with a case registered by the DCB, Cuddalore, and it was alleged that he had transferred the title of his house in favour of the second respondent.

3. Regarding the vehicle loan, the second respondent claims that out of the total sum of Rs.4,40,000/- payable, he had already paid a sum of Rs.3,20,000/- and the remaining sum of Rs.1,20,000/- was to be paid by the petitioner. The second respondent alleges that the petitioner failed to repay the balance amount and thereby cheated and defrauded him. After recording the sworn statement of the second respondent, the Trial Court had taken cognizance for the offence punishable under Section 420 of IPC.

4. The learned counsel appearing for the petitioner would submit that no prima facie case is made out to attract the offence under Section 420 of IPC. According to the learned counsel, the dispute between the parties is only a money transaction and therefore, the second respondent cannot criminalize civil disputes such as breach of contractual obligations. He further submitted that in order to attract the offence under Section 420 of IPC, it must be established that (i) the accused must be entrusted with the property or with dominion over it ; (ii) the person so

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entrusted must use that property ; (iii) the accused must dishonestly use or dispose of that property or willfully suffer any other person to do in violation ; (iv) any direction of law prescribing the mode in which such trust is to be discharged, or ; (v) any legal contract made touching the discharge of such trust. None of the above ingredients required to attract the offence under Section 420 of IPC are satisfied in the complaint lodged by the second respondent. Therefore, the Trial Court ought not to have taken cognizance for the offence under Section 420 of IPC.

5. A perusal of the records and the submissions made by the respondents reveals that the petitioner and the second respondent had paid a sum of Rs.25,00,000/- to a third party viz., Ashok, for the purpose of securing Government job. However, the said Ashok did not arrange any Government job and also failed to return the said amount. Upon repeated requests made by the petitioner and the second respondent, the said Ashok handed over possession of a car viz., TATA Indigo Manza bearing registration No.TN-31-AT-0011 which belonged to one Bharanidharan as security for the amount. Since the petitioner did not have any job and the second respondent is working in Neyveli Lignite Corporation, the ownership of the said car was transferred in the name of the petitioner.

Thereafter, the vehicle was mortgaged with Sri Ram Finance and availed



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loan for a sum of Rs.2,56,000/- by depositing the original RC book of the

car. Subsequently, in order to redeem the mortgage, the second respondent along with the petitioner approached the financier and a sum of Rs.3,20,000/- was paid by the second respondent. The petitioner assured that he would pay the remaining amount of Rs.1,20,000/- to redeem the mortgage and obtain the original registration certificate of the car. However, the petitioner failed to pay the said amount and also gave a consent letter to the finance institution permitting them to sell the car, thereby caused loss to the second respondent. Hence, the second respondent lodged a private complaint, pursuant to which directions were issued under Section 156(3) of Code of Criminal Procedure to the first respondent herein.

6. After completion of the investigation, the first respondent filed the final report. During the course of investigation, the officials from Sri Ram Finance made statement that the second respondent had paid a sum of Rs.3,70,000/- and the petitioner assured to pay the remaining sum of Rs.1,30,000/- in order to redeem the mortgage of the registration certificate of the car. However, the petitioner failed to pay the said amount and he also issued a letter to the finance institution permitting them to sell the car. In view of the above, the offence under



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Section 420 of IPC is clearly made out as against the petitioner and this Court finds no grounds to quash the proceedings and the petition is liable to be dismissed.

7. Accordingly, this Criminal Original Petition stands dismissed. The Trial Court is directed to complete the trial within a period of six months from the date of receipt of a copy of this order. Consequently, connected miscellaneous petition is closed.

02.03.2026

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Index:Yes/No
Internet:Yes/No

To

1.The Judicial Magistrate No.I,
Virdhachalam.

2.The Inspector of Police,
Vridhachalam Town Police Station,
Vridhachalam, Cuddalore.

3.The Public Prosecutor,
High Court, Madras.



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G.K.ILANTHIRAIYAN, J.

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