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Order QR



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 10.11.2026

CORAM:

THE HONOURABLE MR. JUSTICE **G.K.ILANTHIRAIYAN**

Crl.O.P.No.27514 of 2026
and Crl.M.P.No.18230 of 2026

*CNR: {HCMA012303332026}*

Devaraj,
S/o Palanisamy,
No.30, Thiru Kumaran Nagar,
Singanallur,
Coimbatore -641 005.

Case QR

..Petitioner(s)

Vs

1. The Inspector of Police
   CCB-I,
   Coimbatore - 641 018.

2. Nandhakumar A
   No.3/105, Vadachittur,
   Kinathukadavu,
   Coimbatore – 641 202.

..Respondent(s)

**PRAYER:** Criminal Original Petition is filed under Section 528 of the Bharatiya Nagarik Suraksha Sanhita, 2023, to call for the records pertaining to FIR No.21 of 2026, dated 20.07.2026, on the file of the first Respondent, and to quash the same as being illegal, arbitrary, and an abuse of the process of law.



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For Petitioner(s): Mr. Naveen Kumar Murthy
For Ms. S.Varsha

For Respondent(s): Mr. R. Ganesh Kumar
Additional Public Prosecutor for R1

Mr. K.Gandhi Kumar for R2

**ORDER**

This petition has been filed to quash the FIR in Crime No.21 of 2026 on the file of the first respondent registered for the offences punishable under Sections 61(2)(a) & 318(4) of the Bharatiya Nyaya Sanhita, 2023, (hereinafter referred to as "BNS") as against the petitioner.

2. The second respondent lodged complaint before the first respondent alleging that the second respondent had paid a sum of Rs.10.15 crores to the petitioner herein for the purchase of a rough stone quarry along with a crusher unit situated in the land comprised in S.F.Nos.147/6A, 147/6B1, 147/6C, 147/6D1, 155/1, 155/3, 155/2A, 155/2B, 156/a, 156/2, 160/1 and 160/2A, situated at Thathanaikenpatti Village, Palani Taluk, Dindigul District. Further alleged that all the accused persons are family members and they colluded with each other and dishonestly cheated the second respondent by neither conveying the subject property together with crusher units in his favour nor refunding the advance amount of Rs.10.15 crores. On receipt of the said



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complaint, the first respondent registered the FIR in Crime No.21 of 2026 for the offences punishable under Sections 61(2)(a) & 318(4) of BNS, as against the petitioner. To quash the said FIR, the petitioner filed the present petitions.

3. The learned counsel appearing for the petitioner submitted that the petitioner is arrayed as A1. The second accused is the wife, the third accused is the daughter and the fourth accused is the son-in-law of the first accused. The subject property stands in the name of A1 and A2. A3 and A4 are neither owners of the property nor received any advance amount from the second respondent. Further, the entire allegations are civil in nature. Even according to the second respondent, he advance the amount to the tune of Rs.10.15 crores for the purchase of the land and thereafter, A1 & A2 failed to execute sale deed in his favour. Therefore, no offence is made out under Sections 61(2)(a) & 318(4) of BNS.

3.1. He further submitted that the Sale agreement relied upon by the second respondent dated 05.11.2025 is a forged one. In fact, after registration of FIR, the petitioner and his wife filed a private complaint under Section 175(3) of the Bharatiya nagarick Suraksh Sanhita, 2023 before the learned Judicial Magistrate No.VII, Coimbatore, and the same is pending for



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adjudication. Further the alleged sale agreement dated 05.11.2025 is a fabricated one in which the second respondent forged the signature of A1 & A2 and created the sale agreement in order to lodge the present complaint. Even assuming that the said sale agreement is a valid one, the second respondent ought to have file a suit for specific performance instead of lodging the present complaint. There are no allegations to attract the offences under Sections 61(2)(a) & 318(4) of BNS and hence he prayed to allow the present petition.

4. Per contra, the learned counsel appearing for the second respondent submitted that though A1 & A2 executed the agreement for sale, the entire advance amount has been received by all the family members. In fact, the first accused fell in ill and in order to met out his medical expenses, the entire advance amount was paid through cash. After registration of FIR in Crime No.21 of 2026 on 20.07.2026, A1 & A2 lodged a private complaint in order to escape from the clutches of law before the learned Judicial Magistrate No.VII, Coimbatore with false allegations. After having been received the entire consideration of Rs.10.15 crores, all the accused persons have cheated the second respondent without registering any document in respect of the subject property and also refused to return the advance amount received by them.



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4.1. He further submitted that while pending the quash petition, the first accused came forward to settle the issue and executed a Memorandum of Understanding dated 05.09.2026. According to the Memorandum of Understanding, the first accused agreed to execute the sale deed in respect of some other property and thereafter the second respondent will take steps to close the complaint registered in Crime No.21 of 2026 on the file of the first respondent herein. Hence, he prayed to dismiss the petition.

5. The learned Additional Public Prosecutor appearing for the first respondent submitted that there are specific avernments there in order to attract the offences under Sections 61(2)(a) & 318(4) of BNS. Now the case is under investigation and hence he prayed for dismissal of the present petition.

6. Heard the learned counsel appearing on either side and perused the materials placed before this Court.

7. There are totally four accused and the petitioner is arrayed as A1. The specific case of the second respondent is that he advanced a sum of Rs.10.15 crores to purchase the subject property owned by A1 & A2. They also entered into an agreement for sale on 05.11.2025 thereby the total sale



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consideration for the subject property was fixed at Rs.28,75,00,000/-. The second respondent had paid a sum of Rs.10.15 crores in which a sum of Rs.15,00,000/- was paid through bank transaction and a sum of Rs.10 crores was paid through cash. According to the second respondent the entire cash of Rs.10 crores was paid to A3 and A4 in their house.

8. Further, A1 & A2 had entered into the agreement for sale and as per the clause 6 and 7, the time extended till 12.10.2026 for execution of sale deed with other conditions as such payment of balance sale consideration. Now the second respondent lodged complaint alleging that the accused failed to execute the sale deed as per the sale agreement dated 05.11.2025. The complaint was lodged on 20.07.2026 i.e., even before the completion of the time period as per the agreement for sale dated 05.11.2025.

9. That apart, the accused 1 & 2 denied their signature found in the agreement for sale dated 05.11.2025 and they had taken specific stand that they never signed in any agreement for sale and they never received any money as alleged by the second respondent herein as advance. Further, they also lodged a private complaint as against the second respondent and it is pending before the learned Judicial Magistrate No.VII, Coimbatore. On perusal of the said



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complaint it is revealed that, A1 & A2 specifically alleged that the second respondent forged their signature and fabricated the document in order to grab their property. Even assuming that the agreement for sale is true and genuine, it is only an agreement for sale and the time is fixed to execute the sale deed only on 12.10.2026. If any violation of any of the conditions as per the agreement for sale, the second respondent ought to have filed a suit for specific performance. Instead of, the second respondent lodged the present complaint as if, the accused after receipt of the advance amount to the tune of Rs.10.15 crores, failed to execute the sale deed in his favour.

10. Further, the first accused is now bedridden and he is taking treatment for his stomach cancer. In the subject land, there is a rough stone quarry along with a crusher unit operating under the name and style of M/s. Usha Rough Stone Quarry and M/s. P.Devaraj Rough Stone and Gravel Quarry. The second accused had executed a power of attorney in favour of the first accused thereby authorising him to manage the properties and to deal with all matters relating to the quarry and crusher unit. While being so, the second respondent through the mediators expressed his interest to purchase the subject property along with entire quarry and crusher unit. The approximate market value of the subject property is around Rs.35 crores.



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11. Further, prior to the completion of the sale transaction, the second respondent intended to operate the crusher unit under the name and style of SK Blue Metals. Therefore, he wanted to execute a lease agreement in his favour. Accordingly, the first accused had executed a rental agreement in favour of the second respondent and as per the terms and conditions, the second respondent was required to pay a sum of Rs.1,00,000/- as refundable advance and monthly rent of Rs.10,000/-. However, the second respondent failed to pay any advance amount and failed to pay any rent. Therefore, the first accused issued legal notice dated 10.03.2026, to vacate the subject property and hand over the possession of the subject property. Thereafter, the second respondent vacated the subject property and lodged complaint as if the accused received a sum of Rs.10.15 crores as advance to sell the subject property.

12. Even according to the second respondent, a sum of Rs.15,00,000/- only paid through bank transaction and the remaining amount of Rs.10 crores was paid through cash. There is absolutely no proof to show that the second respondent had paid a sum of Rs.10 crores through cash. Even assuming that the second respondent paid a sum of Rs.10.15 crores as advance to purchase the subject property, the second respondent ought to have filed a suit for



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specific performance as against the accused persons, who entered into an agreement for sale. Otherwise, the second respondent ought to have filed a suit for recovery of money with all proof. Instead of, the second respondent lodged complaint alleging that the accused cheated him and refused to execute a sale deed in respect of the subject property. Therefore, the entire complaint itself is a measure of recovery of money and civil disputes cannot be converted into criminal prosecution as an arm twisting method to coerce the accused arrayed to satisfy the demand of money raised.

13. Insofar as the third and fourth accused are concerned, they happen to be the daughter and son-in-law of the first accused, and have also been implicated as accused on the allegation that they too received money. The third and fourth accused neither owners of the property and nor received any advance amount for execution of sale agreement. Insofar as the second accused is concerned, though she is also an owner of the property, she already executed power of attorney in favour of the first accused. Thereafter, the first accused entered into a lease agreement for the monthly rent of Rs.10,000/- in respect of the subject property. However, the second respondent failed to pay any advance amount as well as the monthly rent. Therefore, there was a dispute arose between them. Hence, there is absolutely no allegations to attract the



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offences under Sections 61(2)(a) & 318(4) of BNS, since there was no meeting of minds except the relationship in order to cheat the second respondent.

14. Insofar as the offence under Section 61(2)(a) of the BNS is concerned, the charge is wholly misconceived and legally unsustainable. The materials on record do not disclose any prima facie evidence establishing the existence of any prior agreement, meeting of minds, or concerted action between the petitioner and the other accused to commit any illegal act. In the absence of the essential ingredients constituting the offence of criminal conspiracy, the charge under Section 61(2)(a) of the BNS cannot be sustained.

15. As per the complaint lodged by the second respondent no offence is made out as against the petitioner since it is only civil dispute between the petitioner and the second respondent and there is no averments to attract the offence under Section 318(4) of BNS. The second respondent has alleged in the complaint that the petitioner had committed offence under Section 318(4) of BNS. It would thus be necessary to examine the ingredients of the above offences and whether the allegations made in the complaint, read on their face, attract those offences under the Penal Code. Section 316(1) of Penal Code reads thus:-



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*"316(1). Criminal breach of trust — Whoever, being in any manner entrusted with property, or with any dominion over property, dishonestly misappropriates or converts to his own use that property, or dishonestly uses or disposes of that property in violation of any direction of law prescribing the mode in which such trust is to be discharged, or of any legal contract, express or implied, which he has made touching the discharge of such trust, or wilfully suffers any other person so to do, commits "criminal breach of trust".*

A careful reading of Section 316(1) of BNS shows that the ingredients of a criminal breach of trust are as follows:-

(i) A person should have been entrusted with property, or entrusted with dominion over property;

(ii) That person should dishonestly misappropriate or convert to their own use that property, or dishonestly use or dispose of that property or willfully suffer any other person to do so; and

(iii) That such misappropriation, conversion, use or disposal should be in violation of any direction of law prescribing the mode in which such trust is to be discharged, or of any legal contract which the person has made, touching the discharge of such trust.

Thus, it is clear that entrustment is an essential ingredient to attract the offence of criminal breach of trust. A person who dishonestly misappropriates property entrusted to them contrary to the terms of an obligation imposed is liable for a criminal breach of trust punishable under Section 316(2) of BNS.



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16. It is also relevant to extract the provisions under Section 318(4) of BNS as follows :-

> *"318(4). Cheating and dishonestly inducing delivery of property — Whoever cheats and thereby dishonestly induces the person deceived to deliver any property to any person, or to make, alter or destroy the whole or any part of a valuable security, or anything which is signed or sealed, and which is capable of being converted into a valuable security, shall be punished with imprisonment of either description for a term which may extend to seven years, and shall also be liable to fine."*

The ingredients to constitute an offence under Section 318(4) of BNS are as follows :-

> (i) A person must commit the offence of cheating under Section 318(1) and
>
> (ii) The person cheated must be dishonestly induced to (a) deliver property to any person or (b) make, alter or destroy valuable security or anything signed or sealed and capable of being converted into valuable security.

Thus, is it clear that dishonest inducement to deliver a property or to make, alter or destroy any valuable security is an essential ingredient to attract the offence under Section 318(4) of BNS.



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17. It is relevant to rely upon the judgment made by the Hon'ble Supreme Court of India in the case of ***M/s. Indian Oil Corporation Vs. NEPC India Limited and others*** reported in (***2006) 6 SCC 736***, held that the civil liability cannot be converted into criminal liability and it is necessary to take notice of a growing tendency in business circle to convert purely civil dispute in criminal case. This is obviously on account of prevalent impression that civil law remedies are time consuming and do not adequately protect the interest of lender/creditors. Such a tendency is seen in several family disputes also, leading to irretrievable breakdown of marriages/families. There is also an impression that if a person could somehow be entangled in a criminal prosecution, there is a likelihood of imminent settlement. Any effort to settle civil disputes and claim which do not involve any criminal offence by applying pressure through criminal prosecution should be deprecated and dishonoured.

18. In the case of ***G.Sagar Suri Vs. State of Uttar Pradesh*** reported in ***2000 (2) SCC 636***, the Hon'ble Supreme Court of India held as follows:-

> *"It is to be seen if a matter, which is essentially of civil nature, has been given a cloak of criminal offence, criminal proceedings are not a short cut of other remedies available in law. Before issuing process a criminal Court has to exercise a great deal of caution. For the accused it is a serious matter. This Court has laid certain*



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*principles on the basis of which High Court is to exercise its jurisdiction under Section 482 of the Code. Jurisdiction under this Section has to be exercised to prevent abuse of the process of any Court or otherwise to secure the ends of justice."*

The above judgments are squarely applicable to the case on hands. Therefore, the present proceedings cannot be sustained and liable to be quashed.

19. In view of the above discussions, no offence is made out as against the petitioner and the entire allegations are civil in nature and the complaint itself cannot be sustained and is liable to be quashed. Accordingly, the impugned FIR in Crime No.21 of 2026 on the file of the first respondent is hereby quashed as against the petitioner.

20. Accordingly, the Criminal Original Petition stands allowed. Consequently, connected miscellaneous petition is closed.

10.11.2026

Index : Yes/No
Neutral citation : Yes/No
Speaking/non-speaking order
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1. The The Inspector of Police
CCB-I,
Coimbatore - 641 018.

2. The Public Prosecutor
Madras High Court,
Chennai.



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**G.K.ILANTHIRAIYAN. J,**

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and Crl.M.P.No.18230 of 2026

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