Order QR

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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 28-10-2026

CORAM

THE HON'BLE MR JUSTICE G.K. ILANTHIRAIYAN

CRL OP No. 31349 of 2026

CNR:{HCMA012586822026}

AND CRL MP NOS.20813 & 20814 OF 2026

M.V.Varshni
D/o Manoharan,
Flat No.S2, C-Block,
Royal Skyline Apartment,
Krishna Colony,
Narayana Avenue,
Coimbatoe.

..Petitioner(s)

Vs

1. The State Rep. by,
   The Inspector of Police,
   Central Crime Branch,
   Coimbatore City.
   Crime No.13 of 2023.

2. D.Vikram Damodaran
   S/o Late P.R.Damodaran,
   No.24, Kamaraj Road,
   Near Circuit House,
   Coimbatore.

..Respondent(s)

PRAYER: Criminal Original Petition is filed under Section 528 of BNSS, praying to call for the records in CC.No.3594 of 2026 pending on the file of the Learned Judicial Magistrate No.VII, Coimbatore and quash the same.

For Petitioner(s): Mr.A.Kripakaran

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

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This Criminal Original Petition has been filed under Section 528 of the Bharatiya Nagarik Suraksha Sanhita, 2023, seeking to call for the records in C.C.No.3594 of 2026, pending on the file of the learned Judicial Magistrate No.VII, Coimbatore, and quash the same.

2.The case of the prosecution is that the petitioner and her father approached the defacto complainant and induced him to invest in their finance business by promising to repay the amounts invested along with interest at the rate of 60%. Believing their representations, the defacto complainant invested a sum of Rs.50,00,000/- on 17.12.2019 and Rs.20,00,000/- on 16.03.2020. Further, his mother, Mrs. Prema, allegedly advanced a sum of Rs.4,00,00,000/- in cash between December 2019 and June 2020. Subsequently, the defacto complainant, in his capacity as the Joint Managing Director of M/s. Dhandayuthapani Foundry Private Limited, deposited a total sum of Rs.5,00,00,000/- into the petitioner's account on various dates between 23.01.2020 and 11.05.2020. Though the accused initially paid interest, they allegedly failed to pay either interest or the principal amount after April 2021. Consequently, the defacto complainant lodged a complaint dated 22.10.2022, based on which the respondent police registered Crime No.13 of 2023 for the offences under Sections 406 and 420 of IPC. Upon completion of the

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investigation, the respondent police filed a final report, which was taken cognizance of by the learned Judicial Magistrate No.VII, Coimbatore, in C.C.No.3594 of 2026 for the offence under Section 420 of IPC.

3.The learned counsel appearing for the petitioner submits that the accused had agreed to pay interest at the rate of 18% per annum to the defacto complainant and had paid interest till March 2021. This itself is sufficient to establish that the alleged transaction is purely civil in nature. It is further submitted that the defacto complainant has concocted a false and baseless complaint by alleging that the accused had promised a return of 60%. That apart, the transaction is purely monetary in nature and no offence under Section 420 of IPC is made out.

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

5.On perusal of the final report and the statements of the witnesses, it is revealed that specific allegations have been made against the petitioner, which, prima facie, are sufficient to attract the offence under Section 420 of IPC. The veracity of the allegations can be determined only at the stage of trial, upon appreciation of the evidence. The grounds raised by the petitioner involve disputed questions of fact, which cannot be adjudicated at this stage.

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6.On a further perusal of the records, it is seen that the accused were engaged in the finance business, in which the defacto complainant invested a huge sum of money, allegedly amounting to Rs.9,70,00,000/-. Upon receipt of the said amounts, the accused assured the defacto complainant that interest would be paid and initially paid interest for some period. Thereafter, the defacto complainant made further investments, but the petitioner subsequently failed to pay the agreed interest. In view of the specific allegations contained in the final report, a prima facie case for the offence under Section 420 of IPC is made out against the accused. In this regard, Section 420 of IPC, deals with cheating and dishonestly including a person to deliver property or to make, alter or destroy a valuable security.

7.The Hon'ble Supreme Court of India, in the judgment reported in ***2019 (4) SCC 351, in the case of Devendra Prasad Singh Vs. State of Bihar & Anr. (Crl.A.No.579 of 2019, dated 02.04.2019)***, while dealing with a petition seeking to quash the criminal proceedings, held that the High Court has no jurisdiction to appreciate the statements of witnesses and record a finding that there are inconsistencies in their statements and, therefore, no prima facie case is made out against the accused. Such an exercise can be undertaken only by the trial Court while deciding the matter on merits or by the appellate Court while deciding an appeal arising out of the final order.

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8.Further, the Hon'ble Supreme Court of India, in ***Central Bureau of Investigation Vs. Arvind Khanna (Crl.A.No.1572 of 2019, dated 17.10.2019), reported in 2019 (10) SCC 686***, held that the High Court cannot record findings on disputed questions of fact while exercising its jurisdiction to quash criminal proceedings. The defence raised by the accused has to be tested upon appreciation of evidence by the trial Court during the course of trial. Therefore, this Court cannot undertake an adjudication of disputed questions of fact while exercising its jurisdiction under Section 528 of the Bharatiya Nagarik Suraksha Sanhita, 2023.

9.The Hon'ble Supreme Court of India, in another ***Judgment dated 02.12.2019, passed in Crl.A.No.1817 of 2019, in the case of M.Jayanthi Vs. K.R.Meenakshi & Anr.,*** held that while considering a petition seeking to quash a complaint or charge sheet, the Court should not embark upon an enquiry into the validity or sufficiency of the evidence available. The Court is required to examine whether the allegations in the complaint disclose the ingredients constituting the offences alleged. The Court may also examine whether the requisite preconditions for taking cognizance have been complied with and whether the allegations, even if accepted in their entirety, would constitute the alleged offence. Whether the accused would be able to disprove the allegations in a manner known to law is a matter to be considered at a later stage, namely, during the trial.

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10.Further, this Court cannot, at this stage, record a finding as to whether the initiation of the criminal proceedings is malicious or not. The said issue can be considered only upon proper appreciation of the materials and the evidence. Therefore, the grounds raised by the petitioner for quashing the final report/charge sheet cannot be entertained at this stage.

11.In view of the foregoing discussion, this Court is not inclined to quash the proceedings in C.C.No.3594 of 2026, pending on the file of the learned Judicial Magistrate No.VII, Coimbatore. The petitioner is at liberty to raise all the grounds available to her before the trial Court. 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.

12.Accordingly, this Criminal Original Petition stands dismissed. Consequently, the connected miscellaneous petitions are also closed.

28-10-2026

Index: Yes/No
Speaking/Non-speaking order
Neutral Citation: Yes/No
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To

1.The Judicial Magistrate No.VII,
Coimbatore.

2.The Inspector of Police,
Central Crime Branch,
Coimbatore City.

3.The Public Prosecutor,
High Court, Madras.

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