

**IN THE HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD**

**TUESDAY, THE FOURTH DAY OF NOVEMBER
TWO THOUSAND AND TWENTY FIVE**

PRESENT

THE HONOURABLE SRI JUSTICE J SREENIVAS RAO

CRIMINAL PETITION NO: 6862 OF 2023

Between:

1. Chekuru Hanumanthu Naidu, S/o. Ramanaidu, Aged 57 years, Occ Business, R/o. H.No.8-4-300/1/A, Kalpataru Towers, A/1412, Ashok Marg, Prem Nagar, Sanathnagar, Hyderabad 500018.
2. Ramapilla Guru Venkata Sai Prasad, S/o. Durga Rao, Aged. 50 years, Occ. Business, R/o. H.No. 8560, Janapriya Metro Polis, Mothinagar, Sanathnagar, Hyderabad 500018.

...Petitioner/Accused Nos.1 & 2

AND

1. The State of Telangana, Through Public Prosecutor, High Court for State of Telangana at Hyderabad.

...Respondent/Respondent

2. Cherukuri Shiva Prasad, S/o. Cherukuri Venkaiah, Aged. 40 years, Occ. Business, R/o. H.No. 8-3-228/581/26/B, Rahamath Nagar, Yousufguda, Hyderabad - 500045. Mobile No. - 9949177707

...Respondent No.2/Defact Complainant

Petition under Section 482 of Cr.P.C 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 C.C. No. 641 of 2023 on the file of III Additional Junior Civil Judge-Cum-XIV Additional Metropolitan Magistrate. Medchal-Malkajgiri District, At Kukatpally for the offences under Sections 420, 504, 506 R/W. 34 of the Indian Penal Code, 1860 against the Petitioners/ Accused Nos. 1 and 2.

I.A. NO: 2 OF 2023

Petition under Section 482 of Cr.P.C praying that in the circumstances stated in the Memorandum of Grounds of Criminal Petition, the High Court may be pleased to stay all further proceedings in C.C.No.641 of 2023 on the file of III Additional Junior Civil Judge-Cum-XIV Additional Metropolitan Magistrate,

Medchal-Malksajgiri District, At Kukatpally for the offences under Sections 420, 504, 506 R/W.34 of the Indian Penal Code, 1860 against the Petitioners/ Accused Nos. 1 and 2 including personal appearance of the Petitioner/ Accused Nos. 1 and 2, pending disposal of the criminal petition.

This Petition coming on for hearing upon perusing the Memorandum of Grounds of Criminal Petition and upon hearing the arguments of Sri BAGLEKAR AKASH KUMAR, Advocate for the Petitioner and the Sri M Vivekananda Reddy, Assistant Public Prosecutor on behalf of the Responcent No.1, and of Sri Neerudu Shiva Kumar, Advocate for the Respondent No.2.

The Court made the following: ORDER

THE HONOURABLE SRI JUSTICE J.SREENIVASA RAO

CRIMINAL PETITION No.6862 OF 2023

ORDER:

This Criminal Petition has been filed seeking to quash the proceedings in C.C. No. 641 of 2023 on the file of the III Additional Junior Civil Judge-cum-XIV Additional Metropolitan Magistrate, Medchal-Malkajgiri District, wherein the petitioners have been arrayed as accused Nos. 1 and 2 for the offences punishable under Sections 420, 504, and 506 read with Section 34 of the Indian Penal Code, 1860.

2. When this matter was taken up for consideration on 31.10.2023, there was no representation on behalf of respondent No. 2. Subsequently, the matter again came up for hearing on 29.07.2025. On that date also, there was no representation on behalf of respondent No. 2. Once again, the matter came up for hearing on 25.10.2025. On that day also, there was no representation on behalf of respondent No.2 either virtually or physically, and the learned counsel for the petitioners was heard. However, in order to give one more opportunity to respondent No. 2, the matter was posted to 03.11.2025 under the caption 'For Orders'. Despite the matter being listed under the said caption,

even today there is no representation on behalf of respondent No. 2. Hence, this Court has no option except to proceed with the matter on merits.

3. Heard Sri Baglekar Akash Kumar, learned counsel for the petitioners, and Sri M. Vivekananda Reddy, learned Assistant Public Prosecutor appearing on behalf of respondent No. 1.

4. The case of the prosecution, in brief, is that the de-facto complainant alleged that in June 2022, he approached accused Nos. 1 and 2, seeking a security contract. It is alleged that they demanded ₹50,000/-, of which ₹30,000/- was paid in cash on 26.08.2022, and the balance amount of ₹20,000/- was subsequently paid through PhonePe. Despite receiving the total amount, the accused failed to allot the contract and kept postponing it. On 05.01.2023, when the complainant sought a refund, the accused allegedly abused and threatened him with dire consequences.

5. Learned counsel for the petitioners submits that the petitioners have not committed any offence and have been falsely implicated in the present case. Even if the allegations made in the complaint and the charge sheet are read together, the essential ingredients of the offences under Sections 420, 504, and 506 read with Section 34 of the Indian Penal Code, 1860, are not attracted.

The only allegation made in the complaint is that the petitioners failed to provide security agency contract work to respondent No. 2 despite having received an amount of Rs. 50,000/-. The aforesaid allegations are purely civil in nature, arising out of a contractual dispute. If respondent No. 2 was aggrieved, he ought to have approached the competent Civil Court seeking enforcement of the contract. Instead, he has invoked criminal proceedings, which is impermissible in law. It is further submitted that the Investigating Officer, without conducting a proper investigation, has filed the final report reiterating the very same allegations made by respondent No. 2 in the complaint. Hence, the continuation of the proceedings against the petitioners amounts to a clear abuse of the process of law. In support of his contention, learned counsel for the petitioners have relied upon the principles laid down by the Hon'ble Apex Court in **V.P.Shrivastava v. Indian Explosives Limited and others¹** and **Vikram Johar v. State of Uttar Pradesh and Another²**.

6. *Per contra*, learned Assistant Public Prosecutor submits that the petitioners, with a dishonest intention, received the amount from respondent No. 2 and failed either to provide the contract

¹ (2010) 10 SCC 361

² (2019) 14 SCC 207

work or to refund the said amount. It is further submitted that there are specific allegations levelled against the petitioners which prima facie attract the ingredients of the aforesaid offences. Whether the petitioners have actually committed the offences or not is a matter to be decided after a full-fledged trial. Therefore, on the grounds raised in the present Criminal Petition, the petitioners are not entitled to seek quashing of the proceedings.

7. Having considered the rival submissions made by the respective parties and upon perusal of the material available on record, it reveals that respondent No. 2 lodged a complaint against the petitioners on 02.03.2023. A perusal of the complaint shows that the petitioners received an amount of Rs. 50,000/- from respondent No. 2, promising to provide him with security agency contract work. However, the petitioners neither fulfilled their promise nor refunded the said amount. The allegations made in the complaint as well as in the charge sheet clearly reveal that the dispute between the parties is civil in nature, pertaining to the alleged non-provision of a service agency contract in favour of respondent No. 2.

8. In **V.P. Shrivastava** supra, the Hon'ble Supreme Court held that to constitute the offence of cheating, it must be shown that the

accused had a fraudulent or dishonest intention at the very inception, i.e., at the time of making the representation or entering into the agreement. Such culpable intention cannot be presumed merely because the promise was not subsequently fulfilled. The Court further held that a mere use of terms like "defraud" or "cheat in a complaint, without specific averments showing dishonest intention at the inception, is insufficient to attract the ingredients of the offence under Section 420 IPC. It emphasized that the substance of the complaint must disclose a clear intention to deceive from the beginning, and failure of performance by itself does not amount to cheating.

9. In **Vikram Johar** supra, the Hon'ble Supreme Court reiterated that to constitute an offence of criminal intimidation under Sections 503 and 506 IPC, there must be a clear act of threatening another person with intent to cause alarm, or to compel that person to do or omit an act which he is legally entitled to do. Mere abuse or expression of words without any intention to cause alarm does not attract the ingredients of criminal intimidation. Referring to **Manik Taneja v. State of Karnataka**³, the Court held that in the absence of any material showing an intention to

³ (2015) 7 SCC 423

cause alarm to the complainant, mere allegations of abuse or obstruction are insufficient to constitute an offence under Section 506 IPC.

10. The Hon'ble Apex Court in **Anukul Singh v. State of Uttar Pradesh and another**⁴, while taking into consideration the principles laid down in **Inder Mohan Goswami and another v. State of Uttaranchal and others**⁵ and **Shailesh Kumar Singh @ Shailesh R.Singh v. State of Uttar Pradesh and others**⁶, held that the practice of using criminal proceedings as a substitute for civil remedies is impermissible, observing that money recovery cannot be enforced through criminal prosecution where the dispute is essentially civil in nature.

11. Applying the aforesaid principles to the facts of the present case, it is evident that the dispute concerning repayment of money in respect of the service agency contract between the petitioners and respondent No. 2 is purely civil in nature. The essential ingredients of the offences of cheating and other related offences are not made out.

⁴ Criminal Appeal No.4250 of 2025

⁵ AIR 2008 SC 251

⁶ Criminal Appeal No.2963/2025 decided on 14.07.2025 : 2025 INSC 869

12. It is pertinent to mention that the law governing the exercise of inherent powers under Section 482 Cr.P.C. or the extraordinary writ jurisdiction under Article 226 is well settled by the decision in **State of Haryana v. Bhajan Lal**⁷, wherein the Hon'ble Apex Court illustratively catalogued categories of cases warranting quashment, such as when the allegations taken at face value do not constitute an offence, are absurd or inherently improbable, are actuated by mala fides, or where continuance of proceedings would amount to abuse of process, while cautioning that such power must be sparingly invoked to secure the ends of justice.

13. For the foregoing reasons and the peculiar facts and circumstances of the case as well as the principles laid down by the Hon'ble Apex Court in **Bhajan Lal's case (supra)**, this Court is of the considered opinion that it is a fit case to invoke the provisions of Section 482 of Cr.P.C. to quash the proceedings against the petitioner.

14. In the result, the criminal petition is allowed. The proceedings against the petitioners/accused Nos.1 and 2 in C.C.No.641 of 2023 on the file of the III Additional Junior Civil

⁷ 1992 Supp (1) SCC 335

Judge-cum-XIV Additional Metropolitan Magistrate, Medchal-Malkajgiri District, are hereby quashed.

As a sequel, miscellaneous petitions pending, if any, shall stand closed.

SD/- A PRATHIMA
DEPUTY REGISTRAR

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SECTION OFFICER

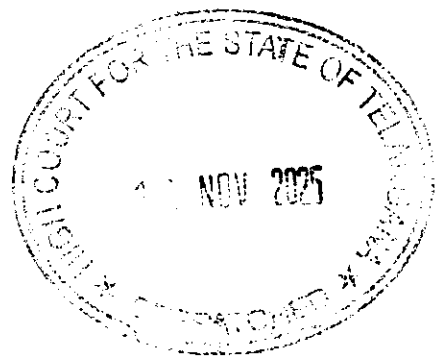
To,

1. The XII Additional Metropolitan Magistrate Cyberabad at Kukatpally, Rangreddy District.
2. The Station House Officer, Sanathnagar Police Station, Cyberabad.
3. Two CCs to the Public Prosecutor, High Court for the State of Telangana at Hyderabad [OUT]
4. One CC to SRI BAGLEKAR AKASH KUMAR, Advocate [OPUC]
5. One CC to SRI Neerudu Shiva Kumar, Advocate [OPUC]
6. Two CD Copies

 NVB/ABK

HIGH COURT

DATED:04/11/2025



ORDER

CRLP.No.6862 of 2023

ALLOWING THE CRIMINAL PETITION

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ASV
18/11/25