

IN THE HIGH COURT FOR THE STATE OF TELANGANA AT HYDERAAB

**THURSDAY, THE TWENTY THIRD DAY OF JANUARY TWO THOUSAND AND
TWENTY FIVE**

**:PRESENT:
THE HONOURABLE SMT JUSTICE JUVVADI SRIDEVI**

**IA No. 2 OF 2024
IN
CRLP NO: 16448 OF 2024**

Between:

Mr. C. Parthasarathy, S/ o. Late Dr. C. R. Rajagopalan, Occu- Chairman and
MD of Karvy Stock Broking Ltd. R/o. Plot No. 648, H. No. 8-2-293/82/A/648,
Road No. 34, Jubilee Hills, Hyderabad 500 033

...Petitioner/Accused No.2
(Petitioner in CRLP 16448 OF 2024
on the file of High Court)

AND

1. The State of Telangana, Represented by the Public Prosecutor, High Court of Telangana Through Station House Officer, CCS DD III, Hyderabad.
2. Vijay Kumar Bachalakuri, S/o Lazar, Occ. Government Employee, R/o Plot No. 78, Mallapur, Kapra Village, Hyderabad - 500039.
3. Anna Benny, represented by Benny Jose, Occ. Retired 58, Park View Apartment Market Road, Eranakulam 682011
4. Sheela Thomas, Representing Late Mr Thomas John, Vallakalil House, TC 10/428 Mannanthala PO Trivandrum 659015
5. Thankachan John, Vnra 31 49/83 B Vivekananda Nagar, Ernakulam 682026.

...Respondents/Complainant
(Respondents in-do-)

**Counsel for the Petitioner : Sri Avinash Desai, Senior Counsel appearing
on behalf of Sri T.P.S. Harsha**

**Counsel for the Respondent No.1 : Sri V. Jithendar Rao, Addl. PUBLIC
PROSECUTOR**

Petition under Section 528 of BNSS praying that in the circumstances stated in the grounds filed in support of the petition, the High Court may be pleased to stay all further proceedings against the Petitioner in Crime/FIR 234 of 2022 dated 26/10/2022 registered at CCS DD, Hyderabad, pending disposal of CRLP No. 16448 of 2024, on the file of the High Court.

The Court made the following

ORDER:

This application is filed to grant stay of all further proceedings against petitioner/accused No.2 in FIR No.234 of 2022 of Central Crime Station, Hyderabad, registered for the offences under Sections 406 and 420 of IPC.

Heard Sri Avinash Desai, learned Senior Counsel appearing on behalf of Sri T.P.S. Harsha, learned counsel for the petitioner and Sri Jithender Rao Veeramalla, learned Additional Public Prosecutor appearing for the State.

Learned Senior Counsel for the petitioner submits that respondent Nos.2 to 4 have invested amounts in accused No.1-Company (KRIL) in the year 2019. The petitioner and accused No.3 alleging to be Directors have lured the respondent Nos.2 to 4, cheated them and caused loss to them. The present complaint was lodged by the 2nd respondent on 26.10.2022.

Learned Senior Counsel further submits that respondent Nos.3 and 4 have also lodged two complaints, dated 01.09.2022 against the petitioner herein. The petitioner/accused No.2 was appointed as Additional Director on 21.06.2021 and he is in no way concerned with the alleged transactions of respondent Nos.2 to 5 that had taken place from April, 2019 to March, 2021. He further submits that the petitioner was neither a Director of KRIL at the time of either KRIL accepting the funds or issuing the alleged post-dated cheques, he was not even a signatory to the alleged cheques and he had no role to play whatsoever in the day-to-day affairs of the Company, hence, the offences alleged against him are not at all attracted.

In support of his contention, learned Senior counsel relied on the judgment of Hon'ble Supreme Court in *GHCL Employees Stock Option Trust v. Kranti Sinha*¹, wherein, at paragraph No.17, the judgment of *Maksud Saiyed v. State of Gujarat*², the Hon'ble Supreme Court, while discussing vicarious liability observed as under:

13. Where a jurisdiction is exercised on a complaint petition filed in terms of Section 156 (3) or Section 200 of the Code of Criminal Procedure, the Magistrate is required to apply his mind. The Penal Code does not contain any provision for attaching vicarious liability on the part of the Managing Director or the Directors of the Company when the accused is the Company. The learned Magistrate failed to pose unto himself the correct question viz. as to whether the complaint petition, even if given face value and taken to be correct in its entirety, would lead to the conclusion that the respondents herein were personally liable for any offence. The Bank is a body corporate. Vicarious liability of the Managing Director and Director would arise provided any provision exists in that behalf in the statute. Statutes indisputably must contain provision fixing such vicarious liabilities. Even for the said purpose, it is obligatory on the part of the complainant to make requisite allegations which would attract the provisions constituting vicarious liability."

Hence, learned Senior Counsel prayed to grant stay of all further proceedings against the petitioner/accused No.2.

¹ (2013) 4 SCC 505

² (2008) 5 SCC 668

On the other hand, learned Additional Public Prosecutor submits that there are specific allegations against the petitioner. Hence, he prayed this Court to dismiss the petition.

On a perusal of the material on record, it is apparent that petitioner/accused No.2 was appointed as Additional Director on 21.06.2021 and alleged transactions of respondent Nos.2 to 5 had taken place from April, 2019 to March, 2021. In the said circumstances, there shall be stay of all further proceedings against the petitioner/accused No.2 in Crime No.234 of 2022 of Central Crime Station, Hyderabad, till 29.04.2025.

SD/-T.JAYASREE
ASSISTANT REGISTRAR

//TRUE COPY//

SECTION OFFICER

To,

1. The XII Addl. Chief Metropolitan Magistrate at Nampally, Hyderabad.
2. The Station House Officer, P.S. CCS, DD, Hyderabad
3. Vijay Kumar Bachalakuri, S/o Lazar, Occ. Government Employee, R/o Plot No. 78, Mallapur, Kapra Village, Hyderabad - 500039.
4. Anna Benny, represented by Benny Jose, Occ. Retired 58, Park View Apartment Market Road, Eranakulam 682011
5. Sheela Thomas, Representing Late Mr Thomas John, Vallakalil House, TC 10/428 Mannanthala PO Trivandrum 659015
6. Thankachan John, Vnra 31 49/83 B Vivekananda Nagar, Ernakulam 682026. (3 to 6 by RPAD- along with a copy of petition and memorandum of grounds)
7. One CC to SRI T.P.S. Harsha, Advocate [OPUC]
8. Two CCs to PUBLIC PROSECUTOR, High Court at Hyderabad. (OUT)
9. One spare copy

HIGH COURT

JS,J

DATED:23/01/2025

ORDER

**I.A.NO.2 OF 2024
IN
CRLP.No. 16448 of 2024**



STAY