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CRL.O.P.No.17275 of 2023

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 20.04.2026

CORAM:

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

Crl.O.P.No.17275 of 2023 and
Crl.MP.No.11195 of 2023

Karthick Kumar Chinnaraj

... Petitioner

Vs.

1.State Rep by
The Inspector of Police,
MM Colony Police Station,
Redhills, Thiruvallur
2.Sethuraman

.. Respondents

PRAYER: Criminal Original Petition is filed under Section 482 of Cr.P.C. praying to call for the records and to quash the FIR in crime No.38 of 2023 on the file of the Inspector of Police, M.M.Colony, Redhills, Thiruvallur.

For Petitioner : Ms.S.Niharika
for Mr.Ashwinkumar A.

For Respondents

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

For R2 : No appearance

ORDER

This criminal original petition has been filed to quash the F.I.R. in crime No.38 of 2023 on the file of the Inspector of Police, M.M.Colony, Redhills, Thiruvallur.



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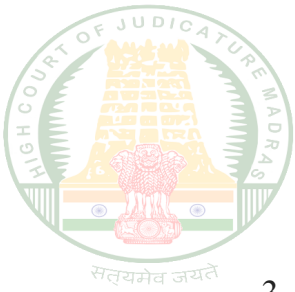
2. The case of the prosecution is that on 24.01.2003, the respondent

No.2/De-facto Complainant, Sethuraman went to MM Police Station and gave complaint to the Sub-Inspector Namanthanya. It was stated that the 2nd Respondent was working in 5K Care Car Cleaning and polishing centre which is situated at Madhavaram, Chennai from April 2021. The Petitioner is the owner of 5K Car Care and has allegedly attracted the 2nd Respondent by false promises to invest in his business. Thereafter, the 2nd Respondent/de-facto Complainant was interested in doing business with the Petitioner by buying the rights of the 5K Car Care Franchise. The Petitioner asked for an amount of Rs.50,00,000/- (Rupees Fifty Lakhs Only) for the sale of Franchise rights. Accordingly, the 2nd Respondent paid an amount of Rs.42,54,731/- through bank transfer and the rest by way of cash. The Petitioner has allegedly cheated the 2nd Respondent/de-facto Complainant for an amount of Rs.10,00,000/- by selling the machines to me at Rs.17,00,000/-, for which the market price is only around Rs.7,00,000/- The Petitioner charged the 2nd Respondent/de-facto Complainant an amount of Rs.6,00,000/- for interior decoration and advertisement banner whereas the real market price was only an amount of Rs.1,50,000/- and has allegedly defrauded the 2nd Respondent/de-facto Complainant of Rs.4,50,000/-. The Petitioner also charged Rs.10,00,000/- for using the 5K car care's brand name and has allegedly cheated the 2nd. Respondent/de-facto Complainant by charging Rs.50,000/- per month for daily



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usage of items, which is available at Rs 20,000/- per month. The Petitioner was sending well trained staffs at the starting stage of the business but allegedly started sending untrained employees after two months with the sole intention to cause loss to the 2nd Respondent/de-facto Complainant's business. Due to this alleged act caused by the Petitioner, there was dissatisfaction among customers which in turn decreased the number of customers. The 2nd Respondent/de-facto Complainant therefore stopped the association with 5K Car Care and started his own company. Thereafter, the Petitioner allegedly insisted the 2nd Respondent/de-facto Complainant to enter into a Tri-party Rent Agreement for the using the business place. The 2nd Respondent/de-facto Complainant after consulting with the landowner rejected the Tri-party agreement proposal and entered into agreement with the landlord directly. The 2nd Respondent/de-facto Complainant contacted the Petitioner and asked back the money he spent for the Franchise Agreement and the Petitioner allegedly asked the 2nd Respondent to come near Mathur Tollgate. The 2nd Respondent/de-facto Complainant arrived at the Tollgate and met the Petitioner's cousin Raanjith and employees namely Ranjith, Arun who allegedly threatened to kill the 2nd Respondent/de-facto Complainant with a knife and warned him not to ask for the Franchise amount refund and to hand over the franchise. On the complaint lodged by the second respondent, the first respondent registered FIR in crime No.38 of 2023 for the offences under Sections 406, 420 & 506(2) of IPC.



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3. Though notice was served on the second respondent, no one on behalf of the second respondent appeared before this Court either by party or through pleader.

4. On perusal of the entire FIR, it is revealed that the accused is the managing director of the company that provides services either through their direct outlets or through franchises. Likewise, they have 152 branches in all over Tamilnadu, out of which 25 are direct outlets and 127 branches are in the nature of franchise. While so, the second respondent approached the accused seeking for a franchise to be started in Madhavaram in Chennai. The accused provided the second respondent with necessary details with the cost involved and the liabilities of the franchise. After knowing the terms and conditions and also the charges by way of various email communications, the second respondent invested a sum of Rs.38,94,000/-. The said cost include free lodging and training of students for a period of six months in the training centers of the accused in order to employ them in the second respondent's franchise. Accordingly, the second respondent was issued with proforma invoice dated 25.02.2021. As per the agreement, the second respondent was provided with machineries and all services under tax invoice dated 01.07.2025. Though the accused insisted to enter into an agreement to that extent, the second respondent delayed the execution of franchise agreement and the second

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respondent continued to operate the accused franchise name for the past three years. While being so, in the month of July 2022, the second respondent

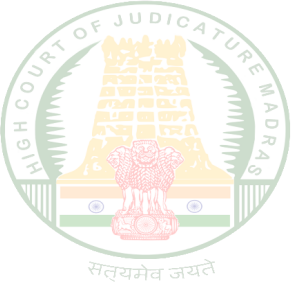
wanted to run business in his own name i.e. Autodoc Enterprises and demanded to repay the entire money for which products were delivered and services rendered already. When the accused refused to refund the money, the second respondent made the above said allegations. After having been acted upon as per the agreement and after having been received all services from the accused, the second respondent now cannot make allegations that the accused excessively received amount. If at all any dispute over the amount which was fixed and paid by the second respondent, the second respondent ought to have approached the civil court for appropriate relief as it is completely commercial transaction between the accused and the second respondent. As such, no offence under Sections 406, 420 & 506(2) of IPC are made out as against the petitioner.

5. Therefore, this criminal original petition is allowed and the entire impugned proceedings is quashed. Consequently, connected miscellaneous petition is closed.

20.04.2026

Index : Yes/No
Neutral citation : Yes/No
Speaking/non-speaking order
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G.K.ILANTHIRAIYAN, J.

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To

- 1.State Rep by
The Inspector of Police,
MM Colony Police Station,
Redhills, Thiruvallur
2. The Public Prosecutor,
High Court, Madras.

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