



CNR: KAH010351612022

NC: 2026:KHC:53154
WP No. 15535 of 2022

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 24TH DAY OF SEPTEMBER, 2026

BEFORE

THE HON'BLE MR. JUSTICE V SRISHANANDA

WRIT PETITION NO.15535 OF 2022 (GM-RES)

BETWEEN:

SRI NAGARAJA V
S/O VENKATAPPA REDDY
AGED ABOUT 48 YEARS
R/A NO.225, KOPPA VILLAGE
JIGANI HOBLI, ANEKAL TALUK
BENGALURU DISTRICT-562137

...PETITIONER

(BY SRI ARUNA SHYAM.M, SENIOR ADVOCATE FOR SRI LIKITH
R.P, ADVOCATE)

AND:

1. STATE OF KARNATAKA
BY CHENNAMMANAKERE ACHUKATTU
POLICE STATION
REPRESENTED BY HCGP
HIGH COURT OF KARNATAKA
HIGH COURT BLDG
BANGALORE-560001

Digitally
signed by R
MANJUNATHA
Location:
HIGH COURT
OF
KARNATAKA

2. SRI SRIDHAR SOMASHEKAR
S/O LATE K SOMASHEKAR
AGED ABOUT 39 YEARS
R/A NO.99/4A, ASHOKNAGAR
BSK 1ST STAGE
BENGALURU-560 050

...RESPONDENTS

(BY SMT.WAHEEDA.M.M, HIGH COURT GOVERNMENT PLEADER
FOR R1;

SRI AIYAPPA.K.G, ADVOCATE R2)



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THIS WRIT PETITION IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA R/W SECTION 482 CODE OF CRIMINAL PROCEDURE PRAYING TO QUASH THE FIR REGISTERED IN CRIME NO.311/2018 FOR THE OFFENCES PUNISHABLE UNDER SECTION 406, 408, 419, 420, 467, 468, 469, 471, 506, 120B OF IPC READ WITH SECTION 65 AND 66 OF I.T. ACT VIDE ANNEXURE-A AND THE CHARGE SHEET AND ALL OTHER FURTHER PROCEEDINGS ON THE FILE OF THE I ADDL. CHIEF METROPOLITAN MAGISTRATE, BENGALURU IN C.C.NO.164/2021 VIDE ANNEXURE-C AND ETC.,

THIS PETITION, COMING ON FOR PRELIMINARY HEARING IN 'B' GROUP, THIS DAY, ORDER WAS MADE THEREIN AS UNDER:

CORAM: HON'BLE MR. JUSTICE V SRISHANANDA

ORAL ORDER

Heard Sri Aruna Shyam M., learned Senior Counsel appearing on behalf of Sri Likith R.P., counsel for the petitioner, Smt. Waheeda M.M., learned High Court Government Pleader for the respondent No.1 and Sri Aiyappa K.G. learned counsel for respondent No.2.

2. Fifth accused in CC No.164 of 2021, charged with the offences under Section 120B, 506, 408, 406, 471, 420, 467, 468, 465, 469 and 419 of Indian Penal Code, read with Section 65 and 66 of Information Technology Act, 2000 is



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challenging the order taking cognizance dated 4.01.2021 in this petition with the following prayer.

"Wherefore, the petitioner most humbly prays that this Hon'ble Court be pleased to:

a) ISSUE A writ of certiorari quashing the FIR registered in Crime No.311/2018 for the offences punishable under Section 406, 408, 419, 420, 467, 468, 469, 471, 506, 120B of IPC read with Section 65 and 66 of I.T. Act vide Annexure-A and the charge sheet and all other further proceedings on the file of the I Additional Chief Metropolitan Magistrate, Bengaluru in C.C.No.164/2021 vide Annexure-C"

3. Facts in the nutshell which are utmost necessary for disposal of the present petition are as under:

4. Fifth accused claim that he is a businessman engaged in the business of manufacturing ready mix concrete and allied products for ongoing construction and infrastructure development. In the course of running said business, he got acquainted with Sri G.T. Srinivas (accused No.1). Said Srinivas represented that he is the managing director of M/s Vinyas Constructions Private Limited and he stated that he is in the business of real estate and developing the residential projects.



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He also assured the petitioner that the business of the petitioner could be utilized by him in the upcoming projects and wanted his expertise to his company as well.

5. After the repeated meetings, petitioner was given the offer by said accused No.1 - Srinivas to take the directorship in the company for which the accused No.1 is the Managing Director namely, M/s. Vinyas Constructions Private Limited.

6. In order to augment the business of the petitioner, he agreed and became a Director of the said company without any remuneration. Petitioner did not know about the other Directors of M/s.Vinyas Construction Private Limited and other persons who are connected with the said company. Later on, he was informed that second respondent was one of the Directors of the said company who had also agreed that petitioner be inducted as a Director of the company.

7. When the matter stood thus, respondent No.2 filed a complaint before respondent No.1 alleging that he was appointed as the Managing Director in the year 2010 and was holding Rs.16,30,000/- worth of shares face value of which was



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Rs.10/- each as on 31.03.2016 and subsequently G.T. Srinivas (accused No.1) was appointed as the Director in the year 2015 and later on said Srinivas was appointed as Managing Director in the year 2016.

8. It is also alleged by respondent No.2 that in the month of July 2018, G.T.Srinivas (accused no. 1) forced respondent No.2 to transfer Rs.15,00,000/- worth of shares and when second respondent refused for the said suggestion of accused no. 1, started threatening the second respondent.

9. It is specifically contented in the complaint that on 09.10.2018 second respondent learnt that he was removed from the directorship in the company - M/s. Vinyas Construction Private Limited in active collusion with accused No.4 who is the company secretary and had uploaded Form No.DIR-12 in the MCA website on 02.10.2018 by forging a resignation letter dated 20.09.2018.

10. It was also alleged that petitioner was appointed as the Director after second respondent has been removed, again using the Form No.DIR-12 and uploading the same on MCA website with active collusion of accused No.4.



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11. As such, based on the written complaint, police registered the case in Crime No.311 of 2018 and investigated the matter and filed the charge sheet.

12. Being aggrieved by the order taking cognizance, petitioner has approached this Court on the following grounds:

- *The entire sheet material does not indicate any involvement of the petitioner in respect of the commission of the offences and further the charge sheet material also indicate that the son of Accused No.1 was appointed as Director of the company on 23.07.2018 and none of the signatures of the petitioner was forthcoming in any of the resolutions of the Board meetings from the date of appointment upto the day when petitioner has resigned, nor any of the forms in which the offences are committed and on the hypothesis assumption of the Complaint who also does not assert any positive act.*
- *The petitioner has fully cooperated in the investigation and had also given a statement that he is in no way concerned with the affairs of the company. He has specifically stated that he has not acquired any ownership nor holds any shares of M/s. Vinyaas Constructions Pvt. Ltd. at any point of time. Further, the documents which is collected by the Investigation Officer from the Asst. Registrar of Companies also indicates that the petitioner is in no way involved in the affairs and was total stranger, neither the attendance register nor the document indicating the participation of the*



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petitioner exhibits that he has participated in the day to day affairs of the business of M/s.Vinyaas Constructions Pvt. Ltd.

- *The petitioner had also given a statement to the police that he is purely into the business of manufacturing ready mix concrete and as such he was associated with construction companies and had signed certain documents. The petitioner is not at all aware of the documents manipulated and uploaded in MCA website. The petitioner is innocent of the offence and was certain that after the completion of investigation, 1st Respondent police would drop him from the case.*
- *Even now looking into the fabricated materials that is the resignation letter, no incriminating material is forth coming as against the petitioner. So far as the other allegations of the 2nd Respondent of transfer of shares by the Accused No.1, charges are not substantiated in the investigation papers and as per the charge sheet material, the final statement submitted to the registrar of companies shows that the transfer of shares in favour of the other Accused No.1 is acknowledged by the 2nd Respondent by subscribing his signature & as such absolutely no criminality on the part of the petitioner is forthcoming even otherwise as there is absolutely no documents or materials except the averments of the complainant that the petitioner was shown to be appointed as Director and some documents were created showing that the petitioner was the Director of the Company from the year 2016. The*



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petitioner has been forced to face a criminal proceedings under Section 120B of Cr.P.C

- *Even if the trial were to be conducted, there is absolutely no material to establish to bring home the charge of conspiracy that the petitioner had knowledge of the offences. Apart from the statement of the complainant, there is no circumstantial evidence to prove the offences against petitioner and is falsely implicated largely on the inference drawn by the complainant without any material & in consequence of which the petitioner has to face long standing trial & the same would only be a futile exercise without there being any concrete material in the charge sheet."*

13. Sri Aruna Shyam, learned Senior Advocate representing Sri Likith R.Prakash, learned counsel for the petitioner/accused No.5, reiterating the grounds urged in the memorandum of writ petition would contend that either in the complaint or in the charge sheet material, except omnibus allegations that present petitioner also colluded with accused No.1 and conspired with accused No.1, there is no other material which would form plausible or possible nexus in the alleged forgery of the resignation letter of respondent No.2 and uploading the necessary documents in Form No.DIR 12 in the



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MCA (Ministry of Company Corporate Affairs) website by misusing the digital signature etc.

14. Sri Aruna Shyam would further contend that mere using the words 'colluded or conspired' would not be sufficient enough to proceed against the present petitioner that too with the criminal charges in the absence of any supportive material collected by the Investigation Agency. Thus sought for quashing of the Order taking cognizance and charge sheet, insofar as petitioner is concerned.

15. Sri Aruna Shyam would bring to the notice of this Court that after the petitioner came to know about these aspects of the matter, being a dutiful citizen, tendered his resignation to M/s Vinyas Construction Private Limited on 11.06.2019 and the same was informed to the Investigation Agency when the petitioner was called for investigation by issuing the notice by the Investigation Agency.

16. Sri Aruna Shyam would lastly emphasize that when the petitioner was inducted as a Director, there was a tacit understanding that he would not be receiving any remuneration or other perquisites from M/s Vinyas Construction Private



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Limited from the date he was inducted as a Director and he resigned as Director to M/s Vinyas Construction Private Limited.

17. As such, continuation of the criminal case insofar as the petitioner is nothing but gross abuse of process of law and thus sought for allowing the petition on 11.06.2016.

18. *Per contra*, Smt. Waheeda M. M ., learned High Court Government Pleader, would support the filing of the charge sheet by contending that by fraudulent act of accused No.1 with the active assistance of accused No.4, it is the present petitioner who is the beneficiary. Therefore, it should be presumed that there was a clear understanding between the petitioner and the accused Nos.1 and 4.

19. She would also contend that Investigation Agency has collected material against petitioner herein in the form of statements of the complainant and other witnesses which would be sufficient enough to proceed with the criminal case as against the petitioner is concerned and thus sought for dismissal of the petition.

20. Learned counsel for the respondent No.2-Sri Aiyappa K.G. while adopting the arguments put forth on behalf



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of learned High Court Government Pleader would further contend that accused No.1 was only a Director at the beginning and he was made as Managing Director in the year 2016. Once the accused No.1 became the Managing Director, he started pestering the second respondent to sell shares worth 15 lakhs with face value of Rs.10/- to accused No.1. When such demand of accused No.1 was not acceded to by the second respondent, accused No.1 with the active aid of accused No.4, clandestinely removed the second respondent from the Directorship by forging the resignation letter and uploading the same in MCA website.

21. Sri Aiyappa would further contend that in the place of the second respondent, it is the present petitioner who has been appointed as the Director. Further, such reconstitution in the formation of the Company was also uploaded on the MCA website again by misusing the digital signature and based on the forged documents.

22. Therefore, it must be presumed that present petitioner had also had a hand in the alleged fraud. For establishing such intentions, seldom positive evidence would be



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available. As such, material on record was sufficient enough for the learned Trial Judge to take cognizance and proceed with the case based on the charge sheet material and thus sought for dismissal of the petition.

23. Having heard the arguments of both sides, this Court noted that M/s Vinyas Construction Private Limited was the company which was actually formed by the respondent No.2 at its inception. Accused No.1 was made as Director in the year 2015. Later on, he was made as Managing Director in the year 2016.

24. In the month of September 2018, a letter said to have been concocted by accused No.1, styling it as 'resignation letter' of second respondent and uploaded the same in Form No.DIR 12 in the MCA website by mis-utilizing the digital signature.

25. Pertinently, allegations in this regard in the complaint itself by the respondent No.2 is against accused Nos.1 and 4 only.



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26. Accused No.1 is the Managing Director of M/s Vinyas Construction Private Limited and accused No.4 is the Company Secretary.

27. It is further allegation of the complainant that in the place of respondent No.2, present petitioner who is accused No.5 was inducted as a Director, after uploading disputed resignation letter.

28. Therefore, the Investigation Officer has arraigned the present petitioner as accused No.5. In the charge sheet omnibus allegations are found that that present petitioner colluded and conspired with other accused persons in the alleged fraud. No material whatsoever is collected in this regard except the oral statements of the accused, complainant and other witnesses.

29. Pertinently, the present petitioner though inducted as a Director, did not draw a single paisa as salary from M/s Vinyas Construction Private Limited nor any perquisites.

30. In fact, when the petitioner came to know about these aspects of the matter, he tendered his resignation to the



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Directorship of M/s Vinyas Construction Private Limited on 11.06.2019 itself.

31. In fact, resigning from the Directorship in the very next year by the present petitioner was brought to the notice of the Investigation Agency by the petitioner when he was called by the Investigation Officer by issuing the notice.

32. Despite such information being provided by the petitioner that he did not draw a single paisa from M/s Vinyas Construction Private Limited nor any perquisites and he has resigned on 11.06.2019, the Investigation Officer proceeded to file the charge sheet against the petitioner herein only on the basis of the statement made by the complainant and other witnesses.

33. Pertinently, the investigation material in the form of charge sheet do not find a single documentary evidence which would be *prima facie* sufficient to conclude that present petitioner had colluded with the accused Nos.1 and 4 to remove respondent No.2 from the Directorship and in his place petitioner was required to be appointed as the Director.



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34. Furthermore, if petitioner is really the beneficiary as alleged and he has colluded with accused Nos.1 and 4 in getting into the post of Director by removing respondent No.2, where was the necessity for the petitioner to resign from the Directorship is a question that remains unanswered by learned High Court Government Pleader or by the learned counsel for respondent No.2.

35. When no financial benefit is obtained by the present petitioner, there cannot be any wrongful loss caused to the respondent No.2 or corresponding wrongful gain to the present petitioner, which is a *sine qua non* to proceed against the present petitioner for the offence punishable under Section 420 of the Indian Penal Code.

36. Furthermore, even to appreciate the argument of the counsel for respondent No.2 that there cannot be any positive evidence with regard to the collusion and conspiracy insofar as the offence under Section 120B of the Indian Penal Code is concerned, prosecution is not totally absolved from placing material evidence on record, which would *prima facie*



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indicate the role of the petitioner in such collusion or conspiracy.

37. Settled principles of law on the issue would make it clear that direct evidence should be available for inferring the conspiracy. It is in such circumstances, the Courts can consider the other available evidence on record to infer that there existed a criminal conspiracy for proving the offence under Section 120B of the Indian Penal Code.

38. In this regard, this Court gainfully places the reliance on the judgment of the Hon'ble Apex Court in the case of ***Mohd. Khalid vs. State of West Bengal*** reported in ***(2002)7 SCC 334***.

39. On close reading of the principles of law enunciated in the aforesaid judgment, it transpires that positive evidence need not be available in the charge sheet material to establish the criminal conspiracy under Section 120B of the Indian Penal Code.

40. However, to *prima facie* find out whether the petitioner is part of the alleged criminal conspiracy so as to attract the offence under Section 120B of the Indian Penal



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Code, no material is available on record except the oral statement of the complainant and other witnesses.

41. But what exactly was the role played by the present petitioner is also not forthcoming as the material collected by the Investigation Agency is only as against the accused Nos.1 and 4. Likewise, for the offences committed under Sections 506, 408, 420, 465, 468, 467, 469, 471 of Indian Penal Code, not even an *iota* of material is found against the present petitioner.

42. It is specifically found from the records that digital signatures are misused by accused No.4 and not by the present petitioner.

43. Thus, when the material evidence collected by the Investigation Agency is not in a position to establish that present petitioner also conspired with the other accused persons, aforesaid offences under the Indian Penal Code and offence under Section 66 of the Information and Technology Act cannot be charged against the present petitioner.

44. Therefore, viewed from any angle this Court does not find *prima facie* materials to proceed against the present



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petitioner and order taking cognizance which is impugned in the present petition do not disclose application of mind as to the role played by the present petitioner so as to proceed with the case.

45. When charge sheet requires to be quashed and what are the parameters that are required to be considered while quashing the charge sheet is no longer *res integra*.

46. Hon'ble Apex Court in the case of ***Rajendra Bihari Lal and another vs. State of Uttar Pradesh and others*** reported in ***(2026) 7 SCC 339***, succinctly ruled, for quashing of charge sheet what are the parameters that are required.

47. No doubt, facts involved in the said case may not be *akin* to the facts that are found in the case on hand. But the principles of law enunciated in the said judgment when applied to the case on hand, continuation of the criminal case as against the present petitioner, in the considered opinion of this Court, would definitely result in gross abuse of process of law.

48. Filing of charge sheet thus affects the individual right of a citizen of the country as is enshrined under Article 21



of the Constitution of India, especially when the charge sheet is bald and without any material.

49. Therefore, this Court is of the considered opinion that the petitioner has made out a case to exercise the inherent power vested in this Court under Section 482 of the Code of Criminal Procedure to quash the pending criminal case insofar as the petitioner is concerned.

50. As such, the following:

ORDER

(i) Petition ***allowed***.

(ii) Consequently, pending criminal case in C.C.No.164/2021 arising out of Crime No.311/2018 registered by Channammanakere Achukattu Police Station, Vishveshwarapuram Sub Division, Bengaluru City, on the file of the I Additional Chief Metropolitan Magistrate, Bengaluru insofar as the petitioner is concerned, is hereby ***quashed***.



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(iii) It is made clear that the observations made by this Court in this order shall not affect the merits of the matter insofar as the other accused persons are concerned.

(iv) In view of disposal of the petition, pending applications, if any, stand consigned to record.

**Sd/-
(V SRISHANANDA)
JUDGE**

MR paragraphs 1 to 12,
kcm paragraphs 13 till end.
List No.: 1 Sl No.: 51
CT:VRR