

**REPORTABLE****IN THE SUPREME COURT OF INDIA  
CRIMINAL APPELLATE JURISDICTION****CRIMINAL APPEAL NO. OF 2026****[ARISING OUT OF SLP (CRIMINAL) NO. 6820 OF 2021]****A.B. GOVARDHAN****... APPELLANT****VERSUS****STATE REPRESENTED BY  
THE INSPECTOR OF POLICE & ANR.****... RESPONDENTS****O R D E R**

1. Leave granted.
2. Being aggrieved by the order dated 27.07.2021 passed by High Court of Madras in Crl. O.P. No. 7138 of 2016, dismissing the quash petition filed under Section 482 of the Code of Criminal Procedure, 1973 (in short Cr.P.C.) with respect to CC No. 4870 of 2013<sup>1</sup> pending before the VIII Metropolitan Magistrate, George Town, Tamil Nadu, the present appeal has been filed by the accused.
3. As per the case of prosecution, the husband of the

<sup>1</sup> registered for offences under section 379, 420, 468 and 506(2) of Indian Penal Code (in short IPC) read with Section 4 of Tamil Nadu Prohibition of Charging Exorbitant Interest Act, 2003.

*de-facto* complainant, Kumudhavalli died intestate on 02.04.1985, leaving behind immoveable property of Survey No. 174/1, 174/24, Plot No. 62, Old No. 61, New No. 55 admeasuring 1008 sq. ft. situated at Ayyapanthangal, Sriperumbudur Taluk, Chengalpet District.

4. After death, the complainant was appointed on compassionate ground in the office of the Assistant Metropolitan Court, Egmore. She started staying with Padmavathi (Accused No. 1), a close relative, at Door No. 32/656, Sathiyamoorthy Nagar, Chennai 39. As alleged, the *de-facto* complainant handed over her original documents of the property to her. After few months of stay, Padmavathi asked for Rs. 10,000/-, the *de-facto* complainant refused the same. Later, it was found that the documents of complainant were missing. On asking altercation took place wherein Padmavathi made disclosure about mortgaging the property documents of the *de-facto* complainant for a sum of Rs. 10,000/- to the appellant. In compliant she alleged that her signature were forged, since then *de-facto* started residing separately. It is also alleged, the appellant demanded Rs. 2,00,000/- for

return of the documents, therefore, complainant lodged the FIR.

5. It has further borne from the record that, the appellant filed a money suit O.S. No. 8071 of 2005 before the City Civil Court, Chennai for recovery based on pro-note executed by *de-facto* complainant. In the said suit, application filed by complainant seeking leave to defend relying upon similar allegations was dismissed by the civil court on 17.04.2006. As such the money suit was decreed against her on 19.04.2006. Later, the present FIR was lodged against the appellant.

6. Learned counsel for the appellant has contended that it is a case in which, loan was given by him through Padmavathi to the *de facto* complainant on executing the pro-note. On filing money suit, it was decreed in his favour. After decree, the complainant satisfied the decree, and thereafter being dissatisfied and raising grievance the present FIR was registered on 23.08.2006 with malicious intention. Submitting the FIR as after-thought the learned counsel for the appellant placed reliance on the judgment in the case of ***State of Haryana***

**& Ors. v. Bhajal Lal & Ors.**<sup>2</sup> which has been followed by this Court in **Indian Oil Corporation vs. NEPC India Ltd. & Ors.**<sup>3</sup> and **Mitesh Kumar J. Sha vs. State of Karnataka & Ors.**<sup>4</sup>, praying that the FIR deserves to be quashed and the impugned order passed by the High Court deserves to be set aside.

7. *Per contra*, learned counsel appearing for the respondent submits that this is a case in which the documents of the property were mortgaged by forging her signature, therefore, criminal proceedings have rightly been initiated by the court, to which interference is not warranted.

8. Having heard learned counsel for the parties at length, undoubtedly it is true, that the husband of *de-facto* complainant had died on 02.04.1985. Nothing is clear as to what transpired and how pro-note got executed in favour of the appellant. The fact remains that on the basis of the said pro-note, the appellant filed a suit for recovery of money. The Civil Court while rejecting

<sup>2</sup> 1992 (Supp) 1 SCC 335

<sup>3</sup> (2006) 6 SCC 736

<sup>4</sup> (2022) 14 SCC 572

the application seeking leave to defend preferred by the *de-facto* complainant, decreed the suit *vide* judgment dated 17.04.2006 and decree was drawn on 19.04.2006. Meaning thereby, the story of the *de-facto* complainant raising similar set of allegations was disbelieved by the Civil Court, though subsequently alleged in the FIR.

9. In the sequel of these factual events, and on perusal of records, it is seen that money decree was granted against the *de-facto* complainant on 19.04.2006 and the present FIR was registered against the appellant on 23.08.2006. However, the FIR does not bear any mention of money decree, which was granted by the Civil Court refusing the defense of the *de-facto* complainant based on story of mortgage. Moreover, as alleged in the FIR, the *de-facto* complainant became acquaintance with appellant in year 2005, in contradistinction to the averments made in the application seeking leave to defend, it was reiterated that the appellant came her office in the middle of year 2003 and demanded Rs. 2 lacs. It is further to be noted that the Civil Court in its decree dated 19.04.2006 has recorded that the cause of action

arose in favour of appellant and against the *de-facto* complainant on 05.01.2003.

10. Given the said circumstances, if the allegations in the FIR are to be taken as true, the decree dated 19.04.2006 ought to have been challenged by the *de-facto* complainant, which admittedly not assailed. On the contrary, similar allegations are re-iterated in the FIR.

11. Another aspect which gauges our attention is that, as per her own allegations in FIR, Padmavathi had informed the *de-facto* complainant about the mortgage of the property documents to the appellant for a sum of Rs. 10,000/- by forging her signatures. This incident is around of year 1985 - 1987. Despite having the knowledge of such act, the FIR was lodged on 23.08.2006 against the appellant and Padmavathi only in the year 2006, that too after passing the money decree on 19.04.2006. The justification given for such delay is that *de-facto* complainant was under assurance of Padmavathi for redemption of papers. In our view, such justification is flimsy and unreasonable which cannot be accepted.

12. Therefore, on visualizing the allegations in

entirety, nothing is apparent from the record as on which date, the incidents alleged have taken place. The allegations are omnibus in nature, and the story of the prosecution *prima-facie* does not inspire confidence. Furthermore, the allegation that while stay of *de-facto* complainant with Padmavathi, the original documents of property were handed over by her to Padmavathi and same were used to execute mortgage by forging her signature, primarily appears to be suspicious.

13. On the other hand, on the basis of pro-note executed by the *de-facto* complainant, the decree has already been granted in favour of the appellant. The connection between the appellant and Padmavathi being relatives or otherwise, is not allegedly supported by any material. In absence, after passing money decree and satisfying the same for some other motive, the entire story has been cooked by the complainant and the FIR was lodged. Therefore, in view of the discussion made hereinabove, we are of the view that the prosecution as lodged against the appellant is malicious and the civil dispute has been given colour of criminal case.

14. At this juncture, it is relevant to refer the case of **Bhajan Lal** (Supra), in particular paragraph 102, wherein seven conditions have been stipulated where the prosecution, if any initiated, can be quashed if found to be lodged with an ulterior motive or wreak vengeance. The said para is relevant and is reproduced as under:

*"102. In the backdrop of the interpretation of the various relevant provisions of the Code under Chapter XIV and of the principles of law enunciated by this Court in a series of decisions relating to the exercise of the extraordinary power under Article 226 or the inherent powers under Section 482 of the Code which we have extracted and reproduced above, we give the following categories of cases by way of illustration wherein such power could be exercise either to prevent abuse of the process of any court or otherwise to secure the ends of justice, though it may not be possible to lay down any precise, clearly defined and sufficiently channelized and inflexible guidelines or rigid formulae and to give an exhaustive list of myriad kinds of cases wherein such power should be exercise.*

*(1) Where the allegations made in the first information report or the complaint, even if they are taken at their face value and accepted in their entirety do not prima facie constitute any offence or make out a case against the accused.*

*(2) Where the allegations in the first information report and other materials, if any, accompanying the FIR do not disclose a cognizable offence, justifying an investigation by police officers under*

Section 156(1) of the Code except under an order of a Magistrate within the purview of Section 155(2) of the Code.

(3) Where the uncontroverted allegations made in the FIR or complaint and the evidence collected in support of the same do not disclose the commission of any offence and make out a case against the accused.

(4) Where, the allegations in the FIR do not constitute a cognizable offence but constitute only a non-cognizable offence, no investigation is permitted by a police officer without an order of a Magistrate as contemplated under Section 155(2) of the Code.

(5) Where the allegations made in the FIR or complaint are so absurd and inherently improbable on the basis of which no prudent person can ever reach a just conclusion that there is sufficient ground for proceeding against the accused.

(6) Where there is an express legal bar engrafted in any of the provisions of the Code or the concerned Act (under which a criminal proceeding is instituted) to the institution and continuance of the proceedings and/or where there is a specific provision in the Code or the concerned Act, providing efficacious redress for the grievance of the aggrieved party.

**(7) Where a criminal proceeding is manifestly attended with mala fide and/or where the proceeding is maliciously instituted with an ulterior motive for wreaking vengeance on the accused and with a view to spite him due to private and**

*personal grudge.*

*(emphasis supplied)*"

15. The said judgment of **Bhajan Lal (Supra)**, has been relied upon in the case of **Indian Oil Corporation (Supra)**, where this Court on the similar lines expounded as thus:

*"13. While on this issue, it is necessary to take notice of a growing tendency in business circles to convert purely civil disputes into criminal cases. This is obviously on account of a prevalent impression that civil law remedies are time consuming and do not adequately protect the interests of lenders/creditors. Such a tendency is seen in several family disputes also, leading to irretrievable breakdown of marriages/families. **There is also an impression that if a person could somehow be entangled in a criminal prosecution, there is a likelihood of imminent settlement. Any effort to settle civil disputes and claims, which do not involve any criminal offence, by applying pressure through criminal prosecution should be deprecated and discouraged.**"*

16. Further, this Court in **Inder Mohan Goswami v. State of Uttaranchal**<sup>5</sup>, while examining the abuse of the criminal justice system to settle purely civil property disputes, observed as thus:

*"33. This Court in Janata Dal v. H.S. Chowdhary [(1992) 4 SCC 305] observed thus: (SCC p. 355, para 132)*

*"132. The criminal courts are clothed with*

<sup>5</sup> (2007) 12 SCC 1

*inherent power to make such orders as may be necessary for the ends of justice. Such power though unrestricted and undefined should not be capriciously or arbitrarily exercised, but should be exercised in appropriate cases, ex debito justitiae to do real and substantial justice for the administration of which alone the courts exist. The powers possessed by the High Court under Section 482 of the Code are very wide and the very plentitude of the power requires great caution in its exercise. Courts must be careful to see that its decision in exercise of this power is based on sound principles."*

... ..

35. This Court in *Roy V.D. v. State of Kerala* [(2000) 8 SCC 590] observed thus: (SCC p. 597, para 18)

*"18. It is well settled that the power under Section 482 CrPC has to be exercised by the High Court, inter alia, to prevent the abuse of the process of any court or otherwise to secure the ends of justice. Where criminal proceedings are initiated based on illicit material collected on search and arrest which are per se illegal and vitiate not only a conviction and sentence based on such material but also the trial itself, the proceedings cannot be allowed to go on as it cannot but amount to abuse of the process of the court; in such a case not quashing the proceedings would perpetuate abuse of the process of the court resulting in great hardship and injustice to the accused. In our opinion, exercise of power under Section 482 CrPC to quash proceedings in a case like the one on hand, would indeed secure the ends of justice."*

36. This Court in *Zandu Pharmaceutical Works Ltd. v. Mohd. Sharaful Haque* [(2005) 1 SCC 122] observed thus: (SCC p. 128, para 8)

"8. ... It would be an abuse of process of the court to allow any action which would result in injustice and prevent promotion of justice. In exercise of the powers, court would be justified to quash any proceeding if it finds that initiation/continuance of it amounts to abuse of the process of court or quashing of these proceedings would otherwise serve the ends of justice. When no offence is disclosed by the complaint, the court may examine the question of fact. When a complaint is sought to be quashed, it is permissible to look into the materials to assess what the complainant has alleged and whether any offence is made out even if the allegations are accepted in toto."

37. In *Indian Oil Corpn. v. NEPC India Ltd.* [(2006) 6 SCC 736] this Court again cautioned about a growing tendency in business circles to convert purely civil disputes into criminal cases. The Court noticed the prevalent impression that civil law remedies are time consuming and do not adequately protect the interests of lenders/creditors. The Court further observed that: (SCC p. 749, para 13)

"13. ... Any effort to settle civil disputes and claims, which do not involve any criminal offence, by applying pressure through criminal prosecution should be deprecated and discouraged."

... ..

46. **The court must ensure that criminal prosecution is not used as an instrument of harassment or for seeking private vendetta or with an ulterior motive to pressurise the accused.** On analysis of the aforementioned cases, we are of the opinion that it is neither possible nor desirable to lay down an inflexible rule that would govern the exercise of inherent jurisdiction. Inherent jurisdiction of the High Courts under Section 482 CrPC though wide has to be exercised sparingly, carefully and with caution and only when it is justified by the tests specifically laid down in the statute itself and in

*the aforementioned cases. In view of the settled legal position, the impugned judgment cannot be sustained.*

17. In the case of ***R.K. Vijayasarathy v. Sudha Seetharam***<sup>6</sup>, this Court while dealing with the issue as to whether a purely civil dispute regarding the recovery of money could legally be cloaked as a criminal offense (cheating and breach of trust), observed as thus:

*“28. The jurisdiction under Section 482 of the Code of Criminal Procedure has to be exercised with care. In the exercise of its jurisdiction, a High Court can examine whether a matter which is essentially of a civil nature has been given a cloak of a criminal offence. Where the ingredients required to constitute a criminal offence are not made out from a bare reading of the complaint, the continuation of the criminal proceeding will constitute an abuse of the process of the court.*

... ..

*29. In the present case, the son of the appellants has instituted a civil suit for the recovery of money against the first respondent. The suit is pending. The first respondent has filed the complaint against the appellants six years after the date of the alleged transaction and nearly three years from the filing of the suit. The averments in the complaint, read on its face, do not disclose the ingredients necessary to constitute offences under the Penal Code. **An attempt has been made by the first respondent to cloak a civil dispute with a criminal nature despite the absence of the ingredients necessary to constitute a criminal offence. The complaint filed by the first respondent against the appellants constitutes an abuse of***

*process of court and is liable to be quashed."*

18. Lastly, in the case of **Chandrapal Singh v. Maharaj Singh**<sup>7</sup>, this Court while addressing the abuse of the legal process in a case where a landlord initiated criminal proceedings for perjury purely as a retaliatory measure following a lost civil rent dispute, observed as thus:

*1. A frustrated landlord after having met his Waterloo in the hierarchy of civil courts, has further enmeshed the tenant in a frivolous criminal prosecution which prima facie appears to be an abuse of the process of law. The facts when stated are so telling that the further discussion may appear to be superfluous.*

*14. We see some force in the submission, but it is equally true that chagrined and frustrated litigants should not be permitted to give vent to their frustration by cheaply invoking jurisdiction of the criminal court. Complainant herein is an advocate. He lost in both courts in the rent control proceedings and has now rushed to the criminal court. This itself speaks volumes. Add to this the fact that another suit between the parties was pending from 1975. The conclusion is inescapable that invoking the jurisdiction of the criminal court in this background is an abuse of the process of law and the High Court rather glossed over this important fact while declining to exercise its power under Section 482 CrPC.*

19. In view of the law laid down by this Court and considering the facts and circumstances of the present case, where there is a decree of a civil court in favor

<sup>7</sup> (1982) 1 SCC 466

of the appellant and against the complainant, which has been satisfied. The *de-facto* complainant set the prosecution in motion only after losing before the City Civil Court, which in the facts and attending circumstances, in our considered opinion is nothing but a postscript to settle the score with the appellant. The story of mortgage primarily appears to be an afterthought, cooked with malicious intent and proceeding on such basis would amount to abuse of process of law and the same cannot be sustained particularly wherein dispute is of civil nature, and an attempt has been made to flavour it with criminal offence.

20. Accordingly, the appeal is allowed and the impugned order of the High Court stands set aside. Consequently FIR No. 952/06 dated 23.08.2006 for the offences punishable under Sections 468, 420, 506(ii) & 379 of the Indian Penal Code, 1860 registered with Police Station P3, Vyasarpadi, District Pulianthope, Tamil Nadu stands quashed qua the appellant. Pending applications, if any, shall stand disposed of.

....., J.  
[J.K. MAHESHWARI]

....., J.  
[ATUL S. CHANDURKAR]

New Delhi;  
April 22, 2026.

ITEM NO.27

COURT NO.3

SECTION II-C

S U P R E M E C O U R T O F I N D I A  
R E C O R D O F P R O C E E D I N G S

Petition(s) for Special Leave to Appeal (Crl.) No(s). 6820/2021

[Arising out of impugned final judgment and order dated 27-07-2021 in CRLP No. 7138/2016 passed by the High Court of Judicature at Madras]

A.B. GOVARDHAN

Petitioner(s)

VERSUS

STATE REPRESENTED BY THE INSPECTOR OF POLICE &amp; ANR. Respondent(s)

Date : 22-04-2026 This petition was called on for hearing today.

CORAM : HON'BLE MR. JUSTICE J.K. MAHESHWARI  
HON'BLE MR. JUSTICE ATUL S. CHANDURKAR

For Petitioner(s) :Mr. Narendra Kumar, Adv.  
Mr. V. Balaji, Adv.  
Mr. Asaithambi Msm, Adv.  
Mr. Atul Sharma, Adv.  
Mr. C. Kannan, Adv.  
Mr. Nizamuddin, Adv.  
Mr. B. Dhananjay, Adv.  
Mr. Rakesh K. Sharma, AOR

For Respondent(s) : Mr. D. Kumanan, AOR

Mr. S Beno Bencigar, Adv.  
Mr. Parijat Kishore, AOR

UPON hearing the counsel the Court made the following  
O R D E R

1. Leave granted.
2. The appeal is allowed in terms of the signed reportable order and the impugned order of the High Court stands set aside.

Consequently FIR No. 952/06 dated 23.08.2006 for the offences punishable under Sections 468, 420, 506(ii) & 379 of the Indian Penal Code, 1860 registered with Police Station P3, Vyasarpadi, District Pulianthope, Tamil Nadu stands quashed qua the appellant. Pending applications, if any, shall stand disposed of.

**(GULSHAN KUMAR ARORA)**  
**DEPUTY REGISTRAR**

**(NAND KISHOR)**  
**ASSISTANT REGISTRAR**

**(Signed reportable order is placed on the file)**