2025 INSC 818

REPORTABLE

IN THE SUPREME COURT OF INDIA
CRIMINAL APPELLATE JURISDICTION

CRIMINAL APPEAL NO(S). OF 2025
(ARISING OUT OF SLP(CRL.) NO.1105 OF 2024)

KATHYAYINI ...APPELLANT(S)

VERSUS

SIDHARTH P.S. REDDY & ORS. ...RESPONDENT(S)

J U D G M E N T

VIKRAM NATH, J.

1. Leave granted.

2. The present appeal assails the order passed by High Court of Karnataka on 23.11.2023 in Writ Petition No.23106 of 2021, whereby it allowed the Writ Petition preferred by respondent Nos. 1 and 2, and quashed the criminal proceedings against them in two complaint cases, C.C. No. 892/2021 and C.C. No. 897/2021 whereby they were charged for offences punishable under Sections 120B, 415, 420 read with Section 34 of Indian Penal Code, 1860.[1]

3. Brief facts leading to present appeal are summarised below:

3.1 The appellant is the daughter of Sri. K.G.Yellappa Reddy and Smt. Jayalakshmi. The couple had eight children- three sons and five daughters. The three sons are Sudhanva

[1] IPC.

Reddy, Guruva Reddy (Dead) and Umedha Reddy. The five daughters are Smt. Lalitha, Smt. Jayashree, Smt. Rita (Dead), Smt. Bhavani and Smt. Kathyayini (present appellant). Respondent Nos. 1 and 2 namely Sidharth P.S.Reddy and Vikram P.S.Reddy are sons of Sudhanva Reddy.

3.2 Appellant's parents had jointly purchased the land bearing Sy.No.35, Extent- 19 guntas situated at Dodda Thogur in Bengaluru by a registered sale deed dated 17.02.1986. Her father K.G.Yellappa Reddy was the only son of late Gurappa Reddy and he purchased the above property from the sale of certain ancestral properties. Appellant's parents are no more. The above land of an extent of 19 guntas was acquired by the Bengaluru Metro Rail Corporation Limited and a total compensation of Rs. 33,00,00,000/- (Rupees thirty-three crores only) was awarded and disbursed. The appellant was under a bonafide belief that compensation amount would be for the whole family and equitably disbursed among all the eight children of K.G.Yellappa Reddy and Smt. Jayalakshmi.

3.3 However, the appellant was shocked to know that her elder brother- Sudhanva Reddy and his two sons, who are respondent Nos. 1 and 2 herein, hatched a criminal conspiracy by preparing false and incorrect papers in order to deprive her of her legitimate share. They created a false and wrong family tree dated 18.01.2011 by bribing the village accountant, Narasimhaiah. The family tree reflected

as if appellant's parents had only three sons i.e. Sudhanva Reddy, Guruva Reddy and Umedha Reddy. The five daughters of Yellappa Reddy, including the appellant, were not shown in the family tree. The village accountant allegedly did not conduct any inquiry before issuing the family tree.

3.4 Further, respondent Nos. 1 and 2 created an allegedly fraudulent partition deed dated 24.03.2005 with respect to the said land. In this wrongful act, they were abetted by appellant's brothers Guruva Reddy and Umedha Reddy. It appears from the partition deed that K.G.Yellappa Reddy divided the land in three equal parts and bequeathed it to Sidharth P.S.Reddy and Vikram P.S.Reddy, Guruva Reddy and Umedha Reddy.

3.5 Based on the partition deed, the brothers of appellant have claimed the compensation awarded by the Bengaluru Metro Rail Corporation Limited. The appellant states that in the partition deed there was a reference to the five daughters of K.G. Yellappa Reddy, but the officials of the Bengaluru Metro Rail Corporation Limited did not ask for a proper family tree and released a sum of Rs.1,80,00,000/- (Rupees One crore and eighty lakhs only) to appellant's brothers. The appellant further claims that the properties of the family were never partitioned, and since she was not a party to the partition, the partition deed is not binding on her. She claims that all the eight children of her parents were entitled

to 1/8th share in the aforesaid compensation and all other properties of her parents.

3.6 Meanwhile, appellant's eldest brother Sudhanva Reddy had many wives and in order to avoid multiple claims, he had divided his claim over the property in favour of his first wife Latha's sons, who are respondent Nos. 1 and 2 herein. However, when demand drafts were received by these two sons, they refused to part with the money with their father. Prajwal Reddy, one of the sons of Sudhanva Reddy from his second wife-Pushpa filed a civil suit being O.S.No.714/2017 against Sudhanva Reddy, claiming his share. As Sudhanva Reddy has not received any share of money from his two sons from the other wife, he revealed the truth about the falsity of the partition deed dated 24.03.2005. He also said that he had given a letter to the Managing Director of Bengaluru Metro Rail Corporation Limited stating that the partition deed was fabricated by Guruva Reddy, Umedha Reddy, Sidharth P.S.Reddy and Vikram Reddy. Due to this letter given by Sudhanva Reddy, the Karnataka Industrial Area Development Board ("KIADB") stopped the payment of further amount and deposited Rs. 5,59,000,00/- (Rupees five crore fifty nine lakhs only) with the Trial Court. However, till now KIADB has released total Rs. 27 crores as compensation and it has been credited to the accounts of Sidharth P.S.Reddy, Vikram P.S.Reddy, Umedha Reddy and Ashok Reddy.

4. The appellant came to know of the disbursement on 06.10.2017 whereupon she questioned her brothers about their fraudulent acts. Upon being confronted, the brothers allegedly abused her and threatened to eliminate her if any further action was taken. The appellant registered a complaint before police on 14.11.2017. Based on her complaint the police registered FIR No. 270/2017 on 18.11.2017 under Sections 506, 34, 471, 420, 474, 120-B, 468, 464 read with Section 34 of IPC against Sudhanva Reddy, Narsimhaiah (the village accountant) and Sidharth Reddy, stating that Sudhanva Reddy and his two sons colluded with village accountant to create a fabricated family tree and a partition deed. On the strength of these documents, they were successful in appropriating substantial amount of compensation of Rs. 33 Crores depriving the sisters of their share.

5. Another complaint was lodged jointly by appellant and Smt. Jayshree, another daughter of K.G.Yellappa Reddy on 20.11.2017, alleging the same allegations, based upon which, a case being Cr.No.145/2017 was registered against Sudhanva Reddy, Narsimhaiah, Sidharth Reddy and Vikram Reddy.

6. During the course of investigation, the City Crime Branch of Bangalore police seized the bank accounts of Ashok Reddy, Sidharth P.S. Reddy, Vikram P.S.Reddy and Umedha Reddy by exercising the power conferred under Section 102 Code of

Criminal Procedure, 1973[2]. This seizure of the accounts was challenged by all four accused persons by filing applications under Sections 451 and 457 of CrPC, requesting to de-freeze their respective bank accounts. On 24.03.2018, the Trial Court rejected their applications. It reasoned that the amount of compensation credited to the accounts of applicants is directly involved in the criminal case registered against them.

7. Aggrieved by this order, all four accused preferred Criminal Revision petitions before Sessions Court. Their petitions were dismissed by Sessions Court by order dated 03.12.2018.

8. Aggrieved by the order of Sessions Court all four accused persons preferred Criminal Petition Nos. 34/2019, 35/2019, 36/2019 and 37/2019 before the Hight Court. The High Court dismissed these petitions on 07.04.2021. It held that bank accounts fall within the meaning of 'property' under Section 102(1) of CrPC and the Investigating Officer is empowered to seize any such Bank account in which he notices suspicion about commission of an offence. The petitioners therein had pointed out non-compliance of a requirement of submission of report to Magistrate by the Investigating Officer immediately after freezing of the Bank accounts. However, the High Court held that de-freezing of Bank accounts merely on such technical ground may lead to the possibility of accused persons siphoning huge amount of funds available in their accounts. Thus, it concluded that

[2] CrPC

mere non-compliance of submission of report as required under Section 102(3) of CrPC would not vitiate the seizure.

9. Aggrieved by this order of the High Court, Respondents preferred Special Leave Petitions No. 7532-7533 before this Court, which were dismissed on 08.10.2021.

10. Meanwhile, police filed a charge sheet in both the FIRs in Crime No. 270/2017 and Crime No. 145/2017 on 12.01.2021 for the offences under Sections 120B, 415, 420 read with Section 34 of IPC against Accused No.1-Sudhanva Reddy (deceased), Accused No. 2- Sidharth Reddy, Accused No. 3 Vikram Reddy, Accused No. 4- Umedha Reddy and Accused No. 5-Ashok Reddy. The Trial Court on 13.01.2021 took cognizance in both the criminal complaints and registered C.C.No.892/2021 and C.C.No.897/2021 for the aforesaid offences and issued summons to the accused persons, including respondent Nos. 1 and 2.

11. On 28.08.2021 a Memorandum of Understanding was executed between Umedha Reddy, Ashok Reddy and the appellant. On the basis of the compromise, the proceedings as against Umedha Reddy and Ashok Reddy were quashed.

12. During the course of the proceedings, it was brought to the notice of the Trial Court that the appellant and her sister Smt. Jayshree, have jointly filed a civil suit being O.S.No.274/2018 for partition by metes and bounds and separate possession of the properties belonging to the family. They are also seeking reliefs of partition of equal share of compensation, permanent injunction restraining the

defendants from transferring or creating any charges on suit property and declaration that the Partition deed dated 24.03.2005 is void. Further, another civil suit being O.S.No. 124 of 2018 has been filed by Smt. Jayashree seeking permanent injunction restraining defendants, including the respondents herein, from operating and withdrawing the amount under compensation award deposited in their bank accounts.

13. In December 2021, respondent Nos. 1 and 2 filed a Writ Petition for quashing of the charge sheet and of the order taking cognizance dated 13.01.2021. The High Court, by the Impugned order, allowed the Writ Petition and thereby quashed the prosecution of Respondents Nos. 1 and 2 in both the complaint cases.

14. The High Court noted that the statement of the Sub-Registrar makes it certain that the thumb impression found on the partition deed dated 24.03.2005 was the thumb impression of Yellappa Reddy. Therefore, an offence as alleged either under Sections 468 or 471 IPC is not made out. Further, the partition deed referred above was drawn up on 24.03.2005 and the respondents, in an effort to get their names entered in the revenue records, have brought up a family tree dated 18.01.2011 in line with the partition deed dated 24.03.2005. The High Court noted that, no doubt when respondents had obtained the family tree, they were bound to disclose the names of daughters of late Yellappa Reddy. But since the attempt by the respondents was to get their names entered

in the revenue records based on the partition deed dated 24.03.2005, it cannot be held that the respondents had committed an offence under Section 420 IPC. It may be that they had misrepresented about the family of Yellappa Reddy but that in itself was not an offence punishable under Section 420 IPC. The High Court thus concluded that, considering the suit for partition is already pending where the compensation determined by the Bengaluru Metro Rail Corporation Limited, is secured, it is appropriate that criminal proceedings initiated against the respondents is put to an end.

15. Aggrieved by the impugned order passed by the High Court, the complainant-appellant preferred the present appeal before this Court.

16. We have heard the learned Senior Counsel/Counsels for both the sides and have perused the material on record.

17. It is clear from the facts that a prima facie case for criminal conspiracy and cheating exists against respondent Nos. 1 and 2. It appears that they, along with their uncles Guruva Reddy and Umedha Reddy, have attempted to defraud their aunts by creating a forged family tree and partition deed with a motive to gain all the monetary award for land in question bypassing the appellant and her sisters. They succeeded in their plan until Sudhanva Reddy revealed it to the authorities by a letter. The High Court has erroneously relied upon the statement of Sub-Registrar who stated that partition deed dated 24.03.2005 was presented for registration on

26.03.2005 and due to health reasons concerning K.G.Yellappa Reddy, his thumb impressions were secured at his house in presence of the Sub-Registrar. However, we must note this statement of the Sub-Registrar has not been put to cross examination. It would be unwise to rely on unverified testimony of a Sub-Registrar to ascertain the genuineness of Partition deed. The High Court erred in heavily relying on his statement to conclude that the Partition deed was genuine and thus no offence is made out against the respondents under Sections 463 and 464 IPC.

18. Further, the High Court could not find any justification to deny that respondents misrepresented the family tree. The Court itself has acknowledged that respondents were bound to disclose the names of daughters of K.G.Yellappa Reddy and Jayalakshmi in the family tree. Considering the fact that both the partition deed and the family tree were used in gaining the monetary compensation awarded for the land, it is necessary that genuineness of both the documents is put to trial.

19. We now come to the issue of bar against prosecution during the pendency of a civil suit. We hereby hold that no such bar exists against prosecution if the offences punishable under criminal law are made out against the parties to the civil suit. Learned senior counsel Dr. Menaka Guruswamy has rightly placed the relevant judicial precedents to support the above submission. In the case of **K. Jagadish v. Udaya Kumar G.S.**

and another[3]**,** this Court has reviewed its precedents which clarify the position. The relevant paragraph from the above judgment is extracted below:

> "8. It is thus well settled that in certain cases the very same set of facts may give rise to remedies in civil as well as in criminal proceedings and even if a civil remedy is availed by a party, he is not precluded from setting in motion the proceedings in criminal law."

20. In **Pratibha Rani v. Suraj Kumar and another**[4], this Court summed up the distinction between the two remedies as under :

> "21. … There are a large number of cases where criminal law and civil law can run side by side. The two remedies are not mutually exclusive but clearly coextensive and essentially differ in their content and consequence. The object of the criminal law is to punish an offender who commits an offence against a person, property or the State for which the accused, on proof of the offence, is deprived of his liberty and in some cases even his life. This does not, however, affect the civil remedies at all for suing the wrongdoer in cases like arson, accidents, etc. It is an anathema to suppose that when a civil remedy is available, a criminal prosecution is completely barred. The two types of actions are quite different in content, scope and import. It is not at all intelligible to us to take the stand that if the husband dishonestly misappropriates the stridhan property of his wife, though kept in his custody, that would bar prosecution under

[3] (2020) 14 SCC 552.
[4] (1985) 2 SCC 370

> Section 406 IPC or render the ingredients of Section 405 IPC nugatory or abortive. To say that because the stridhan of a married woman is kept in the custody of her husband, no action against him can be taken as no offence is committed is to override and distort the real intent of the law."

21. The aforesaid view was reiterated in **Kamaladevi Agarwal v. State of W.B. and others**[5],

> "17. In view of the preponderance of authorities to the contrary, we are satisfied that the High Court was not justified in quashing the proceedings initiated by the appellant against the respondents. We are also not impressed by the argument that as the civil suit was pending in the High Court, the Magistrate was not justified to proceed with the criminal case either in law or on the basis of propriety. Criminal cases have to be proceeded with in accordance with the procedure as prescribed under the Code of Criminal Procedure and the pendency of a civil action in a different court even though higher in status and authority, cannot be made a basis for quashing of the proceedings."

22. After surveying the abovementioned cases, this Court in **K. Jagadish (supra)** set aside the holding of High Court to quash the criminal proceedings and held that criminal proceedings shall continue to its logical end.

23. The above precedents set by this Court make it crystal clear that pendency of civil proceedings on the same subject matter, involving the same parties is no justification to quash the criminal proceedings if a prima facie case exists against

[5] (2002)1 SCC 555

the accused persons. In present case certainly such prima facie case exists against the respondents. Considering the long chain of events from creation of family tree excluding the daughters of K.G.Yellappa Reddy, partition deed among only the sons and grandsons of K.G.Yellappa Reddy, distribution of compensation award among the respondents is sufficient to conclude that there was active effort by respondents to reap off the benefits from the land in question. Further, the alleged threat to appellant and her sisters on revelation of the above chain of events further affirms the motive of respondents. All the above factors suggest that a criminal trial is necessary to ensure justice to the appellant.

24. Therefore, we set aside the Impugned order of High Court dated 23.11.2023 in Writ Petition No.23106 of 2021. Accordingly, we direct the Trial Court to continue its proceedings against respondent Nos. 1 and 2 in accordance to law.

25. Accordingly, the appeal is allowed as above.

.....J.
(VIKRAM NATH)

.....J.
(PRASANNA B. VARALE)

NEW DELHI
JULY 14, 2025