

KABC010207362023



IN THE COURT OF THE PRINCIPAL CITY CIVIL AND
SESSIONS JUDGE, AT BENGALURU

Dated this the 27th day of September, 2023

Present: Shri Muralidhara Pai B.
B.Com., LL.B.
Principal City Civil and Sessions Judge,
Bengaluru.

Crl. Misc. Nos. 7459 to 7462 & 7654 of 2023

Petitioner : Sri G. Thriuvengadam,
(in Crl.Misc. S/o. C. Gundappa,
No. 7459/2023) Aged about 78 years,
R/at. No. 1840, 34th Cross,
10th Main, BSK 2nd Stage,
Bengaluru - 560 070.

(By Sri Deepak M. Advocate)

Petitioner : Sri Mulemane Veera Reddy,
(in Crl. Misc. No. Aged about 75 years,
7460/2023) R/at. No. 285, Prakruthi,
5th "C" Cross, 1st "B" Main Road,
Syndicate Bank Layout,
Behind Herohalli Village,
Bengaluru-560 091.

(By Sri Deepak M. Advocate)

Petitioner : Sri. B. K. Veerendra,
(In Crl. Misc. No. S/o. Late. K.S.Krishnappa,
7461/2023) Aged about 65 years,
R/at No.88, 17th H.B. Main Road,

K.H.B.Colony, 5th Block,
Koramangala, Bengaluru – 95.

(By Sri Deepak M. Advocate)

Petitioner : Sri.H. S. Rangaswamy,
(in Crl. Misc. No. S/o. H. V. Subba Shetty,
7462/2023) Aged about 76 years,
R/at. No. 61, 1st Cross,
Kuvempunagar,
Jalahalli East,
Bengaluru-560 014.

(By Sri Deepak M. Advocate)

Petitioner : Sri D. Vijaya Kumar,
(In Crl. Misc. No. Advocate,
7654/2023) S/o. K. S. Dasappa,
Aged about 65 years,
R/at. No. 16/3, 36th "A" Cross,
15th Main, Behind General Post Office,
Jayanagar 4th T Block,
Bengaluru - 560 041.

(By Sri Deepak M. Advocate)

Vs.

Respondent : The State of Karnataka,
(Common in all Kempegowdanagar Police Station,
the petitions) Bengaluru.
[Rep. by Sri B.S.Patil,
Special Public Prosecutor]

COMMON ORDER

The Petitioners namely G. Thriuvengadam, Mulemane
Veera Reddy, B.K. Veerendra, Rangaswamy H.S. and D.

Vijayakumar have maintained these petitions under Section 452 read with Section 457 of Criminal Procedure Code praying to defreeze their Bank Accounts, in the interest of justice and equity.

2. The prosecution has filed separate objection to these petitions along with the report of the Investigating Officer.

3. The matter involved in these petitions is common. As such this Court has taken up all these petitions together for its disposal.

4. Heard learned Counsel for the Petitioners and learned Public Prosecutor.

5. The following points would arise for the consideration of this Court:

1. Whether the Petitioners have made out valid ground to allow the petitions?
2. What Order?

6. The findings of this Court on the above points are under:

Point No.1:- Partly in the affirmative;

Point No.2:- As per final order;

for the following:

REASONS

7. Point No.1: Kempegowda Nagar Police have registered a case in Crime No. 122/2022 against one Srinivasa B.L. and others for the offenses punishable under Sections 120-B, 420, 417, 406, 506 of Indian Penal Code, Section 22 of Banning of Unregulated Deposit Schemes Act, 2019 (in short BUDS Act) Section 9 of Karnataka Protection of Interest of Depositors in Financial Establishment Act 2004 (in short KPIDFE Act) based on a complaint lodged by one Sri R.Madan. In the complaint it is alleged that the accused persons who are the President and office bearers of Kuruhina Shetty Souharada Credit Co-Operative Limited have misappropriated about Rs.90 Crores through their illegal

activities and failed to repay the money invested in the said Society.

8. During the investigation of the case the Investigating Agency has got debit freeze in respect of following bank accounts of the Petitioners herein.

Name	Bank Name	Account No.
G. Thriuvengadam	SBI Bank, (SBIN0006767)	30057356877
Mulemane Veera Reddy	SBI Bank (SBIN00016874)	30096417576
B.K. Veerendra	ICICI Bank (ICIC0000047)	4701598650 54010252127
H.S. Rangaswamy	Bank of Baroda (BARD00VJCMBA)	39480100005785
D. Vijayakumar	SBI Bank (SBIN0015658)	64046553659

9. The Petitioners have maintained these petitions praying to direct the Investigation Officer to defreeze their respective bank accounts on the ground that they have not committed any alleged offenses and that freezing of their bank accounts is causing great hardship to them in their day-to-day life. They have also stated that they are ready to abide by any reasonable condition imposed by the Court.

10. On the other hand, the prosecution has opposed these petitions mainly on the ground that they have reported freezing of the accounts to the competent Authority appointed by the Government and that this Court has got no jurisdiction to entertain the present petitions. Further, they have stated that the matter is still under investigation and the bank accounts in question cannot be defrozeed at this stage.

11. The prosecution has produced a copy of letter dated 3.7.2023 written by the Police Inspector of Kempegowda Nagar Police Station to the Principal Secretary of Revenue Department giving details of the accounts freezed during the investigation of the case. The contents of the said letter go to show that the Investigation Officer has got freezed following relevant bank accounts with its closing balance as under:

Name	Bank Name	Account No.	Closing Balance
G. Thriuvengadam	SBI Bank,	30057356877	Rs.1,77,148/-
Mulemane Veera Reddy	Details pertaining to this person is not found in the letter		
B.K. Veerendra	ICICI Bank	4701598650	Rs.19,42,654/-
		54010252127	Rs.2,85,164/-

H.S. Rangaswamy	Details pertaining to this person is not found in the letter		
D. Vijayakumar	SBI Bank	64046553659	Rs.3,11,666/-

12. Further, there is no much dispute regarding the Government having appointed a competent Authority under the provisions of KPIDFE Act or about the Investigating Agency having reported the freezing of the above referred bank accounts of the Petitioners to such competent Authority. As such it is to be held that the Petitioners have to approach the competent Authority to raise the freezing of the amount at credit in their respective bank accounts as on the date of its freezing or debit freeze.

13. The Petitioners have relied on Order passed in Crl.Misc. Nos. 5636/2023 and 5637/2023 and prayed to extend them similar benefit in the case. In those petitions this Court has not ordered to raise freezing of amount in respective bank accounts as on the date of its freezing but only ordered to permit the Petitioners to use concerned bank accounts for their day-to-day activities as such permission is

no way going to prejudice the prosecution in any way. If the similar benefit is extended to the Petitioners herein no hardship or prejudice would be caused either in further investigation of the case or during the trial of the case. Added to the above, the debit freeze if any secured by the Investigating Agency in respect of these accounts applies only to the amount at credit on the date of issuing such instruction to concerned bank and it cannot be extended to further amount deposited in concerned bank account unless it is shown that it is also part of proceeds of crime. In the above circumstances, Point No.1 is answered partly in the affirmative.

14. Point No.2: In the result, this Court proceeds to pass the following:

ORDER

The petitions in Crl. Misc. Nos. 7459/2023 to 7462/2023 and 7654/2023 filed under Section 452 read with Section 457 of Criminal Procedure Code are allowed in part.

It is thereby ordered to the Investigation Officer to get the following Bank Accounts of the Petitioners defreezed forthwith and permit them to use such bank accounts for their day-to-day activities without effecting freezing/debit freeze/lien mark on the amount at credit in those bank accounts as detailed in para-12 of the Order.

Name	Bank Name	Account No.
G. Thriuvengadam	SBI Bank, (SBIN0006767)	30057356877
Mulemane Veera Reddy	SBI Bank (SBIN00016874)	30096417576
B.K. Veerendra	ICICI Bank (ICIC0000047)	4701598650 54010252127
H.S. Rangaswamy	Bank of Baroda (BARD00VJCMBA)	39480100005785
D. Vijayakumar	SBI Bank (SBIN0015658)	64046553659

Original copy of the Order is kept in Crl. Misc. No. 7459/2023 and copy thereof is kept in each case.

(Dictated to the Judgment Writer directly on the computer, typed by her, then corrected and pronounced by me in the Open Court on this the 27th day of September, 2023).

(Muralidhara Pai B.)
Principal City Civil & Sessions Judge,
Bengaluru.