IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 26TH DAY OF FEBRUARY, 2026

BEFORE

THE HON'BLE Mr. JUSTICE SHIVASHANKAR AMARANNAVAR

CRIMINAL PETITION No. 1028/2026

C/W.

CRIMINAL PETITION No. 955/2026

CRL. P No.1028/2026:

BETWEEN :

1. BHADRAMMA PRASANNA @
PRASANNA B
W/O PRAJU, AGED ABOUT 62 YEARS
R/A FLAT No.12, 4TH CROSS
BEHIND METRO STATION
NEW BYAPPANHALLI, INDIRANAGAR
BENGALURU – 560 038.

2. GREESHMA PRANEESH @
GREESHMA P
C/O PRANEESH K S
AGED ABOUT 39 YEARS
R/A No.8022, TOWER-8
PRESTIGE LAKE RIDGE
VEERANJANYEYA LAYOUT
SUBRAMANYAPURA
BENGALURU – 560 061.

… PETITIONERS

(BY SRI H S CHANDRAMOULI, SENIOR ADVOCATE
A/W SRI K A CHANDRASHEKARA, ADVOCATE)

AND :

1. THE STATE OF KARNATAKA
BY THE POLICE OF
PUTTENAHALLI POLICE STATION
BENGALURU CITY – 560 078.
REPRESENTED BY SPP
HIGH COURT OF KARNATAKA
BENGALURU – 560 001.

... RESPONDENT

(BY SMT. WAHEEDA M M, HCGP FOR R1
SRI SANDESH J CHOUTA, SENIOR, ADVOCATE FOR
A/W SRI ARUN GOVINDRAJ, ADVOCATE FOR R2)

THIS CRIMINAL PETITION IS FILED UNDER SECTION 438 Cr.P.C. (FILED UNDER SECTION 482 BNSS) PRAYING TO GRANT THEM ANTICIPATORY BAIL IN THE EVENT OF THEIR ARREST IN CRIME No.337/2025 OF PUTTENAHALLI POLICE STATION, BENGALURU CITY, NOW PENDING ON THE FILE OF THE LEARNED IV ADDL. CHIEF JUDICIAL MAGISTRATE BENGALURU CITY FOR THE OFFENCES PUNISHABLE UNDER SECTIONS 316(4), 61(2) 49 AND 318(4) READ WITH SECTION 3(5) OF BNS 2023.

CRL. P No.955/2026:

BETWEEN :

1. GIFI GOPALAKRISHNAN
S/O GOPALAKRISHNA
AGED ABOUT 41 YEARS
R/A FLAT No.203
M SQUARE MELODY APARTMENT
HALAGEVADERAHALLI
BEHIND R R NAGAR POLICE STATION
BEML 5TH STAGE, R R NAGAR
BENGALURU – 560 098.

2. PRANEESH K S
C/O K C SREEDHARAN
AGED ABOUT 41 YEARS
R/A No.8022, TOWER 8
VEERANJANEYA LAYOUT
SUBRAMANYAPURA
BENGALURU – 560 061.

3. IYAPPAN PALANI @ P IYYAPPAN
S/O PALANI
AGED ABOUT 33 YEARS
R/AT No.1355/A, 18^{TH} CROSS
GANESH TEMPLE BACK SIDE
D GROUP, S G KAVAL
BENGALURU – 560 091.

…PETITIONERS

(BY SRI H S CHANDRAMOULI, SENIOR ADVOCATE
A/W SRI K A CHANDRASHEKARA, ADVOCATE)

AND :

1. THE STATE OF KARNATAKA
BY THE POLICE OF
PUTTENAHALLI POLICE STATION
BENGALURU CITY – 560 078.
REPRESENTED BY SPP
HIGH COURT OF KARNATAKA
BENGALURU – 560 001.

2. SRI SIDDHARTH SOOD
DIRECTOR,
WILDCRAFT INDIA LIMITED
FATHER'S NAME NOT KNOWN
TO TE PETITIONERS
AGED ABOUT 49 YEARS
OFFICE AT:15^{TH} CROSS

J P NAGAR 4TH PHASE
BENGALURU – 560 076.

… RESPONDENTS

(BY SMT. WAHEEDA M M, HCGP FOR R1
SRI SANDESH J CHOUTA, SENIOR, ADVOCATE FOR
A/W SRI ARUN GOVINDRAJ, ADVOCATE FOR R2)

THIS CRIMINAL PETITION IS FILED UNDER SECTION 438 Cr.P.C. (FILED UNDER SECTION 482 BNSS) PRAYING TO GRANT THEM ANTICIPATORY BAIL IN THE EVENT OF THEIR ARREST IN CRIME No.337/2025 OF PUTTENAHALLI POLICE STATION, BENGALURU CITY, NOW PENDING ON THE FILE OF THE LEARNED IV ADDL. CHIEF JUDICIAL MAGISTRATE BENGALURU CITY FOR THE OFFENCES PUNISHABLE UNDER SECTIONS 316(4), 61(2) 49 AND 318(4) READ WITH SECTION 3(5) OF BNS 2023.

THESE CRIMINAL PETITIONS HAVING BEEN HEARD AND RESERVED FOR ORDERS ON 18.02.2026, THIS DAY, ***SHIVASHANKAR AMARANNAVAR J***, DELIVERED THE FOLLOWING;

CORAM: HON'BLE MR. JUSTICE SHIVASHANKAR AMARANNAVAR

<u>CAV ORDER</u>

1. Crl.P. No. 955/2026 is filed by accused Nos. 1 to 3 and Crl.P. No. 1028/2026 is filed by accused Nos. 4 and 5. Both the petitions are filed under Section 482 of BNSS praying to grant anticipatory bail in crime No. 337/2025 of Puttenahalli Police Station registered for offences

punishable under Sections 316(4), 61(2), 49, 318(4) read with Section 3(5) of BNS.

2. Heard learned Senior counsel for petitioners in both petitions and learned Senior counsel for respondent No. 2 and learned HCGP for respondent No. 1 – State.

3. Learned Senior counsel for petitioners would contend that the offence alleged has taken place in between 01.03.2020 to 26.12.2025. Accused No.1 has resigned from his job by his e-mail dated 03.11.2025. Accused No. 1 has not alleged any such misappropriation and receiving kickback prior to he resigning from the job. There is no resolution passed by the Company for filing complaint against the accused persons. There is no entrustment to attract criminal misappropriation, cheating and breach of trust. The alleged act may, at the most, be considered as misconduct. The Company has kept mum for five years. In the letter of suspension of accused No. 1 dated 10.12.2025 there is no specific allegation of receiving any kickback from

the vendors. Preliminary investigation has been conducted behind the back of accused persons and the accused persons are not called upon to give explanation for alleged mis-deeds. Accused No. 1 has purchased a flat in Shobha Clovelly Apartment and for that he has availed loan of Rs.1,52,00,000/- from the State Bank of India. The Bank accounts of the accused persons have been freezed. The offence alleged is not punishable either with death or imprisonment for life and the maximum sentence that can be imposed is imprisonment which may extend to seven years. Accused Nos. 6 and 7 who are vendors have been granted bail by the Judicial Magistrate First Class. Petitioners – accused Nos. 1 to 5 are ready to cooperate with the Investigating Officer in the investigation and abide by any conditions to be imposed by this Court. Accused Nos. 4 and 5 are women and they are not concerned with the alleged act of misappropriation, receiving kickback etc. Since accused Nos. 4 and 5 are women and as they are not employees of the complainant – Company they are not required for custodial interrogation. On these grounds learned Senior counsel has prayed to allow the petitions.

4. Learned HCGP for respondent No. 1 – State, per contra, would contend that accused No. 1 was working as head of Manufacturing and Supply Chain, accused No. 2 was working as Senior Manager – Production and accused No. 3 was incharge of procurement of yarn, chemicals and production operations. Accused No. 4 is the mother-in-law of accused No. 2 and accused No. 5 is the wife of accused No. 2. Complaint has been filed after getting preliminary investigation report. The Company has received e-mail dated 11.10.2025 sent by one Santosh – the vendor who has stated the acts of accused Nos. 1 to 3 of receiving kickback and threatening the vendors not to entrust with the orders if they do not cooperate for giving kickback. Said amounts have been credited to the bank accounts of accused Nos. 4 and 5. In the bank accounts of accused Nos.

4 and 5 huge amounts have been credited by different vendors and that itself indicate the involvement of accused Nos. 1 to 3 in getting back the kickback amount from the vendors. Notice has been issued to the accused persons and they have not appeared before the Investigating Officer for investigation. The alleged offence is an economic offence and therefore, petitioners are required for custodial interrogation. On these grounds she prayed for rejection of the petitions.

5. Learned Senior counsel appearing for respondent No. 2 would contend that in the FIR there is an allegation that accused persons have received kickback of more than Rs.16.00 crores. Investigation is going on. As the offence is continuing even after commencement of BNS the provisions of BNS are attracted and not the provisions of IPC. One Santosh has sent an e-mail to the complainant – Company dated 11.10.2025 and it contains the manner in which the accused took kickback. The preliminary investigation report

indicates that there is transfer of huge money to the bank accounts of accused Nos. 4 and 5. Accused No. 4 is the mother-in-law and accused No. 5 is wife of accused No. 2. There is a forensic audit report dated 23.12.2025 and it clearly indicates the misappropriation and receiving kickback from the vendors. Accused No. 1 who was aware of this aspect, in order to escape from criminal liability, has tendered his resignation and it has not been accepted. Accused No. 1 has been kept under suspension. Accused Nos. 1 to 3 have been served with show cause notice through e-mail and they have not sent any reply to the said show cause notice. Statement of bank account of accused No. 2 clearly indicates that he has received money from the vendors. The preliminary investigation report indicate that Rs.16.46 crores loss has been caused to the complainant - Company. The Board has passed a resolution dated 18.12.2025 directing the complainant Sood Siddharth to file the complaint. P.W.4 is a partner in RK Ventures and she is the mother-in-law of the accused No. 2. Said RK Ventures sold the products of Wildcraft - the complainant company. Said RK Ventures took the job work from the complainant - Company, namely Wildcraft. The allegations made in the complaint are not of civil nature and they involve cheating, dishonest intention which was going on for the last 3 years and more. Accused No. 1 has acquired an apartment in his name and in the name of his wife. To the said builder there is transfer of Rs.5,00,000/- from the account of accused No. 4 on 04.11.2022 which is forthcoming from the statement of account of Shobha Apartment. Accused Nos. 6 and 7, whose names are not in the FIR, who are stated to be the vendors, have been granted bail. Said accused Nos. 6 and 7 have been interrogated in Police custody for 8 days. The allegation against them is helping the other accused in getting kickback amount. Learned Senior counsel placed reliance on the following judgments:

a) P. Chidrambaram Vs. Directorate of Enforcement, 2019 (2) SCC 24

b) State Rep. by CBI Vs. Anil Sharma, 1997 (7) SCC 187

c) Parthiban Ramakrishnan and another Vs. The State, rep. by The Inspector of Police, Chennai CCB-I, Crl.O.P. No. 18967/2025 dated 11.09.2025

6. In reply, learned Senior Counsel for petitioners would contend that in the e-mail sent by the accused No. 1 tendering his resignation it is stated that there was a discussion in May and accordingly he is tendering resignation. The alleged misappropriation of Rs.16.00 crores is not verified. Accused No. 2 has sent a reply to the show cause notice on 18.12.2025. The account of accused Nos. 4 and 5 have been freezed.

7. Having heard learned counsel, the Court has perused the FIR, complaint, statement of objections filed by respondent No. 2 and other materials placed on record.

8. The averments of the complaint indicate that accused No. 1 has served the respondent No. 2 Company as head of Manufacturing and Supply Chain and was vested with cheque signing authority and complete control over vendor appointment, rate negotiations, issuance of work order and approval of invoices. He, by virtue of his position, exercised dominion over company funds and owed the highest fiduciary duties. He has utilised the proceeds of crime for acquisition of immovable property including a residential apartment.

9. Accused No. 2 was working as a Senior Manager - Production and he has managed job work vendors, fabric factory operations and procurement of consumables. The bank account of accused No. 2 indicates receipt of substantial sums during the period when vendors billed the company at inflated rates. He also exercised coercive control over vendors by threatening discontinuation of job

work in case of non-payment of illegal gratification, i.e., kickback.

10. Accused No. 3 was involved in procurement of yarn, chemicals and production operations and he knowingly participated in procurement fraud at inflated prices. He has received illegal commission from suppliers primarily in cash and transferred portions of these amounts to the accounts of accused Nos. 4 and 5. His role is integral to the execution of conspiracy, particularly in material procurement fraud.

11. Accused No. 4 is the mother-in-law of accused No. 2, and knowingly she allowed her bank accounts to be used for receipt, layering and onward transfer of proceeds of crime. Substantial sums running into crores of rupees were routed through her account. The funds transferred through her account were used for acquisition of assets by other accused persons including accused No. 1.

12. Accused No. 5 is wife of accused No. 2. Her accounts were systematically used to park and transfer illicit funds in close proximity to payments released by the Company to vendors without any independent business dealings, justifying such receipts.

13. A plain reading of the complaint clearly discloses specific and distinct overt acts attributable to each of the accused persons, which at this stage indicate prima facie ingredients of offences alleged in the FIR. As per averments of the complaint and preliminary investigation report, there is misappropriation and receiving kickback to the extent of Rs.16.00 crores.

14. Learned Senior counsel for respondent No. 2 contended that at the stage of FIR it was Rs.16.00 crores and now investigation indicates it is more than Rs.16.00 crores. Accused Nos. 1 to 3, being employees of complainant - Company, are alleged to have misused their position and committed breach of trust and received

kickbacks. The bank account statements of accused Nos. 4 and 5 indicate several transfer of amount by the vendors out of the amount received by them from respondent No. 2 - Company. Said aspect indicate that they have paid kickbacks in conspiracy with accused Nos. 1 to 3 to the bank accounts of accused Nos. 4 and 5.

15. Considering the said aspects, accused Nos. 1 to 3 who are employees and who have misused their position are required for custodial interrogation to ascertain the actual involvement of the exact amount of misappropriation and receipt of kickbacks in cash etc. Considering the gravity of offence and the amount involved, accused Nos. 1 to 3 are not entitled for discretionary relief of anticipatory bail.

16. Accused No. 4 is mother-in-law of accused No. 2 and accused No. 5 is the wife of accused No. 2. A plain reading of the complaint indicate that their bank accounts have been used by accused Nos. 1 to 3 to get transfer of kickback from the vendors. Accused Nos. 4 and 5 are not

employees of the complainant - Company. The only allegation is that their accounts have been used for receiving the kickback from the vendors. Considering the fact that accused Nos. 4 and 5 are women and they are not employees and only their bank accounts have been used for receiving the kickback amount, their custodial interrogation is not required. Considering the said fact, accused Nos. 4 and 5 are entitled for grant of anticipatory bail with conditions.

In the result, the following

O R D E R

Crl.P. No. 1028/2026 filed by accused Nos. 4 and 5 is allowed and Crl.P. No. 955/2026 filed by accused Nos. 1 to 3 is rejected.

Accused Nos. 4 and 5 are ordered to be released on bail in the event of their arrest in Crime No. 337/2025 of Puttenahalli Police Station registered for offences punishable under Sections 316(4), 61(2), 49, 318(4) read with Section 3(5) of BNS subject to following conditions:

I. Accused Nos. 4 and 5 shall voluntarily appear before the Investigating Officer within 10 days from this day and execute bail bond for a sum of Rs.1,00,000/- each, with one surety for the likesum to the satisfaction of Investigating Officer.

II. Accused Nos. 4 and 5 shall appear before the Investigating Officer whenever called for and cooperate for investigation.

III. Accused Nos. 4 and 5 shall not directly or indirectly make any inducement, threat or promise to any person acquainted with the facts of the case, so as to dissuade him from disclosing such facts to the Court or to Police Officer or tamper with evidence.

IV. Accused Nos. 4 and 5 shall appear before the Investigating Officer on every Sunday between 10.00

a.m. and 05.00 p.m. for a period of 1 month or till filing of final report whichever is earlier.

Sd/-
(SHIVASHANKAR AMARANNAVAR)
JUDGE

LRS
Ct.sm