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W.P.Crl.No.1405 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 14.07.2026

CORAM :

THE HONOURABLE MR. JUSTICE G.K.ILANTHIRAIYAN

W.P.Crl.No.1405 of 2025

Milton John Mathew,
S/o.Mathew

... Petitioner

Vs.

1.The State,
Represented by the Deputy Superintendent of Police,
State Cyber Crime Investigation Centre,
Ashok Nagar,
Chennai-83.

2.The Sub-Registrar,
576, Mogappair West,
Ambattur Industrial Estate,
Chennai-37.

... Respondents

Prayer: Writ Petition filed under Article 226 of the Constitution of India, for issuance of a Writ of Certiorari, to call for the records pertaining to the Impugned Letter No.Nil dated 17.04.2025 issued by the 1st Respondent herein and quash the same as illegal, incompetent and wholly without jurisdiction.

For Petitioner : Mr.Sunny Sheen Akkara

For Respondents : Mr.R.Ganesh Kumar
Counsel for Government of Tamil Nadu
(Criminal Side)



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ORDER

The Petitioner has filed this Writ Petition, praying to call for the records pertaining to the Impugned Letter No.Nil dated 17.04.2025 issued by the 1st Respondent herein and quash the same as illegal, incompetent and wholly without jurisdiction.

2. It is seen that the 1st Respondent had sent a communication to the 2nd Respondent, requesting to freeze the subject property and not to register any Sale Deed for the said property without informing the Cyber Crime Wing and without proper orders from the competent Court of law.

3. It is the case of the Petitioner that he owned a property in Plot No.A9/3, Door No.11/1 (19/1), 19th Avenue, Ashok Nagar, Chennai-83 in the year 2022. While being so, the 1st Respondent registered an FIR in Crime No.10 of 2023 dated 21.09.2023 for the offences punishable under Section 420 of the Indian Penal Code, 1860 and Section 43(f), 43(j) and Section 66 of the Information Technology Act, 2000 in which, the Petitioner was arrayed as an accused, alleging that one Dr.D.Venkata Ramanaiah, the Defacto Complainant came in contact with the Petitioner



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through twitter, and subsequently invested \$25,000 (Rs.22,00,000/-) in two installments in exchange for Terareum (Cryptocurrency) tokens.

4. As per the Contract of Terareum LLC, the Petitioner and the Defacto Complainant arrived at a business deal for 25% stakes in the Terareum Company at USA and 500 trillion of TERA (Cryptocurrency) tokens in exchange of \$25000 (Rs.22,00,000/-). The Petitioner launched TERA token on Ethereum Block Chain on the same month and attracted further investments from others.

5. In the month of February 2022, the Company raised approximately \$7.17 million in Ethereum through a Pre-ICO and Non-VIP sale but the Petitioner allegedly misused the Company funds raised through pre-sale and failed to deliver on the commitments and eventually shut down the Company's website and social media accounts burning the remaining tokens.

6. It is in this background, and pursuant to Registration of FIR, the 1st Respondent issued the Impugned Letter dated 17.04.2025 to the Sub-Registrar Office, Ashok Nagar, Chennai, thereby requesting to freeze the



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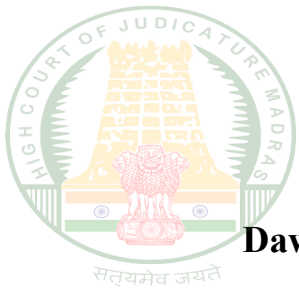
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suspicious property alleged to be purchased from crime proceeds and not to register any Sale Deed for the property without informing the Cyber Crime Wing and without proper orders from the competent Court of law.

7. Learned counsel for the Petitioner submits that the 1st Respondent has no authority or power to issue such Letter, requesting not to register any document which would amount to seizure of the Property as contemplated under Section 106 of the Bharatiya Nagarik Suraksha Sanhita, 2023.

8. It is further submitted that the subject Property is admittedly an Immovable Property, and the 1st Respondent has no power to attach the Immovable Property.

9. Learned counsel for the Petitioner has also relied upon the decision of this Court in **V.Sundaram and another Vs. The Deputy Superintendent of Police, Economic Offences and Wing and another** in W.P.No.11221 of 2015 *vide* Order dated 27.07.2015, in which this Court after referring the law laid down by the Full Bench of the Bombay High Court in **Sudhir Vasant Karnataki Mohideen Mohammed Sheik**



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Dawood through its Power of Attorney Holder Mr.Rajesh Baxi,
M/s.Chetna Properties Private Limited Vs. The State of

Maharashtra, [MANU/MH/1561/2010] and the Judgment of the Kerala High Court in **Kuriachan Chacko Vs. State of Kerala** in W.P. (C) No.12275 of 2012 dated 26.07.2012, held that the power of the Police Officer to seize properties under Section 102 of the Code of Criminal Procedure Code, 1973 do not include immovable properties. The relevant portion of the Judgment relied by the Petitioner Counsel is extracted below:-

“This Court is in complete agreement with the law laid down by the Full Bench of the Bombay High Court and the Kerala High Court with regard to the power of the police officer to seize immovable properties under Section 102, Cr.P.C. The Deputy Superintendent of Police, by couching the Impugned Communication in a camouflaged language, is in fact, indirectly attaching the properties of the accused via the backdoor, which is not permissible. If the Deputy Superintendent of Police is desirous of safeguarding the interest of the depositors, he should have immediately taken steps to send a report to the Government for initiating action under Section 3 of the Criminal Law Amendment Ordinance and not through such a subterfuge.”

10. Learned counsel for the Petitioner has also drawn attention to the decision of the Hon’ble Supreme Court in **Nevada Properties Private Limited through its Directors Vs. State of Maharashtra and**



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another, (2019) 20 SCC 119, in which the Hon'ble Supreme Court in

WEB COPY Paragraph No.29, held as follows:-

“29. Section 102 postulates seizure of the property. Immovable property cannot, in its strict sense, be seized, though documents of title, etc. relating to immovable property can be seized, taken into custody and produced. Immovable property can be attached and also locked/sealed. It could be argued that the word “seize” would include such action of attachment and sealing. Seizure of immovable property in this sense and manner would in law require dispossession of the person in occupation/possession of the immovable property, unless there are no claimants, which would be rare. Language of Section 102 of the Code does not support the interpretation that the police officer has the power to dispossess a person in occupation and take possession of an immovable property in order to seize it. In the absence of the legislature conferring this express or implied power under Section 102 of the Code to the police officer, we would hesitate and not hold that this power should be inferred and is implicit in the power to effect seizure.”

11. On perusal of the Counter filed by the Respondents, it is submitted by the learned Counsel for Government of Tamil Nadu (Criminal Side) that the property mentioned in the Impugned Letter has been identified by the 1st Respondent and the said Property was purchased by the Petitioner while using the funds approximated through Terareum (Cryptocurrency).

12. It is submitted that the Petitioner had laundered substantial amounts derived from the Terareum (Cryptocurrency). The Petitioner



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converted the cryptocurrency proceeds into INR using the CoinDCX platform (Wunderbaked Technologies Private Limited). It is a subsidiary of CoinDCX and functions as a dedicated crypto-to-INR exchange platform.

13. It is further submitted that the Petitioner has received approximately Rs.38,00,00,000/- through multiple transactions from Wunderbaked Technologies Private Limited between February 2022 and April 2022, representing the laundered proceeds from Terareum (Cryptocurrency). Most of the amount i.e., above Rs.11,00,00,000/- were received by the Petitioner between 01.02.2022 and 10.03.2022. Subsequently, three Demand Drafts amounting to the tune of Rs.7,00,00,000/- were drawn from the Petitioner's account and were utilized for purchasing the said property.

14. It is submitted that, after registration of FIR, on 21.01.2026, a search warrant under Section 93 and Section 94 of the Code of Criminal Procedure, 1973 was obtained from the XI Metropolitan Magistrate for conducting a search of the residence of the Petitioner.



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15. It is submitted that, pursuant to the said warrant, the search was conducted on 22.01.2026, during which various case properties were seized, including 3 luxury cars and the Original Title / Property Documents relating to Immovable Properties allegedly purchased by the accused from the proceeds of crime. Further, the Petitioner was also engaged in multiple financial diversions through cryptocurrency platforms, demonstrating a genuine and imminent risk of dissipating the properties.

16. It is further submitted that the Petitioner is also under scrutiny by the Income Tax Department for tax evasion and the offence currently being investigated also attracts the Provisions of the Prevention of Money-Laundering Act, 2002 and the respective agency is also conducting an investigation.

17. Heard the learned counsel for the Petitioner and the learned Counsel for the Government of Tamil Nadu (Criminal Side).

18. This Court in **V.Sundaram and another** (referred to *supra*), after referring to the Full Bench Judgment of the Bombay High Court and



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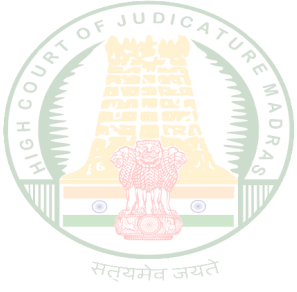
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that of the Kerala High Court, had held that the Impugned Communication under Section 102 of the Code of Criminal Procedure, 1973, is indeed arbitrary exercise of power and is in violation of Article 14 and Article 300A of the Constitution of India.

19. In the present case, the 1st Respondent did not seize any property as contemplated under Section 102 of the Code of Criminal Procedure Code, 1973. Therefore, the Judgments relied upon by the learned counsel for the Petitioner is not applicable to the facts of the case.

20. In order to proceed under Section 107 of the Bharatiya Nagarik Suraksha Sanhita, 2023, the 1st Respondent has identified the Property of the Petitioner and by way of precaution, issued a communication to the 2nd Respondent and requested the 2nd Respondent not to register any of the property to a 3rd party by not allowing registration of any Sale Deeds.

21. However, the 1st Respondent can attach the Property as per the powers contemplated under Section 107 of the Bharatiya Nagarik Suraksha Sanhita, 2023, only after having obtained necessary orders from the concerned Court.



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22. In view of the above, the Impugned Order cannot be sustained and has to be set aside leaving open for the 1st Respondent to attach the subject property as contemplated under Section 107 of the Bharatiya Nagarik Suraksha Sanhita, 2023 within a period of 3 weeks from the date of receipt of a copy of this order.

23. Till such time, the Petitioner is not permitted to deal with the property by registering the Sale Deed / by registering any of the documents in relation to the subject property.

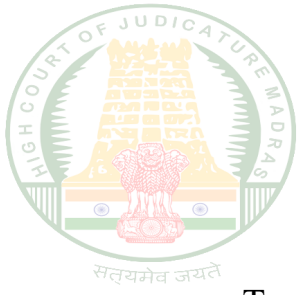
24. If the 1st Respondent fails to attach the property as contemplated under Section 107 of the Bharatiya Nagarik Suraksha Sanhita, 2023, the Petitioner is at liberty to deal with the property.

25. This Writ Petition, is thus, allowed. No costs.

14.07.2026

Neutral Citation: Yes / No

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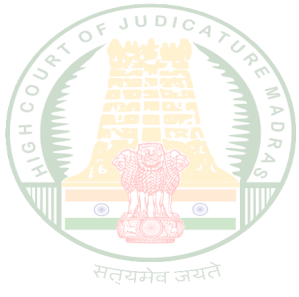


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To:

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- 2.The Sub-Registrar,
576, Mogappair West,
Ambattur Industrial Estate,
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- 3.The Public Prosecutor,
High Court of Madras,
Chennai – 600 104.



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