HC-KAR
NC: 2026:KHC:60520
WP No. 9461 of 2023
CNR: KAHC010226412023

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 30TH DAY OF OCTOBER, 2026

BEFORE

THE HON'BLE MR. JUSTICE B.PRAMOD

WRIT PETITION NO.9461 OF 2023 (GM-RES)

BETWEEN:

IIFL FINANCE LIMITED
A COMPANY REGISTERED
UNDER THE COMPANIES ACT, 2013
HAVING OFFICE AT
NO.11, GROUND FLOOR, ADAMS CHAMBER
RICHMOND ROAD
BENGALURU-560 025
REPRESENTED BY ITS
AUTHORISED SIGNATORY/LEGAL HEAD
MR. RITHESH VARMA
S/O. PRADEEP KUMAR VARMA
AGED ABOUT 25 YEARS

...PETITIONER

(BY SRI S. R. DODDAWAD, ADVOCATE,
SMT. MITHULYA MURALI, ADVOCATE FOR
SMT. ANUPARNA BORDOLOI, ADVOCATE)

Digitally signed by SHARADAVANI B
Location: HIGH COURT OF KARNATAKA

AND:

1. THE STATE OF KARNATAKA
REPRESENTED BY
CEN CRIME POLICE STATION
EAST DIVISION
BROADWAY ROAD
SHIVAJI NAGAR
BENGALURU-560 051

2. S. SANJAY
S/O. LATE M. SURESH
AGED ABOUT 21 YEARS

NO.33, 3RD CROSS
SADHASHIVA TEMPLE ROAD
RS PALYA, KAMMANAHALLI
BENGALURU-560 033

3. ICICI BANK LIMITED
215, FREE PRESS HOUSE
FREE PRESS MARG
NARIMAN POINT
MUMBAI-400 021
REPRESENTED BY MANAGER

…RESPONDENTS

(BY SRI MAHANTESH SHETTAR, A.G.A., FOR R-1)

THIS WRIT PETITION IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA PRAYING TO SET ASIDE THE IMPUGNED NOTICE DATED 15.04.2023 ISSUED BY THE RESPONDENT NO.1 POLICE TO RESPONDENT NO.3 TO FREEZE THE BANK ACCOUNT NO.000405113598 OF THE PETITIONER, IN PURSUANT TO REGISTRATION OF THE FIR IN CR. NO.0762/2022 AS THE SAME IS HIGHLY ARBITRARY, AND WITHOUT THE AUTHORITY OF LAW (ANNEXURE-A, B AND C) AND DIRECT THE RESPONDENT NO.3 TO DE-FREEZE THE BANK ACCOUNT BEARING NO.000405113598 OF THE PETITIONER THAT IS MAINTAINED WITH RESPONDENT NO.3 VIDE ANNEXURE-D.

THIS PETITION, COMING ON FOR ORDERS, THIS DAY, ORDER WAS MADE THEREIN AS UNDER:

CORAM: HON'BLE MR. JUSTICE B.PRAMOD

CNR: KAHC010226412023

ORAL ORDER

The petitioner has filed the present writ petition calling in question the police notice dated 15.04.2023 (Annexure-A) issued under Sections 91 and 92 of the Code of Criminal Procedure, 1973, whereby respondent No.3– ICICI Bank was directed to debit-freeze the bank account of the petitioner in connection with an online fraud case registered at the Cyber Crime Police Station, East Division, Bengaluru City. At the outset, the Learned Counsel for the petitioner clarified that the challenge is to Annexure-A only and there is mistake in the prayer (a). This Court, by order dated 27.04.2023, granted an interim order in the matter.

2. Heard Sri S.R. Dodwad and Smt. Mithulya Murali, learned counsel appearing for the petitioner and Sri Mahantesh Shettar, learned Additional Government Advocate appearing for respondent No.1. Perused the material available on record.

3. It is the case of the petitioner that it is a company incorporated under the provisions of the Companies Act, 1956, and is a non-banking financial institution engaged in providing financial facilities to individuals and entities. The petitioner-Company maintains a corporate bank account bearing No.000405113598 with respondent No.3–Bank. The said account is utilized for disbursement of sanctioned loan amounts to its customers and for collection of monthly instalments towards repayment of the loans. It is further contended that the transactions carried out through the said account are duly reported to the Reserve Bank of India (RBI). In support thereof, the relevant statement has been produced at Annexure-D.

4. It is further contended that on 18.10.2022, a gold loan was sanctioned to one Sri Mohnish Mudgal, who repaid the entire loan amount and redeemed the pledged gold on 22.12.2022. Subsequently, on 19.04.2023,

respondent No.3–Bank forwarded an email to the petitioner enclosing the impugned police notice dated 15.04.2023.

5. Learned counsel for the petitioner submits that respondent No.2 lodged a complaint dated 14.11.2022 before respondent No.1 alleging a UPI fraud transaction had occurred on 21.10.2022. Pursuant thereto, Crime No.0762/2022 came to be registered against the accused. It is further submitted that the petitioner-Company furnished the particulars of the gold loan transaction relating to Sri Mohnish Mudgal to respondent No.1.

6. It is the specific contention of the petitioner that the bank account in question is its corporate account used for disbursement of loans and carrying out day-to-day financial transactions, whereas the amount involved in the alleged crime is only Rs.1,98,797/-.

7. The learned AGA supports the action taken in Annexure-A.

8. The issue involved in the present writ petition is no longer *res integra*. This Court, by an order dated 16.10.2026 passed in W.P.No.1567/2026 (*Muthoot Finance Limited v. State of Karnataka and Others*), while considering a similar issue, has observed as under:

> *".....4. Learned counsel for the petitioner submits that the issue involved in the present writ petition is no longer res integra in view of the order dated 19.09.2024 passed by a Coordinate Bench of this Court in W.P. No.25563/2024 (Muthoot Finance Limited v. State of Karnataka and Another). It is further submitted that the said order of the Coordinate Bench has been affirmed by the Division Bench of this Court in W.A. No.1653/2024*
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> *5.Per contra, learned Additional Government Advocate submits that though an incorrect provision of law has been invoked, the gold articles have been seized under Section 107 of the Bharatiya Nagarik Suraksha Sanhita, 2023 (for short, 'BNSS, 2023'), and that the petitioner is required to follow the procedure prescribed under the said provision.*
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> *6.In reply, learned counsel for the petitioner submits that in the operative portion of the order passed in W.P.No.25563/2024, a direction is given to the police to restore the seized articles and in case, the same is produced before the learned Magistrate, then the jurisdictional Magistrate is requested to release the same in favour of the petitioner subject to the terms mentioned in paragraph No. 4.*

> *7. It is not in dispute that the order passed by the Coordinate Bench of this Court in W.P. No.25563/2024 has been affirmed by the Division Bench in W.A. No.1653/2024. Since the issue involved in the present writ petition is similar to the one considered in the aforesaid proceedings and the order of the Coordinate Bench has been affirmed by the Division Bench, this Court is of the considered opinion that the petitioner is entitled to similar relief, subject to the conditions stipulated in the said order…".*

9. In view of the aforesaid order and having regard to the fact that learned counsel appearing for the parties do not dispute that the issue involved in the present writ petition is squarely covered by the said order, this Court finds no justification to take a different view in the present matter.

10. Accordingly, this writ petition stands disposed of in terms of the order dated 16.10.2026 passed in W.P.No.1567/2026, extending the benefit of the directions issued therein to the petitioner herein, subject to the conditions stipulated in the said order, insofar as they are applicable to the present case.

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No order as to costs.

Sd/-
(B.PRAMOD)
JUDGE

BSV
List No.: 1 Sl No.: 1