HC-KAR

CNR: KAHC010740872026

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 6TH DAY OF NOVEMBER, 2026

BEFORE

THE HON'BLE MR. JUSTICE S VISHWAJITH SHETTY

CRIMINAL PETITION NO. 16402 OF 2026

BETWEEN:

1. Y.L.V. GROUPS
REP. BY NAVEEN H
S/O HEMANTH KUMAR
AGED ABOUT 31 YEARS
OFFICE AT 2ND FLOOR ABBAINAIDU
COMPLEX, R/AT J C ROAD
OPP: TO INDRA CANTEEN HOSKOTE
BANGALORE RURAL - 562 114
HEMANTH KUMAR (AS SHOWN IN FIR)

2. JAYACHANDRA H.N
S/O NARAYANAPPA H.N
AGED ABOUT 52 YEARS
R/AT KAMMAVARIPETE
NAGAGALLI HOSKOTE
BANGALORE RURAL - 562 114.

3. M/S YUNIFIVE GROUPS
REP. BY NAVEEN H
AGED ABOUT 31 YEARS
R/AT 8TH CROSS COLLEGE ROAD
BEHIND RAJA ARTS, MV EXTN
HOSKOTE, BANGALORE RURAL - 562 114.

4. M/S LNR INFRASTRUCTURE
REP BY PRAVEEN H N
AGED ABOUT 35 YEARS
R/AT KHB COLONY, SWAMI VIVEKANDA NAGAR
1ST MAIN, HOSKOTE - 562 114
(NOTE ALL ADDRESS ARE
AS PER AADHAR CARD)

...PETITIONERS

(BY SRI JAYAKUMAR S PATIL, SR. COUNSEL FOR
SRI VIKYATH B, ADV.)

Digitally signed by NANDINI D
Location: HIGH COURT OF KARNATAKA

AND:

1. STATE BY MALLESHWARAM P.S.
   REPRESENTED BY SPP
   HIGH COURT COMPLEX,
   BANGALORE - 01.

2. PEARLS PEOPLE'S WELFARE ASSOCIATION
   REGISTRATION NO MH/1160/2022 PUNE
   GATE NO 1056, MARUTI MANDIR
   NAPTE VASTI, SHIRUR
   PUNE - 412 208.

…RESPONDENTS

(BY SRI CHANNAPPA EERAPPA, HCGP FOR R-1;
SRI SIDDHARTH SUMAN, ADV., FOR R-2)

THIS CRL.P IS FILED U/S 438 CR.PC (FILED U/S 482 BNSS) PRAYING TO ENLARGE THEM ON BAIL IN CRIME NO. 149/2026 REGISTERED BY THE RESPONDENT MALLESHWARAM POLICE STATIONFOR THE OFFENCES PUNISHABLE UNDER SECTIONS 318(4), 336(2), 336(3), 340(2), 329(3), 61(2) AND 3(5) OF THE BHARATIYA NYAYA SANHITA, 2023 PENDING ON THE FILE OF THE 32ND ACMM AT BANGALORE, QUA THE PETITIONERS.

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

CORAM: HON'BLE MR. JUSTICE S VISHWAJITH SHETTY

ORAL ORDER

1. Accused nos.3 to 6 are before this Court in this petition filed under Section 482 of BNSS, 2023, seeking anticipatory bail in Crime No.149/2026 registered by Malleshwaram Police Station, Bengaluru City, for the offences punishable under Sections 318(4), 336(2), 336(3), 340(2), 329(3), 61(2), 3(5) of BNS, 2023.

2. Heard the learned Counsel for the parties.

3. FIR in Crime No.149/2026 was registered by Malleshwaram Police Station, Bengaluru City, for the aforesaid offences against Anjinappa and others, based on the first information dated 05.09.2026 received from Brij Mohan Pal S/o Shyamo Pal. Apprehending arrest in the said case, petitioners has filed Crl. Misc. No.10203/2026 before the jurisdictional Sessions Court, which was rejected on 27.10.2026. Therefore, they are before this Court.

4. Learned Senior Counsel appearing for the petitioners having reiterated the grounds urged in the petition, submits that petitioners are bona fide investors in the property in question. The documents made available to the Court would go to show that they have invested huge amount of Rs.8 Crores for joint development of property bearing Sy. No.56 measuring 7 acres 32 guntas situated at Budihala village, Kasaba Hobli, Devanahalli Taluk, Bengaluru Rural District. Petitioners, themselves, are the victims of the crime and they have filed a separate complaint, based on which, FIR in Crime No.263/2026

is registered by Hosakote Police Station, Bengaluru District, against the other accused named in the present FIR. Petitioners, who have no criminal antecedents, are ready and willing to cooperate for the purpose of investigation. Accordingly, he prays to allow the petition.

5. Per contra, learned HCGP and the learned Counsel appearing for respondent no.2 - defacto complainant, who has filed statement of objections opposing the petition, submits that petitioners have conspired with the other accused persons with an intention to defeat the scheme framed by the Hon'ble Supreme Court. The transactions between the parties was with an intention to create obstruction for bringing the property in question for sale in compliance of the order passed by the Hon'ble Supreme Court. Similar attempts are made in various other parts of India in respect of the lands which were notified for sale by the committee appointed by the Hon'ble Supreme Court and in the said case, even regular bails have been refused. Investigation of the case is under progress and accordingly they pray to dismiss the petition.

6. First informant in the present case is said to be the representative of Pearls People's Welfare Association, which is a registered body formed with the basic object of preventing unauthorized or clandestine sale, transfer or alienation of properties of the company known as 'PACL Limited'. It appears that the aforesaid company had floated a investment scheme and had cheated crores of investors to the tune of Rs.56,000 Crores. The Hon'ble Supreme Court in Civil Appeal No.13301/2015 had directed the Securities and Exchange Board of India (SEBI) to constitute a committee under the Chairmanship of Hon'ble Mr. Justice R.M.Lodha, Former Chief Justice of India, for the purpose of identifying and disposing of properties purchased by PACL and applying the sale proceeds towards repayment to investors, in accordance with the directions of the Hon'ble Supreme Court. Subsequent to the same, several further orders were passed by the Hon'ble Supreme Court restraining the Company and others from meddling with the properties situated in India and outside India belonging to the aforesaid Company.

7. Land bearing Sy. No.56 referred to herein above is one such property belonging to the aforesaid company, of which, accused no.1 named in the present FIR and his relatives were erstwhile owners. It appears that the aforesaid company had purchased the said land from accused no.1 and his relatives under a registered sale deed in the year 2006, and subsequently, the Committee appointed pursuant to the orders of the Hon'ble Supreme Court headed by Hon'ble Mr. Justice R.M.Lodha, had notified the aforesaid land for the purpose of bringing the same for sale, and accordingly, even a sale notification was issued. It is at this stage, the alleged transactions in respect of the aforesaid land has taken place between the accused in the present case.

8. The records would reveal that on 06.07.2026, three transactions were registered in the office of the Sub-Registrar, Devanahalli, in respect of the aforesaid land. As stated earlier, the aforesaid land was earlier sold by accused no.1 - Anjinappa and his relatives to the company in the year 2006 itself. Therefore, Anjinappa did not have any right over the land in question after having sold the same under a registered sale

deed in favour of the company. The particulars of the three documents which were registered in respect of the aforesaid land on 06.07.2026 before the office of the Sub-Registrar, Devanahalli, are as under:

(a) Gift Deed dated 06.07.2026 executed by Smt. Subbamma - mother of Anjinappa - accused no.1 in his favour.

(b) Agreement for sale dated 06.07.2026 executed by Anjinappa in favour of Dhanukumar Nagappa - accused no.2.

(c) Joint Development Agreement dated 06.07.2026 executed between Anjinappa and the petitioners herein, for which accused no.2 - Dhanukumar Nagappa is a consenting party.

9. In addition to the aforesaid three documents, a General Power of Attorney was also executed on 06.07.2026 by Anjinappa in favour of the petitioners herein authorizing them to carry out development work in the property in question. A reading of the joint development agreement referred to above, would go to show that on various dates starting from 25.03.2026, a total amount of Rs.8 Crores has been allegedly paid to the account of accused no.1 - Anjinappa and accused

no.2 - Dhanukumar Nagappa by the petitioners herein. However, the amount was not transferred from the bank account of the partnership firm, and on the other hand, amount was transferred allegedly from the individual bank account of the petitioners. As on the date when the amount was allegedly transferred to the bank account of Anjinappa - accused no.1 and Dhanukumar Nagappa - accused no.2, they did not have any right or title over the property in question in view of the fact that the said property was already sold under the registered sale deed executed in the year 2006 by Anjinappa and his relatives in favour of the aforesaid company. The payments shown in the joint development agreement were made much prior to execution of the said document. As and when payments were made, there was no documentation and not even a scrap of paper is produced to show that the said payments were made for the purpose of development of the property in question.

10. On 06.07.2026, mother of accused no.1 purportedly executed a gift deed in respect of the land in question in favour of Anjinappa and on the strength of the same, on the very

same day, he executes the agreement of sale in respect of the land in question in favour of accused no.2 - Dhanukumar Nagappa, and thereafter, the joint development agreement is also executed on the very same day along with the general power of attorney by accused nos.1 & 2 in favour of the petitioners herein. However, payments were all made much prior to execution of these three documents.

11. It is brought to the notice of this Court that amongst the aforesaid three documents, the first document that was registered was the agreement for sale between Anjinappa - accused no.1 and Dhanukumar Nagappa - accused no.2. As stated earlier, Anjinappa had no right whatsoever for executing such agreement and even if it is presumed that gift deed is valid, the same is registered subsequent to the registration of agreement for sale between accused no.1 and accused no.2.

12. From the aforesaid, it is apparent that the documents were created only for the purpose of defeating the proposed scheme of bringing the properties belonging to the company for sale for the purpose of paying back the money to the gullible

investors who have lost their investment in the aforesaid company. It is brought to the notice of this Court by the learned Counsel for the defacto complainant, similar attempts were made even in other parts of the country by creating similar documents and in criminal cases registered in such cases, even regular bails were rejected.

13. From the aforesaid aspects of the matter, it is apparent that the accused named in the present case have conspired with an intention to cheat and thereafter, have executed fraudulent documents as aforesaid. The allegations found in the first information make out a prima facie case for the alleged offences against the accused persons.

14. The Hon'ble Supreme Court in the case of ***State vs. Anil Sharma - (1997) 7 SCC 187***, in paragraph No.6 has observed as follows:-

> *"6. We find force in the submission of the CBI that custodial interrogation is qualitatively more elicitation-oriented than questioning a suspect who is well ensconced with a favourable order under Section 438 of the Code. In a case like this effective*

interrogation of a suspected person is of tremendous advantage in disinterring many useful informations and also materials which would have been concealed. Success in such interrogation would elude if the suspected person knows that he is well protected and insulated by a pre-arrest bail order during the time he is interrogated. Very often interrogation in such a condition would reduce to a mere ritual. The argument that the custodial interrogation is fraught with the danger of the person being subjected to third-degree methods need not be countenanced, for, such an argument can be advanced by all accused in all criminal cases. The Court has to presume that responsible police officers would conduct themselves in a responsible manner and that those entrusted with the task of disinterring offences would not conduct themselves as offenders."

15. The Hon'ble Supreme Court in the case of ***Sumitha Pradeep vs. Arun Kumar C. K. and Another - (2022) 17 SCC 391***, in paragraph No.12 has observed as follows:-

"12. ... In many anticipatory bail matters, we have noticed one common argument being canvassed that no custodial interrogation is required and, therefore, anticipatory bail may be granted. There

appears to be a serious misconception of law that if no case for custodial interrogation is made out by the prosecution, then that alone would be a good ground to grant anticipatory bail. Custodial interrogation can be one of the relevant aspects to be considered along with other grounds while deciding an application seeking anticipatory bail. There may be many cases in which the custodial interrogation of the accused may not be required, but that does not mean that the prima facie case against the accused should be ignored or overlooked and he should be granted anticipatory bail. The first and foremost thing that the court hearing an anticipatory bail application should consider is the prima facie case put up against the accused. Thereafter, the nature of the offence should be looked into along with the severity of the punishment. Custodial interrogation can be one of the grounds to decline anticipatory bail. However, even if custodial interrogation is not required or necessitated, by itself, cannot be a ground to grant anticipatory bail."

16. Learned Senior Counsel appearing for the petitioners, during the course of arguments, has submitted that the alleged offences are punishable with imprisonment for a period of seven years, and therefore, petitioners are entitled for bail. The punishment provided

for the offences is one of the parameters for considering the bail application and it is not the sole criteria. Since an attempt is made to defeat the orders of the Hon'ble Supreme Court and the scheme floated thereafter, and since the alleged offences has a serious impact on the society, more so on the investors who have been waiting for long time to receive the proceeds of the sale pursuant to the order passed by the Hon'ble Supreme Court, I am of the opinion that the prayer made by the petitioners for grant of anticipatory bail, cannot be entertained. Accordingly, petition is dismissed.

Sd/-
(S VISHWAJITH SHETTY)
JUDGE

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