

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 12TH DAY OF JULY, 2023

BEFORE

THE HON'BLE MR JUSTICE M.NAGAPRASANNA CRIMINAL PETITION NO. 3173 OF 2023

BETWEEN:

1. NAVEEN KUMAR R @ NAVEEN

2. SHRUTHI B.S. @ SRUTHI

Digitally signed by PADMAVATHI B K Location: HIGH COURT OF KARNATAKA

...PETITIONERS

(BY SRI SIJI MALAYIL., ADVOCATE)



<u>AND</u>:

- STATE OF KARNATAKA BY SOUTH CEN CRIME POLICE STATION REPRESENTED BY SPECIAL PUBLIC PROSECUTOR HIGH COURT BUILDING BENGALURU – 560 001.
- 2. YUVARAJ SELVARAJ

...RESPONDENTS

(BY SRI MAHESH SHETTY, HCGP FOR R-1; SRI ARUN SHYAM, SR.COUNSEL FOR SRI NARAYAN BABU D.N., ADVOCATES FOR R-2)

THIS CRIMINAL PETITION IS FILED UNDER SECTION 482 OF CR.P.C., PRAYING TO QUASH THE FIR IN CR.NO.235/2023 BY RESPONDENT NO.1 POLICE SOUTH CEN CRIME POLICE STATION BENGALURU FOR THE OFFENCE P/U/S.408, 504, 506 OF IPC AND SEC.66 AND 66-C OF IT ACT PENDING ON THE FILES OF Ld. I ADDITIONAL CHIEF METROPOLITAN MAGISTRATE COURT, BENGALURU.

THIS CRIMINAL PETITION, COMING ON FOR **HEARING ON I.A.**, THIS DAY, THE COURT MADE THE FOLLOWING:

<u>ORDER</u>

Petitioners are before this Court calling in question

registration of a crime in Crime No.235 of 2023 for offences



punishable under Sections 408, 504, 506 of the IPC and under Sections 66 and 66C of the Information Technology Act, 2008.

2. Heard Sri Siji Malayil, learned counsel appearing for petitioners, Sri Mahesh Shetty, learned High Court Government Pleader appearing for respondent No.1 and Sri. Arun Shyam, learned senior counsel appearing for respondent No.2.

3. Though the matter is listed for orders, with the consent of the parties it is taken up for the final disposal.

4. Facts in brief germane are as follows:

The 2nd respondent is the complainant. The petitioners are accused Nos.2 and 3, who were erstwhile employees of the Company by name EOX Vantage ('Company' for short). The petitioners are said to have left the employment on 02.11.2022 and 28.07.2022 respectively. After the exit of the petitioners from the complainant/Company, the Company appears to have undertaken certain investigation which would reveal that the petitioners have stolen data from the Company



NC: 2023:KHC:24150 CRL.P No. 3173 of 2023

and are now working with a rival Company by name Conscala, established by accused No.1.

5. On the allegation that the petitioners have violated the non-disclosure agreement and have taken away all the necessary data of the clients of the Company and used the said information in the rival Company, the complainant company institutes certain civil proceedings seeking injunction against usage of the data stolen in O.S.Nos.3154 of 2023, 3156 of 2023 and the concerned Court has granted temporary injunction against the petitioners.

6. The complainant even before approaching the Civil Court had registered a complaint before the jurisdictional police on the ground that the data belonging to the Company had been thieved by the petitioners along with others which becomes a crime in crime No.235 of 2023 for the afore-quoted offences. The crime is registered on 25.02.2023 and the subject petition is preferred on 05.04.2023, this Court had granted an interim order which has resulted in the investigation not being conducted against the petitioners. 7. Learned counsel appearing for petitioners would contend that there is no material whatsoever to allege the offences punishable under Sections 408, 504, 506 of the IPC or even under Section 66 or 66C of the Information Technology Act. Without there being any material, the complaint is registered, which would only be a harassment to the petitioners to face investigation, without any allegation. Learned counsel would further contend that what is alleged is thieving of client data. The client data is already in the public domain and is noticeable on the link of linkedin. Therefore, learned counsel would submit that the registration of crime in Crime No.235 of 2023 requires to be quashed.

8. Learned senior counsel Sri.Arun Shyam representing the 2nd respondent would refute the submissions to contend that we have only registered the complaint, but the product of investigation i.e., the final report is yet to be filed, as there are grave allegations which would become ingredients of the offences as alleged against the petitioners under Section 66



and 66C of the Information Technology Act, 2008. He would seek dismissal of the petition.

9. Learned High Court Government Pleader would toe the lines of the learned senior counsel for the 2nd respondent that the matter requires to be investigated into.

10. I have given my anxious consideration to the submissions made by the respective learned counsel and have perused the material on record.

11. The afore-narrated facts are not in dispute. The issue lies in a narrow compass. It is not in dispute that the petitioners/accused Nos.2 and 3 were employees of the complainant/Company EOX Vantage. They leave the Company on 02.11.2022 and 28.07.2022 respectively. After the exit of the petitioners, an internal investigation is said to have been conducted and the report of which is appended to the statement of objections. Those documents would *prima facie* indicate that there has been some foul play by the petitioners



prior to they resigning from the Company, from their respective posts.

12. The allegation against the petitioners is that they have been thieving all the data belonging to the clients of the complainant/Company and using it for the purpose of development of business of the rival Company and have therefore, violated the non-disclosure agreement of the Company, which would become an offence as alleged for the aforesaid offences. Even otherwise, the crime is registered on 25.02.2023 and there has been an interim order which has stalled further investigation. Data thieving has become a menace in these digital days and will have to be nipped. The case at hand forms one such illustration and is shrouded with seriously disputed questions of fact. Therefore, I find no merit to interfere at this stage of the proceedings.

13. Accordingly, petition stands rejected, reserving liberty to the petitioners to avail of such remedy, as is available in law at the appropriate time.



NC: 2023:KHC:24150 CRL.P No. 3173 of 2023

Consequently, I.A.No.2 of 2023 also stands disposed.

Sd/-JUDGE

BKP List No.: 1 SI No.: 52