IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CRIMINAL APPELLATE JURISDICTION

CRIMINAL BAIL APPLICATION NO. 1146 OF 2019

Mr. Jeevan Kishan Jadhav .... Applicant
Versus
The State of Maharashtra .... Respondent

Mr. Mahindra B. Deshmukh, Advocate for the Applicant.
Ms. S. S. Kaushik, APP for the State/Respondent.

CORAM :SARANG V. KOTWAL, J.
DATE :10th OCTOBER, 2019

P.C. :

1. The Applicant is seeking his release on bail in connection with C.R.No.262 of 2018 registered with Vashi Police Station, on 28/06/2018 under sections 406 and 420 r/w.34 of the Indian Penal Code, under sections 3, 4 and 6 of The Prize Chits and Money Circulation Scheme Act and Sections 66(D) of the Information Technology Act. Subsequently, S.3 and 4 of The Maharashtra Protection of Interest of Depositors (In Financial Establishments) Act, 1999 (for short 'MPID Act') are applied.

2. The FIR is lodged by one Dnyaneshwar Geool. He has

stated that, at the instance of the present applicant, he attended some seminars at Vashi. The applicant and others i.e. Vikram Patil and Chenaji gave information about the operation of scheme for investing in Bitcoins. The seminars were attended by around 35 to 40 investors. They were informed that the 'Gain Bitcoin' company was owned by Amit Bharadwaj and Ajay Bhardwaj. That company was in the business of 'Cloud Mining'. The investors could purchase the Bitcoins. For every Bitcoin the investors were assured of 10% p.m. profit on their investment and at the end of 18 months they would get their returns. At the instance of the applicant, the informant attended one more seminar in February 2017 in Mumbai. That seminar was conducted by accused Hemant Bhope, Vikram Patil and Chenaji. They further induced the informant to invest in the scheme. The informant, in all, invested Rs.4,16,000/-. Initially, the company used to give Bitcoins, but subsequently from May 2017 the company stopped giving Bitcoins and instead started giving another Crypto currency by name MCAP. This crypto currency had no value. The applicant was convinced that he was cheated and he has lodged this FIR. The investigation was carried out and the applicant was arrested on 12/07/2018 and since then he is in custody. The investigation is over and the charge-sheet is filed.

3. The charge-sheet mentions that the applicant and other co-accused namely Hemant Bhope, Vikram Patil, Chenaji, Amit Bharadwaj and Ajay Bhardwaj conspired with each other and induced about 7 victims to invest Rs.28,29,900/- in their scheme operated through Gain Bitcoin company. Their amounts were misappropriated and all these persons suffered losses.

4. Heard Shri. Mahindra Deshmukh, learned counsel for the applicant and Ms. Kaushik, learned APP for the State.

5. Learned counsel for the applicant submitted that the applicant had only suggested investment in Bitcoins. He himself was misled by the scheme of main accused Amit Bhardwaj and Ajay Bhardwaj. He submitted that he was not aware of their fraudulent intention. The applicant himself did not receive any money from the victim. Whatever received was used in purchasing Bitcoins. He relied on the order passed by this court in Bail Application No.731 of 2019 dated 16/09/2019 whereby one

Hemant Suryavanshi was granted bail against whom similar allegations were made. Learned APP opposed this application on the ground that because of inducement by the applicant, many victims have lost their money. The applicant was aware that the scheme was a fraud and he induced the victims to invest in this scheme.

6. I have considered these submissions. Shri. Deshmukh has rightly relied on the order passed in the case of Hemant Suryavanshi (supra). The role of the applicant is very similar to that accused in C.R.No.181/18 registered with Nigdi police station. Even the allegations against that accused are same that he had conducted seminars and had given information about the scheme, due to which, many investors invested in the scheme. The company was also the same i.e. Gain Bitcoin company which was controlled by Amit Bhardwaj and Ajay Bharadwaj. The statements of the victims in this case also show that the applicant had explained to them how the scheme operated and had suggested that the investment could get good returns on their investment. This was most like marketing operation than the fraudulent

intention on the part of the applicant, at least, prima facie. However, the trial court will have to decide this issue during trial. In this view of the matter, taking into consideration that the applicant is already in custody since 12/07/2018, no further purpose will be served by keeping him in custody till conclusion of the trial. Therefore, I am inclined to grant bail to the applicant.

7. Hence, the following order :

ORDER

(i) In connection with C.R. No. 262 of 2018 registered with Vashi Police Station, the applicant is directed to be released on bail on his furnishing PR bond in the sum of Rs.1,00,000/- (Rupees One Lakh Only) with one or two sureties in the like amount.

(ii) Application stands disposed of accordingly.

(SARANG V. KOTWAL, J.)