IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CRIMINAL APPELLATE JURISDICTION

CRIMINAL ANTICIPATORY BAIL APPLICATION NO.266 OF 2022

Amit Madanlal Lakhanpal .... Applicant
Versus
The State of Maharashtra and ors .... Respondents

Mr.Mahesh Vaswani a/w. Ms. Dharini Nagda, Ms. Varsha Vasave i/b. Ms. Shreya Tiwari, for the Applicant.
Smt. A. A. Takalkar, APP for the State/Respondent.

CORAM :SARANG V. KOTWAL, J.

DATE : 22nd FEBRUARY, 2022

P.C. :

1. The Applicant is seeking anticipatory bail in connection with C.R.No.I-116 of 2018 dated 4th June, 2018 registered with Chitalsar Police Station, Thane under Sections 419, 420, 406, 465, 468, 471, 120(B), 171 r/w 34 of of the Indian Penal Code, under Section 4 of Maharashtra Protection of Interest of Depositors (In Financial Establishments) Act, 1999, and under Section 66(D) of the Information Technology Act, 2008.

2. Heard Mr.Mahesh Vaswani, learned counsel for the Applicant and Smt. A. A. Takalkar, learned APP for the State.

3. The FIR is lodged by Pravin Mukutlal Agarwal. He has

stated that he had attended a seminar at Hotel Taj Mansingh, New Delhi on 4th August, 2017. He alongwith his friend attended that seminar. The Applicant had conducted that seminar. He told the participants that he had office in Thane and he had other directors who were working with him viz. Shirsat, Shelar, Bhangera, Kazi etc. Around 200 participants attended that seminar. He was encouraging the participants to invest in his Company. He told them about the positive features in respect of Cryptocurrency. The Applicant informed the Informant about a newly launched Cryptocurrency by name Money Trade Coin. He showed the participants the visiting card which had the stamp of Ashoka Stambh embossed on it. It was mentioned that it was issued by the Finance Ministry, the Government of India. The Applicant told the participants that he was introducing blockchain technology in India with collaboration of the Government system. He told the participants that the M. T. Coin is recognized in different countries.

4. According to his claim, if the Cryptocurrency coins were purchased between 15th to 17th July, 2017, the price would be one dollar. After next 12 days, it would be 1.5 dollars per coin and

thereafter it would be 2 dollars and 2.5 dollars in the following period. The Informant and others were told that the fixed maturity rate of the coins would be 3 dollar and the maturity date was given as January 2018.

5. He also claimed that he had kept Rs.250 Crores in HSBC Bank by way of a fixed deposit and in lieu thereof he had got a standby letter of credit to the tune of Rs.1750 Crores. He also told that the investors could purchase around 1,50,000/- different items, alongwih commercial services. The investors could purchase movable as well immovable properties and could use those coins for entertainment purposes. He showed some correspondence with Prime Minister's office and the Ministry of Finance. The Applicant also showed some photographs with celebrities. Getting impressed by his presentation, the Informant and his friend gave him Rs.10 Lakh in cash for investment. Other persons who were present and whose names are mentioned in the FIR also invested in that scheme. In all they paid Rs.1,66,26,000/- through bank transactions. After receiving that money, the Applicant opened account on M.T. Pay and transferred the M.T.

Coins in their names and mentioned the earlier maturity date i.e. January, 2018. But without returning their investment, the Company launched a different scheme by the name Coin Deposit Ratio with an added restriction of block-in-period. In the said scheme, the rate of returns was depending on the higher lock-in-period. In December 2017, M.T. Coin was listed on Nova Exchange and the rate of M.T. Coins started going down. The Applicant and his associates then brought in a new scheme by name Money Trade Coin. Just to save their investments made earlier, the Investors started investing in subsequent scheme as well. In the meantime, the rate of M.T. Coin was artificially enhanced from 3 dollars per coin to 6,000 dollars per coin and that time the facility for withdrawing currency was stopped. Thus, the Investors were cheated and the FIR mentions that the amount invested by the investors around is Rs.1,76,26,000/- was misappropriated.

6. Learned counsel for the Applicant submitted that there was no intention of cheating and in fact nobody was cheated. The investors had invented in a legitimate business. The Applicant's Company was incorporated in 2012 itself and there is a certificate

of incorporation issued by the Registrar of Companies. In that registration, the business of the Company was clearly mentioned as dealing in the Cryptocurrency. Learned Counsel, therefore, submitted that there was nothing illegal about this business. He submitted that the Cryptocurrency was not illegal and therefore nobody was cheated. According to the learned counsel for the Applicant, to show his bonafides, he was willing to deposit the amount mentioned in the FIR in this Court.

7. He further submitted that there is nothing wrong in using that visiting card because it was given by a strong political personality and that person had given him permission to use it.

8. He further submitted that the allegations about the forged fixed deposit with HSBC Bank is false. According to him, if there were so many victims, it was impossible that only a few victims would come forward. It shows that nobody has any grievance against the Applicant's Company. He further submitted that as and when the investors' claim back their amount with interest, in future; the Applicant is willing to pay them and therefore, anticipatory bail should be granted to the Applicant. He

further submitted the Applicant's intention was not wrong. He further submitted that the record available with investigating agency can be verified for that purpose. The custodial interrogation of the Applicant is not necessary.

9. Learned App strongly opposed this Application. She relied on the investigation carried out so far. She relied on the statements of Taha Kazi, Sachin Shelar, Vikram Bhangera. She also relied on photo copies of the visiting card, the FD certificate of HSBC, Whatsapp chat between the Applicant and the co-accused showing artificial rise in the price. The investigation showed that there were 15,810/- user IDs from which total Rs.113,10,36,551/- was deposited. The amount involved in this crime is huge. The Applicant had directed the co-accused to go out of the country to avoid investigation. On this basis, learned APP opposed this Application.

10. I have considered these submission and I have perused the documents produced before me. As mentioned by the learned APP, Taha Kazi has given detailed description of the entire scheme and of the plan hatched by the Applicant. He has corroborated the

allegations in the FIR. More importantly he has stated that the Applicant had instructed this accused to enter into trading to increase the price of the coins. This was going on till January, 2018. At that time rate of coins had increased to Rs.27,000/-. The Applicant had instructed this co-accused to stop the option of withdrawal. It was totally detrimental to the interest of investors as they had lost huge amount. The statement of co-accused Sachin Shelar is on same lines. It shows that the Applicant was manipulating the price of those coins. He has explained that the amount received from the investors was used by the Applicant for his own personal use. The statement of co-accused Vikram Bhangera was also on similar lines.

11. Apart from these statements, the important document is the photo copy of the visiting card. It does indeed show that the Applicant had put his name describing himself as member of the Ministry of Finance, the Government of India. That the Applicant used that visiting card. This clearly is a case of deliberate misleading and cheating the victims. It cannot be said that the Applicant had innocently used that visiting card. It shows that the

offence was committed by a lot of planning. The Applicant had procured that visiting card and had actually used it.

12. The HSBC bank had given a letter that it had not issued that FD certificate which was used by the Applicant in inducing the victims. The certificate and the serial number on it shows that the certificate is forged.

13. The chats between the Applicant and the co-accused Taha Kazi also shows that the Applicant had deliberately manipulated the exchange rate of the coins. According to the investigating agency, about 15810 user IDs were used in accepting deposit in tune of Rs.130 Crores. 402 victims have approached the investigating agency. The scale of the offence and the planing as well as the amount involved is huge and for that purpose the custodial interrogation of the Applicant is necessary. No case for anticipatory bail is made out.

14. The Application is rejected accordingly.

(SARANG V. KOTWAL, J.)