IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CRIMINAL APPELLATE JURISDICTION

CRIMINAL BAIL APPLICATION NO. 2803 OF 2024

Vyankatesh Dashrath Bhoi ..Applicant
Versus
The State of Maharashtra & Anr. ..Respondents

Mr. Vikrant Choudhary a/w. Amey A. Sirsikar for Applicant.
Ms. Ranjana D. Humane, APP for State/Respondent.

CORAM :- SARANG V. KOTWAL, J.
DATE :- 31 JULY 2024

P.C. :-

1. The Applicant is seeking his release on bail in connection with C.R.No.304 of 2023 registered at Ichalkaranji police station, Kolhapur, on 30.08.2023, under sections 420, 406, 409, 506 and 120-B, r/w. 34 of the Indian Penal Code and U/s.3 and 4 of The Maharashtra Protection of Interest of Depositors (In Financial Establishments) Act, 1999 (for short 'MPID Act'). The investigation is over and the charge-sheet is filed on 28.11.2023.

2. Heard Mr. Vikrant Choudhary, learned counsel for the applicant and Ms. Ranjana Humane, learned APP for the State.

3. The prosecution case is reflected in the Column 17 of the charge-sheet which records brief facts of the case. The F.I.R. is lodged by one Pandharinath Mahajan. The applicant was known to the first informant Pandharinath Mahajan. The applicant approached him and introduced him to the co-accused Chetan Mohire, Pranali Mohire and Pragati Solankure. They told the informant Pandharinath Mahajan that, those accused were marketing Global Digital Cluster Coins (GDCC). It was a crypto currency. If he invested in that crypto currency, he would get good returns; even to the extent that, he could get double the amount in one year. He was told that, at that point of time, the value of one coin was Rs.3300/- and when it was to be launched, it would reach upto Rs.1 lakh. It was to be launched on 25.12.2022. All of them told him that, in future, crypto currency would reach greater heights in the world and that its value would be much higher than the other currency. These accused even accepted the responsibility for his investments. He was asked to attend a seminar at Ichalkaranji in October 2021. When the informant attended that seminar, apart from these accused, one Irfan Sayyad and another

co-accused Ajay Gaikwad were present. The informant was told that, many such seminars were conducted at Goa, Aurangabad, Jalna etc. It is his case that, at their constant inducement, the informant invested Rs.24,70,905/-. The accused Chetan Mohire sent a website link to the informant for registration. The informant and his friends invested Rs.12,60,000/- in GDCC. When that crypto currency was launched on 25.12.2022, its price was shown as Rs.1200/-, but the informant and other investors were not able to withdraw their investment. The accused told them that, they would get their money back in January 2023. But since the money was lost, the F.I.R. was lodged for loss of around Rs.37 lakhs. The investigation was carried out. The investigation revealed that, there were other investors and the amount of investment revealed during the investigation was more than Rs.12 crores. There was one more offence registered at Jalna police station vide the C.R.No.28 of 2023 on the similar allegations. In that offence, the invested amount was more than Rs.20 crores. The present applicant is the accused No.1 in the present offence. The investigation revealed that GDCC was originated on Ethereum

Blockchain since 2016. The main accused Irfan Sayyad had created eight websites. Some of them were for investment, some of them were for storing the coins and some of them were for de-centralising exchange. Some of them were for providing information. Out of those websites, the main website gdccbussiness.com was deleted by the accused Irfan in September 2022. The investors were investing their money using that website. But since the website was deleted, it was difficult to find out exactly how many investors had invested in that scheme.

4. On 25.12.2022, it was told that GDCC were being transferred from the coin wallet to chain-wise exchange, but the coins could not be transferred. No investors could transfer their coins. The price of the coin fell down to 20 dollars within 6 to 7 hours. Within two weeks the chain-wise exchange was closed and it was listed on other exchanges for the price of 1 dollar. Thus, the investors lost their money. The allegations are that the accused gained profit in that and purchased the properties for themselves.

This, in short, is the prosecution story.

5. Learned counsel for the Applicant submitted that the co-accused Amod Mhetar who is similarly placed is granted bail vide the order dated 02.07.2024 passed in Criminal Bail Application No.328 of 2024. He submitted that, at the highest, the allegations against the applicant are for inducement. The offence is committed by the main accused Irfan. The applicant himself had invested his own amount in the scheme. The investment of the investors was not accepted by the applicant personally. Initially, the scheme was showing good results, but subsequently, expected returns went down and, therefore, the investors lost their money. There was no criminal intention attached to this transaction. The offence U/s.409 of the I.P.C. is not made out as the applicant does not fall within any of the categories mentioned in that section. The applicant's Lexus car worth more than Rs.60 lakhs and the land in Pune worth Rs.75 lakhs is already seized and attached by the police. The applicant is in custody since 21.08.2023 when he was arrested. The investigating agency had sufficient opportunity to interrogate the applicant. After thorough investigation the charge-sheet is filed. The applicant's further custody will not serve any

purpose. The applicant also deserves to be released on bail because his case is at par with that of the co-accused Amod Mhetar who is granted regular bail by this Court.

6. Learned APP submitted that the total amount lost by the investors in this particular case is around Rs.34 crores. The first charge-sheet shows the figure as approximately Rs.12 crores. However, the further investigation reveals the amount of more than Rs.34 crores. However, as far as the applicant is concerned, the property worth more than Rs.4 crores purchased by the applicant in the name of his relatives is already seized. She submitted that, considering the seriousness of the allegations, the applicant may not be granted bail.

7. I have considered these submissions. The allegations against the applicant are that, he had induced the investors to invest in this scheme. Interestingly, as rightly submitted by the learned counsel for the Applicant, the statements of the witnesses Amrut Khot, Sagar Borgi, Swaraj Patil and Prashant Patil show that they had paid the money for investment to the informant

Pandharinath. The supplementary charge-sheet is not yet filed. These are the main witnesses who have described the role played by the informant himself. All these witnesses' statements, at the highest, show that the applicant was present during the seminars. The allegations are that, at the time of seminar, all the schemes were explained and they were induced to invest their amounts. As submitted by the learned counsel for the applicant, the applicability of Section 409 of the I.P.C. will have to be tested as to whether the applicant falls in any of the categories. Learned counsel's submission that Section 409 of the I.P.C. is not attracted, will have to be decided during trial. Apart from that section, the maximum punishment U/s.420 of the I.P.C. is for 7 years and for the offence U/s.3 of the MPID Act is for six years. The applicant is in custody for almost one year. The applicant's properties which were known to the investigating officer are already attached and, hence, are secured. The applicant's relatives' properties are also attached. The investigation can still go on and the investigating agency can take steps in accordance with law if any more such properties are found out. The applicant was in police custody during the investigation. His further detention in prison is not going to serve any purpose. The applicant is claiming parity with the co-accused Amod Mhetar who is granted bail. In this case, considering the similarity of the allegations and the evidence, even this is an additional ground in favour of the applicant. In this view of the matter, I am inclined to grant bail to the applicant. The applicant has deposited his Passport in connection with the offence registered at Jalna police station. This offence is now being investigated by the E.O.W., Kolhapur.

8. Hence, the following order :

ORDER

(i) In connection with C.R.No.304 of 2023 registered at Ichalkaranji police station, Kolhapur, the applicant is directed to be released on bail on his furnishing P. R. bond in the sum of Rs.1,00,000/- (Rupees One Lakh Only) with one or two sureties in the like amount.

(ii) The applicant shall attend the office of the E.O.W., Kolhapur, on every Wednesday between 11:00a.m. to 1:00p.m., for a period of one year from today and shall co-operate with further investigation.

(iv) The Applicant shall not tamper with the evidence and shall not contact any witnesses.

(v) The Applicant shall provide his address and contact numbers to the I.O. before being released on bail.

(vi) The Application is disposed of accordingly.

(SARANG V. KOTWAL, J.)