Shabnoor

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CRIMINAL APPELLATE JURISDICTION

BAIL APPLICATION NO.3228 OF 2025

Vasant Sabaji Kadam … Applicant
V/s.
The State of Maharashtra … Respondent

Mr. Nikhil Wadikar a/w Rushikesh Desai, Parth Katira, Kastur Patil i/b Pradip Zende, for the applicant.

Mr. Sagar R. Agarkar, APP for the State – respondent.

Mr. Pravin Phadtare, API, Panvel City Police Station is present.

CORAM : AMIT BORKAR, J.

RESERVED ON : OCTOBER 7, 2025

PRONOUNCED ON : OCTOBER 9, 2025

<u>JUDGMENT</u>:

1. By this application filed under Section 483 of the Bharatiya Nagarik Suraksha Sanhita, 2023 (for short, "BNSS"), the applicant seeks his release on regular bail in connection with Crime Register No. 330 of 2024 registered with Panvel City Police Station for offences punishable under Sections 406, 420 read with Section 34 of the Indian Penal Code, 1860 (for short, "IPC").

2. The prosecution case, in brief, is that during the period between 1 January 2020 and 17 May 2024, the applicant, in active connivance with co-accused Amarjit Singh, entered into a criminal conspiracy to cheat and defraud the informant, Sunil Shankar Zanjurne, and his associate, Rajendra Nikam, under the pretext of providing attractive investment opportunities. In pursuance of the said conspiracy, the applicant and co-accused approached the informant and his friend, induced them to invest in several entities, namely Bitain System, Stockson System, Solomax System, and Hyper Fund System, by making false assurances of high and guaranteed returns on the amounts invested.

3. Believing the said representations, the informant and his friend invested a total sum of Rs.98,84,130/- in the aforesaid companies over a period of time. Upon completion of the investment period, neither the assured returns nor the principal amount was repaid. Several efforts were made by the informant and his friend to contact the accused and recover their money, but the accused allegedly avoided communication and failed to fulfil the promises made earlier.

4. Realising that they had been cheated and their money had been misappropriated, the informant lodged a detailed written complaint at Panvel City Police Station narrating the entire sequence of events. Based on the said complaint, the present offence was registered against the applicant and co-accused.

5. Learned Advocate for the applicant submitted that the applicant has been falsely implicated. According to him, the applicant neither induced the informant nor his friend to invest in any company nor gave any assurance of profits. He contended that the informant and his friend were already engaged in investment activities on their own and that the applicant is not a beneficiary of the alleged transaction. It was urged that no amount was received by the applicant personally; the amounts were invested directly with the concerned companies. It was further submitted that the applicant was arrested on 18 December 2024. The investigation is complete and the charge-sheet has been filed. Hence, no further custodial interrogation is necessary, and the applicant deserves to be released on bail.

6. On the other hand, the learned Additional Public Prosecutor opposed the application and submitted that the applicant, in concert with the co-accused, induced the informant and his friend to invest by assuring them that their investment would double. It is alleged that the applicant met the informant and his friend at Hotel Sai Sagar and explained that if they invested in Bitain Systems Pvt. Ltd., Guwahati, the amount would double. On his persuasion, the informant handed over Rs.4,00,000/- and his friend Rs.7,00,000/-. Subsequently, the applicant returned Rs.3,20,000/- to the informant and Rs.5,00,000/- to his friend to win their trust. Thereafter, he informed them that Bitain Systems had closed but another company, Stockson System Pvt. Ltd., was a national entity in which he was a director. He assured them that the company offered 1.5 times returns in 30 days if the amount was invested in US dollars. Relying upon his assurance, the informant and his friend agreed to invest. The applicant created login IDs and passwords for them and opened accounts on WazirX and Binance Exchange applications. He instructed them to transfer the amount in USDT. Accordingly, between 1 July 2020 and 30 November 2020, the informant transferred 24,587 USDT, equivalent to Rs.18,00,000/-, to the account of V.K. Enterprises owned by the applicant and co-accused Amarjit Singh. Thereafter, the applicant failed to pay any return and falsely informed that, due to the Covid-19 pandemic and suspension of air travel, the company could not process returns. He then persuaded the informant to invest in Solomax System Igniter 100 Company's IPO, whereupon the informant transferred 27,429 USDT. The informant and his friend were even taken to Dubai for an event of the said company to gain their trust. However, thereafter, no returns were made. The applicant allegedly issued share certificates of Solomax Igniter 100 Company but failed to return the total sum of Rs.98,84,130/-.

7. The learned Additional Public Prosecutor relied on the statement of the Cyber Expert recorded under Section 180 of the BNSS. The expert stated that upon examining the transactions, he found that amounts were transferred from the WazirX accounts of the informant and his friend to the WazirX account of the applicant. The scrutiny revealed that 3578 USDT and 625 USDT were transferred on 6 October 2020 and 13 November 2020 respectively, equivalent to Rs.3,61,458/-. He, however, could not confirm to which wallet the amount of Rs.23,54,126/- was transferred. He stated that about Rs.17,34,835/- was transferred from the informant's account to the account of V.K. Enterprises during the period 30 May 2020 to 4 September 2022. It is alleged that the applicant misappropriated the said amount for his own use instead of investing it as promised. Hence, the learned Additional Public Prosecutor prayed that the application for bail be rejected.

8. I have carefully considered the submissions advanced by both sides and perused the material placed on record, including the charge-sheet and the statement of the Cyber Expert.

9. The record indicates that the allegations against the applicant are of serious nature. The material collected during investigation prima facie discloses that the applicant, in active association with co-accused Amarjit Singh, induced the informant and his associate to invest a substantial amount of money exceeding Rs.98 lakh in different companies on the false assurance of high and guaranteed returns. The material further shows that the applicant had received part of the amount in his own account as well as in the account of the firm V.K. Enterprises, which is owned by him and the co-accused.

10. The transactions appear to have been made through digital currency platforms such as WazirX and Binance. The statement of the Cyber Expert indicates that funds were transferred from the account of the informant and his associate to the digital wallets linked to the applicant. Though the precise tracing of every transfer is pending further verification, the overall pattern of financial flow supports the allegation of misappropriation and deceit.

11. The nature of the accusation, the quantum of amount involved, and the method adopted indicate a well-planned fraudulent scheme executed in a systematic manner. The offence alleged under Sections 406 and 420 of the IPC involves criminal breach of trust and cheating, both of which strike at the root of financial honesty and public confidence in commercial transactions.

12. The investigation has culminated in the filing of the charge-sheet; however, considering the gravity of the accusation, the manner in which the money was collected, and the possibility of tampering with digital evidence or influencing witnesses, this Court does not find it appropriate to release the applicant on bail at this stage.

13. The contention of the applicant that he has been falsely implicated or that he has not received any money personally cannot be accepted at this stage, as these are matters for trial and would require detailed examination of documentary and digital evidence. The submission that the informant was himself a broker or investor also does not dilute the gravity of the offence alleged.

14. The principle governing the grant of bail, requires the Court to balance individual liberty with the larger interest of society. When the allegations disclose an organised scheme of deception resulting in financial loss to investors, the liberty of the accused must be considered in light of the seriousness and impact of the offence.

15. Having regard to the material on record and the nature of accusations, I am of the considered view that this is not a fit case for grant of bail at this stage.

16. Accordingly, the application stands rejected.

17. However, the applicant is granted liberty to renew his prayer for bail before the learned Trial Court after a period of six months from today, in the event the trial is not concluded within that period.

(AMIT BORKAR, J.)