

* IN THE HIGH COURT OF DELHI AT NEW DELHI
+ BAIL APPLN. 3500/2021

Judgment reserved on : 05.10.2021

Date of decision: 26.10.2021

UMESH VERMA

..... Petitioner

Through: Mr. Raman Gandhi, Mr. Anand
Kumar Dubey, Advocates with
applicant.

Versus

STATE

..... Respondent

Through: Ms.Aashaa Tiwari, APP for State with
SI Deepak Kumar.
Mr. Archit Kaushik, Advocate for
complainant.

CORAM:
HON'BLE MS. JUSTICE ANU MALHOTRA

JUDGMENT

ANU MALHOTRA, J

1. The applicant, vide the present application has sought the grant of bail in relation to FIR No.132/2020, PS EOW (Crime Branch) Delhi, under Sections 420, 406, 409, 120B of the Indian Penal Code, 1860 with an alternative prayer seeking that he be released for two months on medical grounds.

2. As regards the prayer, that the applicant has made seeking the grant of bail for a period of two months on medical grounds, vide order dated 21.09.2021, the Superintendent Jail, Delhi was directed to submit

the status of the present medical condition of the applicant after getting him examined. A report was thus received from the Superintendent Jail, Delhi dated 25.09.2021 which indicated that the applicant had been taken to the MI Room but that all adequate medical treatment was being provided to the applicant and that his condition was stable. In these circumstances, vide order dated 28.09.2021, it was considered appropriate that the application is heard on merits.

3. The status report dated 24.09.2021 was submitted under the signatures of the ACP, EOW with a further additional status report having been filed on 05.10.2021.

4. The allegations levelled against the applicant as per the status report are to the effect that the applicant along with the co-accused Bharat Verma and other associates were running a Crypto Currency chit fund company and held various meetings at their office address of the firm named Pluto Exchange in Connaught Place, Delhi to explain their crypto currency business and also the alleged high rate of return being given to clients whereby they allegedly induced the complainants to invest in the crypto currency in their firm on the assurance of high return upto 20-30% per month. As per the said status report, the complainants were further allured on the assurance of extra commission, if more clients were brought for the investment in the said firm Pluto Exchange. It is averred through the status report that on the assurance and inducement of the accused persons, the complainants gave their hard earned money for investment in the firm Pluto Exchange but thereafter did not receive return on their respective investments as assured by the alleged persons and later on, it was learnt that the accused persons including the present applicant closed the office of their firm at

Connaught Place and fled to Dubai, without returning the amount of the complainants.

5. The FIR is indicated to have been lodged by one Jogender Kumar, S/o Sh.Tika Ram who stated that the cryptocurrency chit fund company named Pluto Exchange with its office at 6D, 6th floor, Vandana Building, Tolstoy Marg, Connaught Place, New Delhi-110001 being run by its Directors Umesh Verma, Bharat Verma, Kiran Verma, Madhuri Verma, Minal Kumar, Mr. Kanhaiya Gulati and Yogesh Sabarwal and that Umesh Verma i.e. the present applicant and Bharat Verma were running a gold and diamond business in the name of DLK JEWELS PVT LTD. at 3160/34 (3rd floor), Saraswati Marg, Beadonpura, Karol Bagh, New Delhi-110005 as well as HARI KRISHNA GOLD AND DIAMOND JEWELLERY PVT LTD and told them about their Dubai company named BHARAT UMESH GERNAL TRADING LLC, DUBAI and that Mr.Bharat Verma and Mr. Kanhaiya Gulati met the complainant at Connaught Place and told of their new business of crypto currency and that they had launched their own cryptocurrency and asked the complainant to invest in their crypto currency and assured him a fixed return of 20 to 30 % per month and also informed the complainant that they were running a business of crypto trading and crypto mining and were receiving a high return which was being given to their clients and also offered to give commission to the complainant if he brought more clients to his company and thus the complainant registered on this pluto exchange website i.e. www.plutoexchange.com and f2poolmining.com and invested Rs.5 Lakhs in the same but after one

month, he received nothing as per the commitment of Mr.Bharat Verma and thus, visited his office who informed that due to reduced rates of bitcoin and seized account, they were unable to give returns through the bank and asked the complainant to wait so that he would receive the returns in few months but when he received nothing in his account, he visited the office of the firm and found that the office had shifted to Dubai from India and though attempts were made by the complainant to call Bharat Verma, his mobile was picked up by his office coordinator Yogesh Sabarwal who told him that Bharat Verma had shifted to Dubai and this Yogesh Sabarwal also stated that he knew nothing about the returns or money of the complainant.

6. The complainant further submitted through the FIR that he found that there were lots of people like him who invested their money in this company and that Mr.Bharat Verma had collected approximately 50 Crores in the name of crypto currency business and thus, he sought the registration of the FIR and legal action against the culprits. On the basis of this complaint, the FIR is indicated to have been registered under Sections 420/406/409/120B of the Indian Penal Code, 1860 after the preliminary inquiry conducted in the matter and on a consideration of the contents of the complaints and examination of documents, in as much as, there were 42 other complaints received by the EOW apart from the complaint of Mr.Jogender Kumar and the investigation had brought out that the complainant and 42 other investors had invested their hard earned money i.e. a total consideration of Rs.2,25,02,000/- in the crypto currency scheme, operated by the proprietors of the said alleged firm situated at 6D, 6th

Floor, Vandana Building, Tollstoy Marg, Connaught Place, New Delhi.

7. As per the status report dated 24.09.2021 submitted by the EOW, the total number of complaints received till then were 47 with similar allegations against the accused persons and a total of Rs.2.5 Crores being the amount allegedly involved. The said status report indicates that notices were given to the complainants to join the investigation whereas some complainants/victims joined the investigation and they were examined and their statements under Section 161 of the Cr.P.C were recorded, many of the complainants have sent their replies through post in view of the pandemic situation in the country and that on examination of the complainants, the investigation indicated that the complainants had come to know of the firm Pluto Exchange through their friend circle and advertisement and thereafter, the complainants reached at the office of Pluto Exchange at Connaught Place, Delhi, where accused Bharat Verma and Umesh Verma (applicant herein) told them about the new business of crypto currency and on the inducement of the accused persons, the complainants had given a huge amount in cash and through banking channels to the accused persons for investments, whereafter, later on, they learnt that the accused persons had closed their office and had fled to Dubai, without returning the money of the complainants.

8. As per the said status report dated 24.09.2021 submitted by the EOW, the investigation was conducted and the bank accounts of accused firm were analyzed and it was found that the accused Umesh Verma (applicant herein) had opened the bank accounts in the name of

'M/s Pluto Exchange' for collection of the cheated amount from the victims/investors and that he was the authorized signatory of the bank accounts of the said firm. It is further submitted through the status report that the accused persons collected the amount from victims and from the said amount, they transferred some amount to other victims on their respective investment only in order to gain their trust so that these investors invest more money. The said status report submitted by the EOW states further to the effect that the details of the bank accounts of the accused persons had been obtained which indicated the deposit of some of the amounts given by the complainants as reflected through the bank statements of the alleged firm Pluto Exchange. In as much as, as per the investigation conducted, the applicant herein, Umesh Verma was reported to have already left India and was residing in Dubai and evading the investigation an LOC was got opened and on 30.12.2020, the applicant herein was apprehended at the IGI Airport, when he came from Dubai to India and was interrogated and arrested in the matter on 30.12.2020.

9. The said status report alleges the following evidence against the applicant:-

“a) Accused Umesh Verma alongwith his associates has misrepresented the facts and induced & lured the victims to collect the money from victims on the promise of high return.

b) He got registered the firm Pluto Exchange' for GST with Department of Trade and Taxes and the same was submitted in bank for opening of bank account.

- c) Accused Umesh Verma alongwith Bharat Verma has collected the money from the victims in cash and through bank transfer.*
- d) He is the authorized signatory of the bank accounts of the alleged firm Pluto Exchange in which the amount of the victims has been collected.*
- e) He submitted the Rent agreement for the property of 6D, Vandana Building, Tolstoy Marg, New Delhi in the bank account for opening of the account of the accused firm Pluto Exchange.*
- f) He closed the office of the alleged firm and fled away to Dubai, without informing or returning the invested money of the victims.*
- g) He had embezzled the investors' money for his personal use and also diverted the cheated amount for his personal motives.”*

The EOW thus, prayed that the bail application of the applicant herein be dismissed as he had collected huge amounts from gullible investors and that it was prayed that the bail application be rejected in order to prevent him from tampering or causing the disappearance of evidence in any manner; to prevent the applicant from making any inducement/threat or promise to any witness and also from not hampering the investigation as the role of the other accused was being investigated and also to ensure his presence before the Court and that the applicant may not flee from justice.

10. Apart from the above, as per the said status report, the applicant was a habitual offender, and it was submitted that an FIR bearing No.11/2010, PS EOW under Sections 420/120B/406/409/467/468/471 of the Indian Penal Code, 1860 had been registered against him. *Inter alia* the EOW submitted that the applicant does not have any

permanent address in Delhi and has been living in rented accommodations and keep changing his address.

11. The charge sheet in the instant case is indicated to have been filed. As per the charge sheet filed, the details of the bank accounts of the accused firm and analysis conducted thereon of amounts collected by the applicant and co-accused by allegedly cheating victims/investors are detailed as under:-

S. No.	A/C No. & Branch Address	A/C Holder	Details in Account opening form	Investment by victims received in this account
1.	2740201000558 Canara Bank, Punjabi Bagh Branch, 14 West Avenue Road, New Delhi-110026	M/s Pluto Exchange C/o- 0-6, Vandana Building, Tolstoy Marg, Delhi. Authorised Signatory:- Umesh Verma & Bharat Verma (Through letter of authority to operate accounts, Proprietor Mr. Umesh Kumar authorized Mr. Bharat Verma to operate the said bank account.)	Applicant- Umesh Verma It is proprietorship firm operated by Umesh Verma having GST Regn. No. 07AADPV0975G1ZH.	On examination of this A/C statement, It has been revealed that complainant Joginder Kumar deposited the following amount :- 1. Rs. 50000 on 08.02.18. 2. Rs. 5 lac on 09.02.18 3. Rs. 2 Lac on 15.02.18
2.	2010002288377 IndusInd Bank, Punjabi Bagh Branch, 21, West Avenue Ground floor, New Delhi- 110026	M/s Pluto Exchange C/o- D-6, Vandana Building, Tolstoy Marg, Delhi. Authorised Signatory:- Umesh Verma	Applicant- Umesh Verma It is proprietorship firm operated by Umesh Verma having GST Regn. No. 07AADPV0975G1ZH.	On examination of this A/C statement, It has been revealed that complainant Ramesh Kumar deposited Rs.- 1,70,000 on 5.4.18 Ravi Kumar deposited Rs.149,000 on 11.4.18
3.	50434656310 Allahabad Bank, Chandni Chowk Branch, New	M/s Pluto Exchange C/o- D-6, Vandana Building, Tolstoy Marg, Delhi.	Applicant- Umesh Verma It is proprietorship firm	On examination of this A/C statement, It has been revealed that complainant

	Delhi- 110026	Authorised Signatory:- Umesh Verma	operated by Umesh Verma having GST Regn. No. 07AADPV0975G1ZH.	Vinod Kumar deposited Rs.35,000/- on 19.4.2018
4.	10180000849445 Bandhan Bank, Punjabi Bagh Branch, New Delhi-110026	M/s Pluto Exchange C/o- D-6, Vandana Building, Tolstoy Marg, Delhi. Authorised Signatory:- Umesh Verma	Applicant- Umesh Verma It is proprietorship firm operated by Umesh Verma having GST Regn. No. 07AADPV0975G1ZH.	

Apart from the aforementioned bank accounts, the EOW has submitted that the applicant had opened another bank account i.e. A/c No.2740201000558, Canara Bank, Punjabi Bagh Branch, 14 West Avenue Road, New Delhi-110026 which he had authorized Bharat Verma to operate.

12. As per the charge sheet, after the arrest of the applicant herein, two days police custody remand was taken and efforts were made through the secret informer as well as through physical raids to trace and arrest the other accused persons and the search of documents/laptop/computer related to the firm Pluto Exchange was made but no incriminating evidence could be collected during the raids and notices were thereafter issued to the complainants to join the investigation. The details of the complainant and their investments were submitted through the charge sheet to the effect:-

S.No.	Name of the Complainant	Details of investment	Mode of payments
1.	Joginder Kumar R/o D-919, Mangol puri, Delhi	7,50,000	Bank transfer 1. Rs. 50000 on 08.02.18 2. Rs. 5 lac on 09.02.18

		3,80,000	3. Rs. 2 lac on 15.02.18 By Cash
2.	Vinod Kumar R/o H.No. 170, Rajpur Khurd Ext., Chattarpur, South Delhi- 68	35,000	Online transfer Rs. 35,000 on 19.4.18 (in Allahbad Bank)
3.	Ravi Kumar R/o D-233, Mangol Puri, Delhi	2,00,000 8,00,000	By Bank Transfer By cash
4.	Rekha Sirohi R/o Rz-a-107, Sita Puri, Gali No.16, Part-1, New Delhi	10,000	By cash
5.	Sahid Mian R/o G-43A, Krishan Vihar, Sultan Puri, New Masjid, Delhi	2,90,000	By cash
6.	Ramesh Kumar S/o It lado Ram R/o A-13, 4th Floor, Shakur Pur, Anandwas, New Delhi	1,70,000 30,000	Bank Transfer Rs. 170,000 on 05.4.18 (Indusind Bank) Cash
7.	Manoj Kumar R/o E-258A, Jagseet Nagar, 3rd Pusta, Usman Pur, Delhi- 110053	3,50,000	By Cash
8.	Anil Pandey R/o K-257, Indira Gali, Gautam Vihar, Delhi-110053	7,00,000	By Cash
9.	Virender Singh S/o Tekram R/o H. No. 215, Urban State, Hisar, Haryana. (he did not join investigation, but investment is matched in the bank account by same name}	3,00,000	By bank Transfer (Rs. 3,00,000 dt.-5.3.18 in Canara Bank}
10.	Ramanjaneya B. Veerana Shetty, R/o Ganari Market, Central Road, manu, District- Raichur, Karnataka (he did not join investigation, but investment is matched in the	10,50,000	By Bank Transfer (In Canara bank on 11.6.18 by NEFT)

	bank account by same name)		
11.	Uma Shankar Soni (he did not join investigation, but investment is matched in the bank account by same name)	1,30,000	By Bank Transfer (In Canara bank on 15.3.18)
12.	Shamsad Hassan (he did not join investigation, but investment is matched in the bank account by same name)	2,00,000	By Bank Transfer (In Canara bank on 26.3.18)
13.	Pravin Jadhav (he did not join investigation, but investment is matched in the bank account by same name)	4,00,000	By Bank Transfer (In Canara bank on 3.4.18)
14.	Sh.Sushil Gupta (he did not join investigation, but investment is matched in the bank account by same name)	3,50,000	By Bank Transfer (In Canara bank on 21.4.18)

13. As per the investigation conducted as stated in the charge sheet, the applicant Umesh Verma and the co-accused Bharat Verma with Jitender Kumar approached Ms.Nanni Datta, owner of 6D- 6th Floor, Vandana Building, Tolstoy Marg, New Delhi for taking the said property of rent and after finalizing the terms and conditions, a lease deed dated 16.10.2017 was executed between M/s Shangrillas (through its Managing partner Mrs. Nanni Datta) and M/s Hari Krishna Gold and Diamond Jewellery Pvt. ltd. (through its authorized signatory Mr.Jatender Kumar as per lease deed) whereafter, the said premises was taken into possession by the accused persons and the documents were prepared in the name of M/s Hari Krishna Gold and

Diamond Jewellery Pvt. Ltd. but the applicant herein Umesh Verma further prepared a rent agreement between M/s Hari Krishna Gold and Diamond Jewellery Pvt. Ltd. (through its Director Umesh Verma) and M/s Pluto Exchange (through its prop. Umesh Verma) and in the said rent agreement the applicant herein signed the rent agreement from both sides which rent agreement was used by the accused/applicant herein for opening of the bank account of the accused firm Pluto Exchange in which the amount of the victims was deposited. The said lease agreement is indicated to have been terminated by Ms.Nanni Datta on 15.05.2018, in view of late payments towards rent.

14. The charge sheet indicates to the effect that as per the investigation conducted, the applicant herein was indicated to have submitted a copy of the GST Form REG-06 bearing No.07AADPV0975G1ZH for opening of a bank account and it was found that the firm Pluto Exchange was registered as a proprietorship firm for the GST and the name of the proprietor as per the GST portal is Umesh Verma (applicant herein) S/o Om Parkash with its principal place of business being D-6, Vandana Building, Tolstoy Marg, New Delhi-110001 and the applicant is also indicated to have sent the copy of the registration certificate of the Department of Labour in the bank for opening of the account in the name of Pluto Exchange. The said firm was also found registered under the Delhi Shops & Establishment Act, 1954 vide registration No.2018010658. The registration slips of the Value Added Tax Department And Department of Labour are indicated to have been utilized by the applicant for opening the bank account of the firm in which the amount of the victim was deposited.

As per the charge sheet, the books of accounts of the firm were however not produced by the applicant during investigation nor found in the raid and search conducted at the premises of the firm.

15. Through the charge sheet, the Investigating Agency has submitted the role of the applicant as being to the effect:-

- that he was the proprietor of the firm i.e Pluto exchange and had got registered the firm with Value Added Tax Deptt. and Deptt. of Labour.
- that he used the registration documents/rent agreement in the opening of the bank account of the alleged firm Pluto Exchange.
- that the applicant along with other associates took the property No. 6-D, 6th floor, Vandana Building, Tolstoy Marg, New Delhi on lease from the owner Ms. Nanni Datta.
- that thereafter he prepared the Rent agreement for the property of 6-D, Vandana Building, Tolstoy Marg, New Delhi and signed the agreement from both sides i.e owner & tenant and submitted the same for opening of the bank account of the accused firm.
- that the applicant Umesh Verma is the authorized signatory of the bank accounts of the alleged firm Pluto Exchange.
- that the applicant/Accused Umesh Verma along with his associates had mis-represented the facts and induced & lured the victims to collect the money on the pretext of high returns and that victims have given their statements in this regard.

- that the accused Umesh Verma alongwith Bharat Verma has collected the money from the victims in cash, and through bank transfers.
- that the applicant along with his associates had issued post dated cheques to the investors against their investment.
- that the applicant closed the functioning of the firm/his office and fled away to Dubai without informing or returning the invested money of the victims.
- that the applicant along with his associates had embezzled the investor's money to his personal use and for promoting the firm Pluto Exchange.

16. As per the charge sheet, the other accused persons namely Bharat Verma, Kiran Verma, Madhuri Verma, Minal Kumar, Yogesh Sabarwal, Kanahiya Gulati & Ors. could not be traced out and it has been submitted through the said charge sheet that their role was being examined and probed and the report in relation thereto would be filed through the supplementary final report.

17. The applicant, vide the present application submits that there is no *prima facie* case of cheating made out and that it is thus the prosecution's case based on statements of complainants who have allegedly made investments and done trading in crypto currency through website of the applicant. It is further submitted on behalf of the applicant that the complainants have also annexed through their complaints, the copy of print outs of their trading accounts clearly showing the trade of crypto currency in their accounts but this aspect

has been brushed aside by the Sessions Court whilst rejecting the prayer made by the applicant seeking the grant of bail.

18. The applicant has submitted further that the learned Sessions Court took into account the submission of the prosecution that there were 45 complaints against the applicant received through posts but did not take into account the aspect that 37 complainants failed to join the investigation despite being summoned by the Investigation Officer. The applicant has further submitted that the malafides of the prosecution are brought forth from the factum that the prosecution has contended that the complainants had not responded to the summons for joining the investigation because of the pandemic but that this was malafide, in as much as, the initial complaints were filed in the year 2018 and the remaining in the year 2019 which had been received by the prosecution.

19. The applicant has further submitted that the prosecution has put 37 complainants in the list of witnesses but that it has made no effort at all to probe the amount of money invested by the people into crypto currency or to what extent trading was done by them or as to whether or not losses were sustained by them. *Inter alia* the applicant submitted that there has been no proper investigation in the matter, in as much as, the prosecution has not placed any material on record to prove embezzlement of any funds by the applicant. The applicant has further submitted that there is no evidence in the entire charge sheet against the applicant which is based on the investment made by the complainants into the trade of crypto currency but who had instead put

the blame on the applicant on account of the losses suffered by them in the trade.

20. The applicant has further submitted that the events relate to the year 2018 when the Reserve Bank of India had issued a Circular dated 06/04/2018 debarring all financial institutions from lending any financial support or providing services to persons dealing with or settling virtual currencies/crypto currency which led to the downfall in the trading market and which was the cause for the loss of investment as also resulted in the closure of the business of the applicant. The applicant has further submitted that though there are allegations against the applicant of a payment of Rs.2.25 crores by the complainants, the chargesheet shows only an amount of only Rs.35 Lacs approximately to have been transferred by the complainants through banking mode and from whom also there was failure on the part of the complainants to join the investigation except for the 8 complainants mentioned at internal page 10 of the chargesheet, the bank transfer by these 8 complainants amounts to only a figure of Rs.11 Lacs approximately. The applicant has further submitted that the Trial Court had not appreciated the conduct of the complainants who willingly and voluntarily participated in the trading of crypto currency knowing fully well that it was a speculative trade that would have also resulted into losses, which ultimately happened and the investments were wiped off because of the market conditions.

21. *Inter alia* the applicant has submitted that the charge sheet lacks the necessary ingredients of the offences of cheating, misappropriation and breach of trust against the applicant and that in order to attract the

offence of cheating, the complainant itself has to put forth an allegation of existence of the presence of an intention to cheat the complainant on the inception of the transaction or at the time when any valuable consideration or money is paid by the complainant or extracted from the complaint by the accused.

22. The applicant has reiterated throughout his application that the investors were aware of the fluctuating market of cryptocurrency and the non-certainty of returns and thus, having indulged in a speculative market, cannot level allegations of cheating against the applicant. *Inter alia* the applicant had submitted to the effect that he has also been doing the business of gold which required him to visit Dubai every month and during the years 2018 and 2019 the applicant had made as many as 15 to 20 visits to Dubai which would be evident from his passport and on the last visit, he got stuck there on account of the Covid period which had caused all the international flights to be suspended but that he had communicated with the Investigating Officer and had also sent a reply e-mail dated 27/06/2020 to the e-mail dated 18/06/2020 received from the Investigating Officer, copies of which have been annexed and that he had also joined the investigation and visited the EOW office on 10-12 occasions in the year 2018 & 2019 qua which he has no record and though the applicant had made an effort to get the record of the visits of the applicant to the EOW office under the RTI Act for seeking information through the RTI application dated 27.07.2021, the same was denied to the applicant. The applicant thus, submitted that he had never run away to Dubai.

23. During the course of submissions made on the bail application, reliance was placed on behalf of the applicant on the averments in the charge sheet itself to contend to the effect that those persons mentioned at serial no.9 to 14 in the list in the charge sheet had not even joined the investigation qua which it was submitted on behalf of the State that as per the averments made in the charge sheet itself, the amounts were withdrawn from the banks which corroborate the averments made in the complaints and these complainants had responded to the notices sent by the Investigating Office through replies in writing.

24. Learned counsel for the complainant submitted that the replies of the complainants had been annexed to the charge sheet and that the copy of the complete charge sheet had not been placed on the record by the applicant and thus, vide order dated 28.09.2021, it was directed that for a fair adjudication in the matter, the entire charge sheet in the e-form be placed on record by the State and that the State was also specifically directed to place on record the responses, if any of the persons mentioned at serial no.9 to 14 of the internal page of the charge sheet at page 11 as placed at page 48 of the petition and pursuant thereto, an additional status report dated 04.10.2021 was submitted by the State, whereby, the State placed on record the entire charge sheet in the e-form and the responses of the persons mentioned at serial no. 9 to 14 to the effect:-

S. No.	Serial No. as per Charge sheet	Name of the Complainant	Details of investment	Response of complainant
1.	9.	Virender Singh	3,00,000	In compliance of notice, he has sent his written statement

				through letter stating therein that I have invested Rs. 750,000 in the alleged firm Pluto Exchange and Umesh Verma alongwith have cheated him on the pretext of investments. Detail response may be perused at Page No. 657 of the charge sheet
2.	10.	Ramanjaneya B. Veerana Shetty,	10,50,000	Not received
3.	11.	Uma Shankar Soni	1,30,000	Not received
4.	12.	Shamsad Hassan	2,00,000	In compliance of notice, he has sent the copy of his bank statements by post. Detail response may read at Page No. 717- 721 of the charge sheet
5.	13.	Pravin Jadhav	4,00,000	In compliance of notice, he has sent his written statement through letter stating therein that I have invested Rs.4,00,000 in the alleged firm Pluto Exchange and Umesh Verma along with his associates have cheated him on the pretext of investments. Detail response may be perused at Page No. 745 of the charge sheet.
6.	14.	Sh. Sushil Gupta	3,50,000	In compliance of notice, he has sent his written statement through letter stating therein that I have invested Rs. 12,75,000 in the alleged firm Pluto Exchange and Umesh Verma along with his associates have cheated him on the pretext of investments. Detail response may be perused at Page No.644 of the charge sheet.

25. Without any observations on the merits or demerits of the trial that would take place, in as much as, the charge sheet has already been filed, the factum that the applicant indulged in the trade of crypto currency despite public notices dated 24.12.2013, 01.02.2017,

05.12.2017 issued by the RBI as also issued on 06.04.2018 cautioning users/holders and traders of virtual currency including bit coins regarding various risks associated in dealing with such virtual currencies with regulated entities already providing such services having been called upon to exit the relationship within three months from the date of the circular dated 06.04.2018 bearing DBR.No.BP.BC.104/08.13.102/2017-18, copy of which is annexed as Annexure-F to the present application, coupled also with the aspect that in view of the associated risks, it was decided by the RBI with immediate effect vide circular dated 06.04.2018 that the entities regulated by the RBI would not deal in VCs or provide services for facilitating any person or entity in dealing with or settling VCs and that such services included maintaining accounts, registering, trading, settling, clearing, giving loans against virtual tokens, accepting them as collateral, opening accounts of exchanges dealing with them and transferring/receipt of money in accounts relating to purchase/ sale of VCs with the transactions entered into by the applicant, coupled with the aspect that apart from the investments received by the applicant prior to the circular dated 06.04.2018, **the applicant continued to take investments even after the RBI's circular dated 06.04.2018 as per the statement of amount invested by complainants along with receipts as submitted by the applicant vide documents dated 27.09.2021 filed vide diary No.797160 to the effect:-**

S. No.	Name of Investor	Date	Amount	Bank Name
58.	Dipam	7/4/2018	40950	CANERA BANK

59.	Sushil Gupta	21/4/2018	350000	CANERA BANK
60.	Dilip Vasudev	30/4/2018	45500	CANERA BANK
61.	Sunita	1/5/2018	50000	CANERA BANK
62.	Thongam	9/5/2018	10500	CANERA BANK
63.	Funga Loden	9/5/2018	10500s	CANERA BANK
64.	Azimullah	10/5/2018	140000	CANERA BANK
65.	Ashish kakde	10/5/2018	50000	CANERA BANK
66.	Kambli Santosh	14/5/2018	10500	CANERA BANK
67.	Pradnya a Khorate	18/5/2018	105000	CANERA BANK
68.	Rakesh	21/5/2018	35000	CANERA BANK
69.	N Roy	29/5/2018	10500	CANERA BANK
70.	Neft Veeranna Shetty	11/6/2018	1050000	CANERA BANK

S. No.	Name of Investor	Date	Amount	Bank Name
6.	N G Pritam Partha	7/4/2018	10395	IndusInd Bank
7.	Anurag Sharma	7/4/2018	315000	IndusInd Bank
8.	Ingocha singh	11/4/2018	11214	IndusInd Bank
9.	K charairongba	11/4/2018	2961	IndusInd Bank
10.	Ingidam Inocha meitie	11/4/2018	25326	IndusInd Bank
11.	Ravi Kumar	11/4/2018	149000	IndusInd Bank
12.	Dipam	13/4/2018	10500	IndusInd Bank
13.	Manoj	25/4/2018	20000	IndusInd Bank
14.	Lisham Amar	25/4/2018	10400	IndusInd Bank
15.	Dipam	1/5/2018	10400	IndusInd Bank

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coupled with the factum that after allegedly inducing the complainants to give their hard earned money for investment in the firm Pluto Exchange, the assured returns were not given to the investors with the applicant having closed his office of the Pluto Exchange firm at

Connaught Place and having gone away to Dubai apparently admittedly even as per averments made in his application though he has submitted that he was running a gold business, the factum that despite running a gold business, the applicant did not return the amounts due to the complainants, cannot be overlooked and thus, taking into account the allegations levelled against the applicant of he with his associates having duped the complainants allegedly to the tune of Rs.2.5 Crores in the instant case which relates to an alleged commission of an economic offence, which offences corrode the fabric of democracy and are committed with total disregard to the rights and interest of the nation and are committed by breach of trust and faith and are against the national economy and national interest, whereby a large number of innocent investors have been duped of their hard-earned money, it is not considered appropriate to release the applicant on bail.

26. The application is thus, dismissed. Nothing stated hereinabove shall however amount to any expression on the merits or demerits of the trial.

ANU MALHOTRA, J.

OCTOBER 26, 2021

Neha Chopra