AGK

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CRIMINAL APPELLATE JURISDICTION

ANTICIPATORY BAIL APPLICATION NO.2042 OF 2025

1. **Rupali Bapurao Jadhav**,
   Age 41 years, Occupation Business

2. **Bapurao Bhanudas Jadhav**,
   Age 42 years, Occupation Businesss,
   both residing at 2004, 20th Floor,
   Aum Sai CHS Ltd., Sector-7,
   Off. Sion Panvel Highway, Kharghar,
   Navi Mumbai ... **Applicants**

V/s.

The State of Maharashtra,
Inspector in-charge,
Kharghar Police Station ... **Respondent**

Mr. Shailesh Kharat with Mr. Bharat Shinde, Mr. Sumitkumar Nimbalkar, Mr. Parthraj Ware, Ms. Neha Rathod i/by Mr. Govind Mundhe for the applicants.

Mrs. Mahalakshmi Ganapathy, APP for the respondent-State.

Mr. Chaitanya Pendse i/by Mr. Rohan Hogle for the intervenor.

CORAM : AMIT BORKAR, J.

RESERVED ON SEPTEMBER 16, 2025

PRONOUNCED ON : SEPTEMBER 17, 2025

JUDGMENT:

1. The applicants, apprehending arrest in connection with Crime Register No. 90 of 2025 registered at Kharghar Police Station for offences punishable under Sections 318(4) and 3(5) of the Bharatiya Nyaya Sanhita, 2023, have approached this Court under Section 482 of the Bharatiya Nagarik Suraksha Sanhita, 2023.

2. The prosecution case is that one Sachin Baliram Jadhav lodged a complaint alleging that applicant No.2 had approached him in his office at Panvel with a proposal to start a new law firm. Accordingly, on 10 May 2024, they started a partnership firm in the name of M/s. Law Sinergy and executed a partnership deed on 17 July 2024. Thereafter, they commenced business together. It is further alleged that applicant No.2 and his wife (accused No.3) informed the complainant that they were engaged in intraday share trading. They persuaded the complainant to invest money in share trading, assuring him of 10% to 15% profit per month. Relying upon their assurances, the complainant invested Rs.30,00,000/- in cash.

3. It is the case of the prosecution that initially the applicants paid Rs.4,00,000/- to the complainant as profit. Thereafter, no further payment was made. The applicants handed over a cheque of Rs.25,00,000/- to the complainant as security. Subsequently, when the complainant demanded refund of the entire Rs.30,00,000/-, the applicants paid Rs.10,00,000/-. The complainant, however, returned the said amount to the applicants,

insisting on full repayment of Rs.30,00,000/-. It is further alleged that the applicants continued to make false assurances of repayment but did not return the amount. When the complainant sent his servant to their office to collect the money, the applicants abused him.

4. On 21 September 2024, the complainant received a call from Axis Bank, Kharghar Branch, regarding clearance of the security cheque of Rs.25,00,000/-. The complainant, however, stopped payment of the said cheque and thereafter initiated proceedings under Sections 138 and 142 of the Negotiable Instruments Act. It is further alleged that when the complainant visited the applicants' office, he was abused and threatened. He, therefore, lodged the present complaint at Kharghar Police Station.

5. Learned counsel for the applicants submitted that the FIR is false and motivated. He argued that a purely civil dispute has been given a criminal colour. According to him, there is no proof that the complainant ever paid Rs.30,00,000/- to the applicants. On the contrary, the applicants have paid Rs.36,32,000/- to the complainant. He further submitted that the complainant and applicant No.2, both being lawyers, had professional disputes arising out of their law firm, and due to that rivalry, the complainant has initiated several proceedings against the applicants. Learned counsel argued that the applicants have cooperated with the investigation. He submitted that even if the complainant invested money in share trading, it was with full knowledge of the risks involved, and hence dishonest intention at the inception is absent. He, therefore, prayed for grant of

protection.

6. Per contra, learned counsel for the complainant submitted that applicant No.1 is the wife of applicant No.2 and is engaged in intraday share trading. On that basis, applicant No.2 persuaded the complainant to invest money, assuring him of 10% to 15% profit per month. Initially, the complainant handed over a cheque of Rs.30,00,000/- for the investment, but at the insistence of applicant No.2, the cheque was replaced with cash payment of Rs.30,00,000/-. The applicants initially paid Rs.4,00,000/- as profit but thereafter failed to return any further amount. At one stage, applicant No.2 transferred Rs.10,00,000/- to the complainant's account, but at his request, the complainant re-transferred the same amount to applicant No.2.

7. He further submitted that due to failure of repayment, the partnership between the complainant and applicant No.2 was dissolved. Applicant No.2 assured the complainant that he would raise a loan and repay the investment. Learned counsel placed reliance on transcripts of conversations between the parties, accompanied by a certificate under Section 65-B of the Information Technology Act, wherein the applicants admitted receipt of money. He also referred to a draft Memorandum of Understanding sent via WhatsApp, wherein applicant No.2 admitted receipt of the amount for intraday trading. He submitted that custodial interrogation is necessary to trace the utilisation of the funds, as the applicants have diverted the money for personal use.

8. Learned APP relied on the investigation papers, which reveal that similar allegations of inducement and default in repayment have been made against the applicants by four other victims, involving amounts of Rs.4 lakh, Rs.45 lakh, Rs.45 lakh, and Rs.49 lakh. She submitted that the applicants lured the victims with the false promise of 10% to 15% profit per month, which itself shows dishonest intention at the inception, as such high profit cannot be realistically assured. Further, the applicants had no authorisation to accept investments from others for share trading. She, therefore, prayed for rejection of the anticipatory bail application.

9. I have carefully examined the FIR, the documents produced, and the investigation papers. The allegations made cannot be brushed aside as a mere breach of contract or non-performance of a partnership agreement. The prosecution case goes beyond civil liability. It is alleged that the applicants, right from the beginning, persuaded the informant to part with a huge sum of money on the assurance of earning abnormally high profits through intraday share trading.

10. The promise of 10% to 15% profit every month is, on the face of it, highly unrealistic and impractical in the share market. No genuine business activity can yield such assured and astronomical returns. Such an inducement, therefore, prima facie reflects a dishonest intention at the inception. The very assurance of guaranteed profit at such a high rate shows that the applicants were not carrying out a lawful business transaction, but were luring the informant with false promises to secure financial gain.

11. It is well settled that where inducement is coupled with an assurance which is inherently impossible to fulfill, the offence of cheating comes into play. It is not necessary for the Court to record a conclusive finding at this stage, but it is sufficient to notice that the allegations disclose ingredients of criminal offence. The plea of the applicants that the dispute is of civil nature cannot, therefore, be accepted at this stage.

12. The transcripts of conversations placed on record, along with the draft Memorandum of Understanding forwarded through WhatsApp, further support the prosecution case. These documents indicate admission of receipt of money by the applicants. They are not consistent with the defence of a purely civil dispute. On the contrary, they lend credence to the allegation that the applicants induced the informant with false promises of extraordinary returns.

13. Thus, on a prima facie evaluation of the material, it is evident that the case does not rest upon a simple breach of contract or dissolution of partnership. The manner in which the money was collected, the promise of guaranteed profit, and the subsequent conduct of the applicants in avoiding repayment together disclose circumstances sufficient to infer fraudulent intention at the inception.

14. The contention of the applicants that the present dispute is purely of a civil nature cannot be accepted at this stage. The record reveals that the transaction is not an ordinary business dealing or a simple case of dissolution of partnership. When a person is

induced to part with a substantial sum of money on the assurance of abnormal and assured returns, the nature of the transaction itself stands tainted. Such inducement takes the case outside the scope of a mere civil dispute and brings it within the fold of criminal liability.

15. The law recognises that every breach of contract does not amount to cheating. However, when dishonest intention exists at the inception and inducement is made with false promises that cannot be realistically fulfilled, the offence of cheating is attracted. In the present case, the promise of 10% to 15% monthly profit in intraday trading is, on the face of it, a false assurance, as no genuine or lawful business can guarantee such returns. Hence, the element of criminality cannot be brushed aside.

16. The investigation papers further strengthen this conclusion. The transcripts of conversations between the parties, supported by certificate under Section 65B of Indian Evidence Act,1872, disclose admissions on the part of the applicants regarding receipt of money from the informant. The draft Memorandum of Understanding sent by the applicants through WhatsApp also contains a reference to the funds received towards intraday share trading. These pieces of evidence, though subject to proof at trial, prima facie support the case of the prosecution.

17. Thus, the material collected so far indicates that the applicants did receive money from the informant under the pretext of investing in share trading with a promise of extraordinary profit. The defence of the applicants that no such amount was paid, or

that they had paid a larger amount to the informant, raises disputed questions of fact which can only be adjudicated during trial. At this stage, the Court cannot ignore the incriminating material supporting the prosecution case.

18. In view of these circumstances, the plea that the dispute is civil in nature and lacks criminal colour does not hold merit. On the contrary, the inducement, the promise of guaranteed abnormal returns, the subsequent non-repayment, and the admissions found in the documents on record collectively establish a prima facie case of cheating and criminal misappropriation.

19. Another important aspect which cannot be overlooked is the status of both applicant No.2 and the informant. Both are practicing advocates, and it is not in dispute that they had constituted a partnership firm under the name of M/s. Law Sinergy. The record also shows that applicant No.2 has admittedly issued a notice to the informant stating that a sum of Rs.26.32 lakhs had been paid for "liaisoning work" at the office of the Revenue Commissioner and before the Revenue Minister.

20. This circumstance assumes significance for more than one reason. Firstly, when advocates, who are officers of the Court, enter into transactions involving "liaisoning work" with government authorities or ministers, it directly reflects upon their professional conduct. The Advocates Act, 1961, particularly Section 35, envisages disciplinary proceedings in cases of professional or other misconduct. Engaging in acts of influence peddling or liaisoning with public authorities for monetary

consideration is not only unethical but may amount to professional misconduct.

21. Secondly, this admitted fact demolishes the plea of the applicants that the dispute is purely civil in nature. When large amounts are being transacted under the pretext of liaisoning work or share trading with unrealistic profit margins, the element of illegality and criminality becomes evident. These transactions are clearly beyond the scope of legitimate professional dealings between advocates.

22. Thirdly, the admission of such payments in writing by applicant No.2 shows that he was not acting merely in the capacity of a business partner or investor but was engaging in activities contrary to professional ethics. The bar on advocates against carrying on trade or business inconsistent with their profession is well recognised. The involvement of huge sums of money in activities like share trading on profit guarantees, or liaisoning with revenue officials, thus aggravates the seriousness of the matter.

23. Therefore, while considering the prayer for anticipatory bail, this Court cannot lose sight of the professional status of the parties and the nature of the dealings admitted by them. The very fact that an advocate has issued a notice admitting payment of more than Rs.26 lakhs for liaisoning with revenue authorities indicates conduct which is prima facie unbecoming of a member of the Bar. Such conduct strengthens the prosecution case that the applicants were acting with dishonest intention and misused their professional status to secure confidence of the informant and

others for monetary gain.

24. In this background, the contention of the applicants that the matter is of a civil nature loses all force. The element of misconduct under the Advocates Act is an additional factor which lends weight to the prosecution's allegation of dishonest intention at the inception.

25. The investigation papers reveal that apart from the present informant, four other persons have made similar allegations against the applicants, involving substantial amounts. This indicates that the activity was not a single isolated transaction but part of a larger scheme. The conduct of the applicants, as reflected in the investigation material, shows a pattern of inducement, receipt of money, and failure to repay. This strengthens the prosecution case of dishonest intention at the inception.

26. The argument that the complainant knowingly invested money in share trading, being aware of risks, cannot absolve the applicants of criminal liability when the inducement itself was based on false assurance of assured profits. In such circumstances, it cannot be said that the dishonest intention was absent.

27. Considering the magnitude of the amounts involved, the number of victims, and the necessity of ascertaining utilisation of funds, custodial interrogation of the applicants is necessary. Grant of anticipatory bail at this stage is likely to hamper the investigation.

28. Hence, I find no merit in the application.

29. The application for anticipatory bail is rejected.

30. At this stage, learned Advocate for the applicants seeks continuation of the interim relief. For the reasons stated in this judgment, the request for continuation of interim relief is rejected.

(AMIT BORKAR, J.)