IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

R/CRIMINAL MISC.APPLICATION (FOR QUASHING & SET ASIDE FIR/ORDER) NO. 13442 of 2025
With
R/CRIMINAL MISC.APPLICATION NO. 13499 of 2025
With
R/CRIMINAL MISC.APPLICATION NO. 20681 of 2025
With
R/CRIMINAL MISC.APPLICATION NO. 20356 of 2025

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PARTH SARATHY RAGHUNATH DEY
Versus
STATE OF GUJARAT & ANR.

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Appearance:
MR. VIMAL PATEL for VMP LEGAL(7210) for the Applicant(s) No. 1
MR. HARDIK A.DAVE, PUBLIC PROSECUTOR with MR. MANAN MAHETA, APP for the Respondent(s) No. 1
MR. ZALAK B PIPALIA(6161) for the Respondent(s) No. 2

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CORAM:**HONOURABLE MR. JUSTICE VIMAL K. VYAS**

Date : 22/01/2026

COMMON ORAL ORDER

1. By way of preferring the present applications under Section 528 of the Bharatiya Nagarik Suraksha Sanhita, 2023, the applicants-accused (father and son) seek to invoke the inherent powers of this Court, praying to quash and set-aside the FIR No.I-203 of 2018 and FIR No.I-120 of 2018 registered with the Nilam Baug Police Station, Bhavnagar, for the offences punishable under Sections 406, 409, 420, 120B, 34 of the

Indian Penal Code and under Section 3 of the Gujarat Protection of Interest of Depositors (in Financial Establishments) Act, 2003.

2. RULE returnable forthwith. Learned APP Mr.Manan Maheta waives service of notice of rule for and behalf of the respondent no.1 – State and learned advocate Mr.Zalak B.Pipalia waives service of notice of rule for and on behalf of the respondent no.2 – complainant.

3. On 17.07.2025, a Coordinate Bench of this Court had passed the following order :

> *"1. Learned advocate Mr.Vimal Patel appearing for the applicant appraises the Court that the amount alleged in the charge-sheet which has allegedly been siphoned off is Rs.2.44 Crores, out of which an amount of Rs.1.69 Crores has already been paid to 984 Investors/Victims, whose affidavits have already been submitted before the Investigating Officer for verification indicating that all the 984 Investors/Victims have received the amount towards full and final settlement in respect of dues of the Company for which the applicant was inducted as Additional Director subsequently in the year 2014 whereas the scam has allegedly taken place prior to his appointment.*
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> *2. As far as remaining genuine Investors/Victims are concerned, upon instructions received from the applicant who is personally present in the Court, learned advocate Mr.Vimal Patel submitted that the applicant is ready and willing settle with them as well, which may not have been noticed by the applicant, but have actually invested in the*

Company and, therefore, it was suggested by learned advocate Mr.Vimal Patel that the applicant is ready and willing to publish the advertisement within a period of one week from today in two Gujarati Newspapers as well as one English Newspaper, having wide circulation. Accordingly, the applicant is directed to publish an advertisement in "Gujarat Samachar" and "Divya Bhaskar" (Gujarati Daily) (Gujarat and Bombay Edition) and "Times of India" (English Daily) (Gujarat and Bombay Edition) within a period of one week from today clearly mentioning therein that whosoever shall have any claim against the Company shall approach the Investigating Officer on the Phone Number and Name given in the advertisement and such claims shall be entertained only upto the period of 30 days from the date of publication of such advertisement and only after verification of those genuine claims, upon preparation of a list, which will be approved and verified by the Investigating Officers, the applicant is ready and willing to settle with those genuine Investors/Victims as well.

3. Learned advocate Mr.Vimal Patel, upon instructions, states that a sum of Rs.75 Lacs is already lying with the learned Trial Court at Bhavnagar and the said amount be utilized towards the settlement of outstanding dues of the Investors/Victims who may come forward pursuant to publication of advertisement. He further submitted that if the claims which are found to be genuine goes beyond an amount of Rs.75 Lacs, in that case, the applicant shall come with appropriate formula to arrive at settlement with those persons. However, at this juncture, the applicant is ready and willing to pay a total sum of Rs.2.44 Crores, as stated in the Charge-sheet filed against the co-accused. However, at the same time, learned advocate Mr.Vimal Patel submitted that any claims which may come beyond an amount of Rs.2.44 Crores, the same will not be discarded outrightly and all efforts will be made to ensure that settlement is arrived at with those genuine Investors/ Victims, after their claims are approved and verified by the Investigating Officer.

4. In addition, it was also submitted by learned advocate

Mr.Vimal Patel that the applicant is ready and willing to deposit a sum of Rs.1 Crores before this Court once the number of claims are ascertained and there is a clear picture about the number of claims and the amount that the applicant is required to pay, over and above Rs.2.44 Crores and upon completion of such exercise of identifying the genuine Investors/Victims, if any are left out after publication of advertisement, the Court may pass further order directing the applicant to deposit a sum of Rs.1 Crore with the Registry of this Court upon the final order of quashing the impugned complaints can be passed which may be subject to any objections by the State Authorities. Accordingly, the applicant is directed to file an undertaking to the above effect.

5. Considering the fact that at present, there are 984 Investors/Victims who have filed their affidavits and whose claims are forwarded to the Investigating Officer for verification about its genuineness and whether such claims are settled in reality or not, it is desirous that the Officer of the rank of Dy.S.P. may supervise the entire process and the applicant would be at liberty to name one of his representative who shall be coordinating with the aforesaid Supervising Officer.

6. In the meantime, the respondents are directed to start the process of identification of claims in the way State Authorities may deem it appropriate.

7. Learned advocate Mr. Patel has requested the Court that since the applicant has shown his bonafides and has already settled with 984 Investors/Victims by paying Rs.1.69 Crores, he may be protected. Accordingly, respondents are hereby restrained from taking any coercive steps against the applicant till the next date of hearing.

8. Issue Notice returnable on 28.7.2025 for compliance as regards publication of the advertisement as directed above. Learned Additional Public Prosecutor waives service of notice on behalf of respondent No.1 – State. Direct service to

respondent No.2 through concerned Police Station is permitted."

4. Pursuant to the aforesaid order, Shri M.J.Trivedi, Detective Police Inspector, CID Crime, Bhavnagar, had filed a detailed report dated 01.12.2025, which was ordered to be taken on record *vide* order passed by this Court on 01.12.2025.

5. It is the case of the prosecution that the present applicants and other co-accused, who are the Founders/ Administrators/ Directors/ Promoters/ of Jay Vinayak Buildcorp Company Limited and Anuraj Multi-State Urban Cooperative Credit Society Limited, in connivance with each other, had opened offices at Bhavnagar and offered huge returns to the investors on making investment in their companies. However, as a part of the conspiracy, at the time of maturity, the applicants and other co-accused had neither paid the amount of investment made by over 763 investors (including the victims and the agents) in their companies nor the amount of interest earned over it, thereby they committed the offence of cheating and criminal breach of trust by duping the investors to the tune of Rs.2,47,87,710=00.

6. It appears from the report filed by the police that the present applicants-accused are still required to repay Rs.21,57,162=00 towards the remaining 30% of the amount of investment made by 276 victims/investors out of the total 982 victims/investors who have been repaid the amount of investment made by them in Jay Vinayak Buildcorp Ltd. It further appears that the amount of Rs.97,60,550=00 is also required to be repaid to 678 newly found victims/investors/ claimants. In all, Rs.1,28,52,445=00 is required to be repaid to over 1157 victims/investors/claimants including 143 victims/ investors/claimants who have invested Rs.6,44,493=00 in Anuraj Multi-State Urban Cooperative Credit Society Limited.

7. It also appears that after the publication of the advertisement in the newspapers, around 60 new claimants have claimed the amount of Rs.2,90,240=00 invested by them in the company, but since the company has been closed long before, they have no certificate, ledger or documentary evidence regarding their investment in the company.

8. Learned advocate Mr.Vimal Patel appearing for the

applicants-accused has taken this Court through the factual matrix arising out of the present applications and has submitted that the present applicants-accused have repaid the dues to 984 victims/investors/claimants and also undertake to settle future claims that may be made by the claimants. Learned advocate has, therefore, submitted that since the parties have amicably resolved the dispute *inter se* and they do not want to proceed further with the matter, continuing further with the proceedings pursuant to the impugned FIRs would be nothing but futile exercise and the same would amount to abuse of process of law. Further, it would create unnecessary harassment to the parties. He has, therefore, submitted that considering the fact that the dispute has been amicably settled between the parties, the present applications may be allowed and the impugned FIRs as well as all other consequential proceedings arising pursuant thereto may be quashed and set-aside in exercise of the powers conferred under Section 528 of the Bharatiya Nagarik Suraksha Sanhita, 2023.

9. The applicants-accused had also filed the detailed affidavits dated 18.12.2025, which were taken on record *vide* order passed by this Court on 22.12.2025. The same reads

thus :

"1. I state that this Hon'ble Court by an order dated 01/12/2025 has taken on record a report dated 01/12/2025 submitted by Police Inspector, CID Crime, Bhavnagar. I state that as per the said report it is confirmed that Rs.1,69,56,543/- has been refunded to the investors. Further from the police report it is found that total amount for investment by 763 persons comes to Rs.2,47,87,710/-.

2. As per the said report an amount of Rs.1,28,52,445/- is yet to be paid to the balance 1157 investors. The break-up of the 1157 investors as per the report is as under :

Sr. No.	*Details*	*Total Victim*	*Invested Amount*	*Remarks Annexure*
01	*The balance 30% amount remaining to be paid by the applicant/ accused*	*276*	*21,57,162/-*	*A*
02	*Total victims found upon publication of the notice in the newspaper*	*678*	*97,60,550/-*	*C*
03	*Total investors/victims who made investment in Anuraj Multi-State Urban Cooperative Credit Society Limited*	*143*	*6,44,493/-*	*B*
04	*Public Notice published in the newspapers (1) Gujarat Samachar, (2) Divya Bhaskar, and (3) Times of India*	*--*	*--*	*B1, B2, B3*
05	*Newly found victims but not having certificates*	*60*	*2,90,240/-*	*E*
			1,28,52,445/-	

3. I state that an amount of Rs.50,00,000/- is deposited by Aditya Dey (son of the present Applicant) before the trial court as per the order dated 07/03/2024 read with order dated 15/04/2024 passed by this Hon'ble Court pursuant to which bail was granted to me. Similarly, I have deposited an amount of Rs.75,00,000/- before the trial court as per the order dated 13/05/2025 passed by the trial court granting bail to me. Therefore, total amount of Rs.1,25,00,000/- is deposited before the trial court in both the FIR being FIR No.I-120 of 2018 and FIR No.I-203 of 2018. Hence, the said amount of Rs.1,25,00,000/- can be utilised for payment of Rs.1,28,52,445/-. Therefore, the balance amount of Rs.3,52,445/- would be required to be arranged.

4. I state that during investigation, 3 Savings Bank Accounts being, 1) Account No.50200076560756 held with HDFC Bank, Delhi, having a balance of Rs.18,400/-, 2) Account No.50100029708278 held with HDFC Bank, Kolkata, having a balance of Rs.11,61,877/-, and 3) Account No.91501000521756O6 held with Axis Bank, Delhi, having a balance of Rs.15,93,000/- were frozen by the Investigating Officer. The said 3 savings Accounts have an approx. balance of Rs.27,73,277/-. I say that an amount of Rs.3,52,445/- can be utilised to pay the balance amount of Rs.3,52,445/- from Account No.50100029708278 held with HDFC Bank, Kolkata, having a balance of Rs.11,61,877/-. I have no objection if HDFC Bank, Kolkata, or concerned bank is directed to deposit an amount of Rs.3,52,445/- before the Ld. Special Court for GPID Act, Bhavnagar, or before any Authority appointed by this Hon'ble Court for disbursing the amounts to the balance investors as per report dated 01/12/2025.

5. In view of the above, I state that the entire amount of Rs.1,28,52,445/- is secured for payment to the investors as per report dated 01/12/2025. I state that the amount of Rs.1,28,52,445/- may be paid to the investors as per the police report dated 01/12/2025 and I have no objection if the amount is paid to the investors identified as per the police report dated 01/12/2025 and I grant consent for such payment as may be paid by the special court or by such

authority as may be appointed by this Hon'ble Court for disbursing the amount to the investors as per the report dated 01/12/2025. This includes the 60 investors (as mentioned at Sr. No.5) who have been unable to provide the certificates of investment.

6. I state that the present affidavit is filed considering the fact that the FIR No.I-120 of 2018 and FIR No.I-203 of 2018 may be quashed as prayed by the applicant.

7. I say that this Hon'ble Court may direct the Ld. Special Court for GPID Act, Bhavnagar, or any other authority appointed by this Hon'ble Court to disburse the amounts to the balance investors as per report dated 1st December 2025, as it may deem fit and proper."

10. Learned Public Prosecutor Mr.Hardik A.Dave assisted by learned APP Mr.Manan Maheta for the respondent – State has vehemently opposed the present applications and has submitted that having regard to the gravamen and seriousness of the offence, the applications may not be entertained and the same may be rejected.

11. Learned advocate Mr.Zalak B.Pipalia appearing for the respondent – complainant has submitted that considering the fact that the applicants-accused have amicably resolved the dispute with the complainants and have also filed affidavits whereby they have undertaken to repay the investment amount

to the victims/investors/claimants, this Court may pass appropriate orders.

12. It appears from the materials on record that the applicants – Aditya Parth Sarathy Dey and his father – Parth Sarathy Reghunath Dey have deposited Rs.50 lakh and Rs.75 lakh, respectively, before the trial court as per the orders dated 07.03.2024/15.04.2024 and dated 13.05.2025, respectively, while granting bail to them. In all, Rs.1,25,00,000=00 has been deposited by the applicants-accused before the trial court, which can be utilized for payment of dues of Rs.1,28,52,445=00 to the victims/investors/claimants. The remaining amount of dues of Rs.3,52,445=00 to be paid to the victims/investors/claimants can be arranged from the savings bank account of the applicant-accused, namely, Parth Sarathy Raghunath Dey, bearing no.50100029708278 with the HDFC Bank, Kolkata.

13. Since the dispute has been amicably resolved between the parties and the applicants-accused are ready and willing to refund the amount to the victims/investors, the present applications deserve consideration.

14. Having heard learned advocates appearing for the respective parties as well as considering the facts and circumstances arising out of the present applications, so also taking into consideration the affidavits filed by the applicants-accused and the decisions rendered in the cases of ***Gian Singh vs. State of Punjab & Another***, reported in *(2012) 10 SCC 303*, ***Madan Mohan Abbot vs. State of Punjab***, reported in *(2008) 4 SCC 582*, ***Nikhil Merchant vs. Central Bureau of Investigation & Another***, reported in (*2009) 1 GLH 31,* ***Manoj Sharma vs. State & Others***, reported in (*2009) 1 GLH 190,* and ***Narinder Singh & Others vs. State of Punjab & Another***, reported in (*2014) 2 Crime 67 (SC)* as well as ***State of Haryana vs. Bhajanlal***, reported in *AIR 1992 SC 604*, it appears that to continue further with the proceedings pursuant to the impugned FIRs would be a futile exercise and the same would amount to abuse of process of law. Hence, to secure the ends of justice, the impugned FIRs as well as all other consequential proceedings arising pursuant thereto are required to be quashed and set-aside in exercise of the powers conferred under Section 528 of the Bharatiya Nagarik Suraksha Sanhita, 2023.

15. In the result, the applications are allowed. The FIR bearing No.I-203 of 2018 and FIR bearing No.I-120 of 2018 registered with the Nilam Baug Police Station, Bhavnagar, for the offences punishable under Sections 406, 409, 420, 120B, 34 of the Indian Penal Code and under Section 3 of the Gujarat Protection of Interest of Depositors (in Financial Establishments) Act, 2003, as well as all other consequential proceedings arising pursuant thereto are hereby ordered to be quashed and set-aside qua the present applicants-accused, on the following conditions :

(i) The applicants-accused are hereby directed to deposit an amount of Rs.3,52,445=00 before the trial court, in addition to Rs.1,25,00,000=00, which has already been deposited with the trial court, towards payment of dues to the victims/investors/claimants.

(ii) The applicants-accused are further directed to deposit an additional amount of Rs.25,00,000=00, within a period of four weeks from the date of de-freezing the bank accounts of the accused, before the concerned trial court as security deposit towards the future claims that may be

made by the victims/investors/claimants.

(iii) The concerned trial court is hereby directed to disburse the amount of Rs.1,28,52,445=00 towards the remaining payment of dues to the victims/ investors/ claimants, upon proper verification.

(iv) The concerned trial court is further directed to utilize the amount of Rs.25,00,000=00, which shall be deposited by the applicants-accused as additional security, towards the future claims by the claimants, and if no claim is made by any claimant within a period of six months from the date of this order, then the said amount be refunded to the applicants-accused. However, if any amount is paid towards the future claims, then after deducting the said amount, the remainder be refunded to the applicants-accused.

16. The concerned banks are hereby directed to de-freeze the savings bank accounts of the applicant-accused, namely, Parth Sarathy Raghunath Dey, held with them, more particularly, (i)

Account No.50200076560756 with HDFC Bank, Delhi, having a balance of Rs.18,400=00; (ii) Account No.50100029708278 with HDFC Bank, Kolkata, having a balance of Rs.11,61,877=00; and (iii) Account No.9150100052175606 with Axis Bank, Delhi, having a balance of Rs.15,93,000=00.

17. Rule made absolute. Direct service is permitted.

(VIMAL K. VYAS, J.)

/MOINUDDIN

Original copy of this order has been signed by the Hon'ble Judge.
Digitally signed by: MOINUDDIN ABDULLAH SAIYED(HC00172), PRINCIPAL PRIVATE SECRETARY, at High Court of Gujarat on 22/01/2026 14:32:46