



Reserved on : 21.02.2026
Pronounced on : 04.03.2026

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 04TH DAY OF MARCH, 2026

BEFORE

THE HON'BLE MR. JUSTICE M. NAGAPRASANNA

WRIT PETITION No.5968 OF 2026 (GM - RES)

BETWEEN:

- 1 . NISHCHAY BABU ARKALGUD
S/O GOWRISHANKAR A.G.,
AGED ABOUT 42 YEARS,
RESIDING AT NO.661, GROUND FLOOR,
6TH C MAIN, 11TH CROSS,
J.P. NAGAR, 3RD PHASE,
BENGALURU – 560 078.

- 2 . JAR GOLD RETAIL PRIVATE LIMITED
A COMPANY INCORPORATED UNDER
THE COMPANIES ACT, 2013
BEARING CIN U47733KA2023PTC181719,
HAVING ITS REGISTERED OFFICE AT:
752, 18TH MAIN, 5TH CROSS,
6TH BLOCK, KORAMANGALA, BENGALURU,
KARNATAKA – 560 095.

REPRESENTED BY ITS
AUTHORIZED REPRESENTATIVE
MR. AVINASH VASANT DESHPANDE

(BY SRI K.G.RAGHAVAN, SR.ADVOCATE A/W

... PETITIONERS

SRI P.CHINNAPPA, ADVOCATE)

AND:

- 1 . STATE OF KARNATAKA
BY STATION HOUSE OFFICER
KORAMANGALA POLICE STATION,
BENGALURU – 560 095.

- 2 . MR. SRIKANTEGOWDA B. (PSI)
AGED ABOUT 32 YEARS,
WORKING AT,
KORAMANGALA POLICE STATION,
BENGALURU CITY - 560 095.

... RESPONDENTS

(BY SRI B.N.JAGADEESHA, ADDL.SPP FOR R-1)

THIS WRIT PETITION IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA READ WITH SECTION 528 OF BNSS, 2023 PRAYING TO (A) ISSUE A WRIT OF CERTIORARI, ORDER OR DIRECTION OF APPROPRIATE NATURE QUASHING THE COMPLAINT AND F.I.R. BOTH DATED 16.01.2026 REGISTERED AS CRIME NO. 25 OF 2026 BY KORAMANGALA POLICE STATION, BENGALURU, PENDING ON THE FILE OF PRINCIPAL CITY CIVIL AND SESSIONS JUDGE (CCH-1), BENGALURU, AS AGAINST PETITIONER AND ITS DIRECTORS, FOR ALLEGED OFFENCES UNDER SECTIONS 21(1) AND 21(2) OF THE BANNING OF UNREGULATED DEPOSIT SCHEMES ACT, 2019 (ANNEXURE-A AND B); (B) CONSEQUENTLY, DECLARE THAT ALL ACTIONS TAKEN PURSUANT TO COMPLAINT AND F.I.R. BOTH DATED 16.01.2026 REGISTERED AS CRIME NO. 25 OF 2026 BY KORAMANGALA POLICE STATION, BENGALURU, ARE ILLEGAL, ARBITRARY AND VOID AB INITIO (ANNEXURE-A AND B).

THIS WRIT PETITION HAVING BEEN HEARD AND RESERVED FOR ORDERS ON 21.02.2026, COMING ON FOR PRONOUNCEMENT THIS DAY, THE COURT MADE THE FOLLOWING:-

CORAM: **THE HON'BLE MR JUSTICE M.NAGAPRASANNA**

CAV ORDER

The petitioners/accused 3 and 4 are standing at the doors of this Court calling in question registration of a crime in Crime No.25 of 2026 registered for offences punishable under Section 21(1) and 21(2) of the Banning of Unregulated Deposit Schemes Act, 2019 (hereinafter referred to as 'the Act' for short).

2. Heard Sri K.G.Raghavan, learned senior counsel appearing for the petitioners and Sri B.N.Jagadeesha, learned Additional State Public Prosecutor appearing for respondent No.1.

3. Facts adumbrated are as follows: -

3.1. The 4th accused/petitioner No.2 is a Company registered under the provisions of the Companies Act, 2013 in the name and style of Jar Gold Retail Private Limited ('the Company' for short). The 2nd respondent/Police Sub-Inspector is the complainant.

Therefore, it is a *suo-motu* complaint by the State. Petitioner No.1 is one of the Directors of the 4th accused/Company. Accused Nos. 1 and 2 viz., Misbah Ashraf and Sandesh Nahar are not before the Court. Only the 1stpetitioner/ accused No.3 and the Company have preferred the subject petition. Thus, all the four are accused in the subject crime. On 16-01-2026 search warrants were secured and the office and houses of the accused were searched. The search yielded certain materials. Those materials form the fulcrum of the crime in Crime No.25 of 2026.

3.2. Petitioner No.2/Company is co-founded and run by the 1st petitioner as an e-commerce seller of gold. Every transaction by their customers, notwithstanding the quantum of money involved, involves a concluded purchase and sale of physical gold bullion. A separate invoice is generated for every purchase and sale transaction. Each payment of such purchase and sale is through UPI and other electronic mode. The ownership and the physical gold bullion is transferred in favour of the purchaser immediately upon completion of the transaction. The physical gold bullion is independently manufactured and sourced from third party entities.

The petitioners claim that they do not retain any ownership or physical possession of the gold bullion upon completion of purchase by the customers. The costs of storage of gold bullion by third party vault for the customers and related insurance is borne by accused No.4/ Company and is a part of the perks offered by the Company to its customers. It claims to have 250 employees in its registered office at Koramangala. A mobile application is also developed, so that the customers can choose to purchase gold equivalent to the monetary value of their choosing starting from ₹10/-. Upon each purchase, it is invoiced and taxes are paid and the corresponding equivalent amount of 24 karat of physical gold is stored in a highly secure, fully insured independent vault managed by recognized custodian. The petitioners aver in the petition that they do not deal in electronic gold products but only engage in the sale of gold that are fully backed by physical bullion.

3.3. On 14-10-2025 the Police officials from the jurisdictional Koramangala Police Station visit the petitioners and requested one of the Directors to accompany to answer certain queries about the business. After answer of the queries, a notice comes to be issued

on 17-10-2025 requesting several information and all documents be placed before them within 24 hours. The petitioners are said to have sought some information. When reply was not received, repeated notices started being issued to the petitioners on the kind of business that they are engaged in. On 18-02-2026 the jurisdictional Police and the officials of the Crime Investigation Department, armed with the search warrant, searched the office premises of the petitioners, the houses of the Directors and seized several documents viz., hard copies, mobile phones, cordoned of office premises and issued debit freeze orders against the account held by the petitioners/Company. All this happened pursuant to registration of crime in Crime No.25 of 2026. It is this that is called in question by the Company and its office bearers.

SUBMISSIONS:

PETITIONERS':

4.1. The learned senior counsel Sri K.G. Raghavan appearing for the petitioners would vehemently contend that the crime registered against these petitioners for offences punishable under

Section 21(1) and (2) of the Act does not get attracted in the case at all. They do not deal with any deposits, regulated or unregulated. The purchase done is in digital. It is stored in the vault outside with a reputed gold storage Company by name Brinks and, therefore, there is no offence that can be laid against the Company or its office bearers. The learned senior counsel would emphasize on the fact that there is not a single depositor who had complained that he has lost his money for the last 5 years. The Company which was start up in the year 2021 with zero turnover has grown to a turn over of ₹4000/- crores today and, therefore, it is investors eye that has fallen upon the Company and its office bearers. The entire office is sealed and accounts are frozen for no crime that they have committed. On suspicion that it may become a crime in future the State sets the criminal law into motion. If the Act is not attracted there is no offence that can be investigated by the State.

4.2. The learned senior counsel further submits that there is no fundamental jurisdictional error or thought or suspicion that money received by the Company, in the course of sale of gold, constitute deposit under Section 2(4) of the Act. It is the claim of

the learned senior counsel that the Company operates a digital platform facility, purchase and sale of physical gold, upon payment. Every bid Company in the gold bullion market does this. If the petitioners are doing it, he would submit, that it cannot become a crime. The *suo motu* complaint is on a third-party e-mail communication who is a stranger and not a customer of the Company and has no transaction on the platform, as allegations are mechanically accepted and criminal law is set into motion.

4.3. The RBI and the SEBI have knowledge that the petitioners' business does not fall within their domain of regulation. The business of the petitioners is sale of movable property i.e., gold which is stored in Brinks India Private Limited. It has all the necessary staff who would answer the customer call. It is based upon customers choice, there would be delivery of physical gold. He would further submit that sale of digital gold is legitimate business endorsed by Government of India. On all these counts, the learned senior counsel seeks that the crime be quashed.

THE STATE:

5. Per contra, the learned Additional State Public Prosecutor Sri B.N. Jagadeesha would place on record the entire material against these petitioners for perusal of the Court. It is his contention that the crime is under the Act. It must not be let to problem resulting in huge scam. He would contend if SEBI and RBI are not regulating who is regulating ₹4,000/- crores business of the Company, none. Therefore, these unregulated deposits should be nipped in the bud, failing which, it would lead to become a huge scam. He would submit that the Act is invoked to register the crime. A FIR is not an encyclopedia of offence. Any other offence can spring post investigation. To say that it does not amount to deposit today and quash the crime would be killing the cause itself. He would, therefore, submit that investigation at least must be permitted to be continued, so that the money invested by scores and scores of people is not looted by these petitioners.

6. I have given my anxious consideration to the submissions made by the respective learned counsel and have perused the material on record.

CONSIDERATION:

7. The afore-narrated facts are a matter of record. Digital gold or business of sale of gold online is a concept that emerged in the year 2013 when Metals and Minerals Trading Corporation of India, a Government of India Company launched a business for sale of gold/digital gold to customers online. On 17-10-2013 the Securities and Exchange Board of India ('SEBI') clarified that the proposed business appears to be only transaction of sale and purchase of gold and does not qualify as a collective investment scheme. Long thereafter, genesis of the Company happens. In 2021 the Company launches a mobile application and a website in the name and style of 'JAR' which enables customers to purchase, seek delivery and sell back gold at their discretion. The purchase of gold happens to an amount beginning from ₹10/- and goes on unlimited. The business of these petitioners which began in 2021 has now flourished into a dramatical figure of ₹4,000/- crores. When the business was flourishing for 5 years, an electronic mail is communicated by the Reserve Bank of India. The mail dated 13-10-2025 reads as follows:

"Madam/Dear Sir,

Please refer to the trailing mail and attachments on the captioned subject.

2. In this connection, complainant has raised a number of issues against the Jar app mentioning that it is structurally opaque, legally unguaranteed, behaviorally manipulative and built on a culturally sensitive commodity (Gold).

3. In connection to the above, MI, DoS, Bengaluru has carried an MI visit at Jar Digital Gold at the available address (as enclosed) and was observed that investments (Rs. 10 to 1 lakh) are accepted for digital gold at the day's rate. However, Instead of physical gold, the gold is said to be kept in an account maintained with Jar, digital form in an account maintained by Jar, which does not comes under RBIs regulation.

4. In addition to that, Investors also get 30-40% referral bonuses, can stop investing anytime and withdraw funds at the prevailing gold rate. It was also noted that Jar Gold Retail Private Limited and Jarfin Retail Private Limited are also functioning at the same building.

6. Since these companies are not regulated by RBI but are registered under RoC Bengaluru, the same was forwarded to RoC, Bengaluru for necessary action.

7. However, during the meeting with Chief Secretary, it was advised that this Information to be sent to Police Department CID. Therefore, the MI visit inputs are forwarded to CID and AIGP, Crime for information and necessary action, if any, as these companies are located in Bengaluru as advised by Chief Secretary as the same would be taken up during the upcoming SLCC meeting.

साभार Regards,

बाजार आसूचना यूनिट / Market Intelligence Unit

पर्यवेक्षण विभाग / Department of Supervision

भा.रि.वै., बेंगलूरु / Reserve Bank of India, Bengaluru

फोन / Ph: 080-22180364/383/379"

The electronic mail to all the accused clearly indicated that a complaint is received, it has several issues against JAR app mentioning that it is structurally opaque, legally unguaranteed and behaviorally manipulative and built on a culturally sensitive commodity (gold). The investors get 30 to 40% referral bonuses and can stop investing anytime. Such companies are not regulated by the RBI, but are registered under the Registration of Companies. It is advised that information be sent to CID of the States and all the investigating officers. This mail communication is particularly to the State of Karnataka. The SEBI issues a public notice on 08-11-2025. The public notice reads as follows:

“Caution to public regarding dealing in 'Digital Gold'

SEBI has enabled investments in gold and gold related instruments through various SEBI regulated gold products. These are exchange traded commodity derivative contracts, Gold Exchange Traded Funds (ETFs) offered by Mutual Funds and Electronic Gold Receipts (EGRs) tradeable on stock exchanges. Investments in these SEBI regulated gold products can be made through SEBI registered intermediaries and are governed by the regulatory framework prescribed by SEBI.

It has come to the notice of SEBI that some digital/online platforms are offering investors to invest in 'Digital Gold/E-Gold Products'. Digital Gold is being marketed as an alternative for investment in physical gold.

In this context, it is informed that such digital gold products are different from SEBI regulated gold products as they are neither notified as securities nor regulated as commodity derivatives. They

operate entirely outside the purview of SEBI. Such digital gold products may entail significant risks for investors and may expose investors to counterparty and operational risks.

Investors/participants are made aware that none of the investor protection mechanisms under securities market purview shall be available for investments in such Digital Gold/ E-Gold products.

Mumbai
November 08, 2025”

The SEBI warns citizens to be careful in investing in digital gold of any Company. After these communications, a memorandum is issued by the Joint Commissioner of Police (Crime), Bangalore City. It reads as follows:

“ಕರ್ನಾಟಕ ಸರ್ಕಾರ
ಪೊಲೀಸ್ ಇಲಾಖೆ

ಸಂಖ್ಯೆ: 54/ಅಪರಾಧ-4/ಸಿ ಓ ಪಿ/2025

ಪೊಲೀಸ್ ಆಯುಕ್ತರ ಕಛೇರಿ,
ಬೆಂಗಳೂರು ನಗರ
ದಿ: 10-11-2025

ಜ್ಞಾಪನ

ವಿಷಯ:- JAR Gold Retail Private Limited & Jarfin Retail
Private Limited ಕಂಪನಿಗಳ ವಿರುದ್ಧ ಕ್ರಮ ಕೈಗೊಳ್ಳುವ ಕುರಿತು.

ಉಲ್ಲೇಖ:-ಪ್ರಧಾನ ಕಛೇರಿ ಪತ್ರ ಸಂ: ಅಪರಾಧ-12/45/2025. ದಿ: 21.10.2025.

*** **

ಮೇಲ್ಕಂಡ ವಿಷಯಕ್ಕೆ ಸಂಬಂಧಿಸಿದಂತೆ, ಉಲ್ಲೇಖಿತ ಪ್ರಧಾನ ಕಛೇರಿಯ ಪತ್ರದಲ್ಲಿ MI Unit ರವರ ಇ-ಮೇಲ್ ನಲ್ಲಿ "Jar digital Gold" ಸಂಸ್ಥೆಯು ತನ್ನ ವೇದಿಕೆಯ ಮೂಲಕ ಡಿಜಿಟಲ್ ಗೋಲ್ಡ್ ಹೂಡಿಕೆಗಳನ್ನು ಸ್ವೀಕರಿಸುತ್ತಿದ್ದು, ಆ ಹೂಡಿಕೆಗಳನ್ನು ನೇರವಾಗಿ ಚಿನ್ನದ ರೂಪದಲ್ಲಿ ನೀಡದೆ ಡಿಜಿಟಲ್ ಖಾತೆಯಲ್ಲಿ ಉಳಿಸಿಕೊಂಡಿರುವುದು ಗಮನಕ್ಕೆ ಬಂದಿದೆ, ಇದೇ ರೀತಿಯಾಗಿ ಹೂಡಿಕೆದಾರರಿಗೆ 30% ರಿಂದ 40 % ವರೆಗೆ ರೆಫರಲ್ ಭೋನಸ್ ನೀಡಲಾಗುತ್ತಿದೆ ಎಂದು ವರದಿಯಾಗಿದೆ. ಈ Jar Gold Retail

Private Limited ಹಾಗೂ Jarfin Retail Private Limited ಕಂಪನಿಗಳು ಆರ್ ಬಿ ಐ ನಿಯಂತ್ರಣಕ್ಕೆ ಒಳಪಡುವುದಿಲ್ಲದೆ ಕಂಪನಿಗಳ ನೋಂದಣಿ ನಿಯಂತ್ರಕ (RoC), ಬೆಂಗಳೂರಿನಲ್ಲಿ ನೋಂದಾಯಿತವಾಗಿವೆ ಎಂದು ವರದಿಯಾಗಿದೆ, ಈ ವಿಷಯದಲ್ಲಿ ಸಾರ್ವಜನಿಕ ಹಿತಾಸಕ್ತಿ ಹಾಗೂ ಹಣಕಾಸು ನಿಯಮ ಉಲ್ಲಂಘನೆಗಳ ಸಾಧ್ಯತೆ ಇರುವುದರಿಂದ ಅಗತ್ಯ ಕ್ರಮ ಕೈಗೊಳ್ಳುವಂತೆ ಸೂಚಿಸಿರುತ್ತಾರೆ.

ಆದ್ದರಿಂದ, ಪ್ರಧಾನ ಕಛೇರಿಯ ಪತ್ರದಲ್ಲಿ ಪ್ರಸ್ತಾಪಿಸಿರುವ ಎಲ್ಲಾ ಅಂಶಗಳನ್ನು ನಿಯಮಾನುಸಾರ ಪರಿಶೀಲಿಸಿ, ಅಗತ್ಯ ಕೈಗೊಳ್ಳುವಂತೆ ಸೂಚಿಸಿ, ಮುಂದಿನ ಕ್ರಮಕ್ಕಾಗಿ ಕಳುಹಿಸಿಕೊಡಲಾಗಿದೆ.

Digitally signed by

AJAY HILORI

Date: 10-11-2025

11:10:11

ಜಂಟಿ ಪೊಲೀಸ್ ಆಯುಕ್ತರು,

(ಅಪರಾಧಗಳು), ಬೆಂಗಳೂರು ನಗರ

This is replied to by the petitioners. The reply is not necessary to be extracted, as the memorandum of writ petition is verbatim similar to what is replied to.

8. There are several complaints against this app by the customers or several citizens. I deem it appropriate to notice one such observation. It reads as follows:

“This app has absolutely no credibility, you keep getting prompts that you've saved enough money to buy a gold coin, but every time just before placing order for gold coin, you get a message that gold coin is not deliverable. Also you can't withdraw the amount you've saved, it only allows to withdrawal almost half of the amount. I mean, what even is the point of this application, why wouldn't anyone just use a savings account? Lost case.

10,968 people found this review helpful

Did you find this helpful? Yes No

Jar App - Savings & Investments

6 November 2023

Hi Kanishka, We are sorry for the inconvenience. Kindly share your registered mobile number and issue details at voc@changejar.in or WhatsApp us: wa.me/916366693874, You can also reach us at our customer care number 888-439-0000(Mon to Friday 10 AM-6 PM), We will be happy to assist you.
Thank you”

(Emphasis added at each instance)

There are several other observations by several customers about purported fraud in the app. With all the communications, the Police ostensibly cannot keep quiet, as every citizen is involved in this and it has a potential of growing up into a huge problem. Therefore, *suo motu* complaint is registered by the Koramangala Police station. Since the entire issue triggered from the complaint, it is necessary to notice the entire complaint in its entirety. It reads as follows:

THE COMPLAINT:

“ರವರಿಗೆ,
ತಾಣಾಧಿಕಾರಿಗಳು,
ಕೋರಮಂಗಲ ಪೊಲೀಸ್ ಠಾಣೆ,
ಬೆಂಗಳೂರು ನಗರ.

ಇಂದ,
ಶ್ರೀಕಂಠೇಗೌಡ.ಬಿ. ಪಿ.ಎಸ್.ಐ,
ಕೋರಮಂಗಲ ಪೊಲೀಸ್ ಠಾಣೆ,

ಬೆಂಗಳೂರು ನಗರ.

ಮಾನ್ಯರೇ,

ವಿಷಯ:- JAR GOLD RETAIL PRIVATE LIMITED ಕಂಪನಿ ಹಾಗೂ ಸಹ ಕಂಪನಿಗಳು ಮತ್ತು ಅದರ ನಿರ್ದೇಶಕರುಗಳು THE BANNING OF UNREGULATED DEPOSIT SCHEMES ACT, 2019 ಅಡಿ ಸಂಬಂಧಿಸಿದ ರೆಗುಲೇಟರ್ ಅಡಿ ನೋಂದಾಯಿಸಿಕೊಳ್ಳದೆ ಅನಿಯಂತ್ರಿತ ಯೋಜನೆ ರೀತಿಯಲ್ಲಿ ಮೊಬೈಲ್ ಅಪ್ಲಿಕೇಷನ್ ಮೂಲಕ ಚೆನ್ನದ ಖರೀದಿ ಮತ್ತು ಹೂಡಿಕೆ ಮಾಡಿಸಿ ಸಾರ್ವಜನಿಕರಿಂದ ಠೇವಣಿಯನ್ನು ಅಕ್ರಮವಾಗಿ ಸ್ವೀಕರಿಸಿದ ಕುರಿತಂತೆ ಕ್ರಮ ಕೈಗೊಳ್ಳಲು ಸರ್ಕಾರದ ಪರವಾಗಿ ದೂರು.

** *** **

ನಾನು ಶ್ರೀಕಂಠೇಗೌಡ, ಪಿಎಸ್‌ಐ, 2023 ರಿಂದ ಕೋರಮಂಗಲ ಪೊಲೀಸ್ ಠಾಣೆಯಲ್ಲಿ ಕರ್ತವ್ಯ ನಿರ್ವಹಿಸುತ್ತಿರುತ್ತೇನೆ. ನನ್ನ ಪೊಲೀಸ್ ಠಾಣೆಯ ಠಾಣಾಧಿಕಾರಿಗಳಿಗೆ ಮಾನ್ಯ ಪೊಲೀಸ್ ಆಯುಕ್ತರ ಕಛೇರಿ ಜ್ಞಾಪನ ಸಂ.54/ಅಪರಾಧ-4/ಸಿಪಿ/2025, ದಿನಾಂಕ: 10.11.2025, ಮಾನ್ಯ ಉಪ ಪೊಲೀಸ್ ಆಯುಕ್ತರು, ಆಗ್ನೇಯ ವಿಭಾಗ, ಬೆಂಗಳೂರು ರವರ ಜ್ಞಾಪನ ಸಂ.ಸಿಆರ್‌ಎಂ/591/ಡಿಪಿಪಿ(ಆವಿ)/2025, ದಿನಾಂಕ 20.11.2025, ಪ್ರಧಾನ ಕಚೇರಿ ಪತ್ರ ಸಂ. ಅಪರಾಧ-12/45/2025, ದಿನಾಂಕ 21.10.2025 ಜೊತೆಗೆ ರಿಸರ್ವ್ ಬ್ಯಾಂಕ್ ಆಫ್ ಇಂಡಿಯಾ ರವರ ಮಾರುಕಟ್ಟೆ ವಿಚಕ್ಷಣಾ ದಳ ಇ-ಮೇಲ್ ವರದಿ ದಿನಾಂಕ 20.07.2025 ಸ್ವೀಕರಿಸಿ ನನಗೆ ನನ್ನ ಮೇಲಾಧಿಕಾರಿಯು ಸದರಿ JAR GOLD RETAIL PRIVATE LIMITED ಕಂಪನಿ ನಡೆಸುತ್ತಿರುವ ಬಂಗಾರದ ಖರೀದಿ ಮತ್ತು ಹೂಡಿಕೆಗಳ ಬಗ್ಗೆ ಪ್ರಾಥಮಿಕ ವಿಚಾರಣೆ ಮಾಡಿ ವರದಿ ಸಲ್ಲಿಸುವಂತೆ ನೀಡಿದ ಸೂಚನೆಯ ಮೇರೆಗೆ, ನಾನು ಪ್ರಾಥಮಿಕ ವಿಚಾರಣೆಯನ್ನು ಕೈಗೊಂಡಿರುತ್ತೇನೆ.

ಸದರಿ ರಿಸರ್ವ್ ಬ್ಯಾಂಕ್ ಆಫ್ ಇಂಡಿಯಾ ರವರ ಮಾರುಕಟ್ಟೆ ವಿಚಕ್ಷಣಾ ದಳದವರು ಸದರಿ ಕಂಪನಿಯು ನಡೆಸುತ್ತಿರುವ ವ್ಯವಹಾರದ ಕಾನೂನಿನ ಮಾನ್ಯತೆ ಬಗ್ಗೆ ಸಂಶಯ ವ್ಯಕ್ತಪಡಿಸಿ ಸದರಿ ಸಂಸ್ಥೆಯವರು ತಮ್ಮ ವೇದಿಕೆಯ ಮೂಲಕ ಸಾರ್ವಜನಿಕರಿಂದ ಡಿಜಿಟಲ್ ಗೋಲ್ಡ್ ಹೂಡಿಕೆಗಳನ್ನು ಸ್ವೀಕರಿಸುತ್ತಿದ್ದು, ಸದರಿ ವ್ಯವಹಾರವು ಅನಿಯಂತ್ರಿತವಾಗಿದ್ದು ಕ್ರಮ ಕೈಗೊಳ್ಳುವಂತೆ ತಮ್ಮ ಇ-ಮೇಲ್ ವರದಿ ದಿನಾಂಕ 20.07.2025 ಅನ್ನು ಆಧರಿಸಿ ಕೈಗೊಂಡ ಪ್ರಾಥಮಿಕ ವಿಚಾರಣೆಯಲ್ಲಿ ಈ ಕೆಳಕಂಡ ಸಂಗತಿಗಳು ಕಂಡುಬಂದಿರುತ್ತವೆ.

1. JAR GOLD RETAIL PRIVATE LIMITED ಕಂಪನಿ ಇದು ಕಂಪನಿ ಕಾನೂನಿನಲ್ಲಿ ಒಂದು ನೋಂದಾಯಿತ ಕಂಪನಿಯಾಗಿದ್ದು, ಸದರಿ ಕಛೇರಿಯ ನೋಂದಾಯಿತ ವಿಳಾಸವು ನಂ. 752,

18ನೇ ಮೈನ್, 5ನೇ ಕ್ರಾಸ್, ಕೋರಮಂಗಲ 6ನೇ ಬ್ಲಾಕ್, ಬೆಂಗಳೂರಿನಲ್ಲಿ ಇರುತ್ತದೆ. ಸದರಿ ಕಂಪನಿಗೆ 1) Misbah Ashraf, 2) Sandesh Nahar, 3) Nishchay Babu Arkalgud ರವರುಗಳು ನಿರ್ದೇಶಕರುಗಳಾಗಿರುತ್ತಾರೆ.

2. ಸದರಿ ಕಂಪನಿಯು ಮತ್ತು ಅದರ ನಿರ್ದೇಶಕರುಗಳು ಡಿಜಿಟಲ್ ಅಪ್ಲಿಕೇಷನ್ ಮೂಲಕ ಸಾರ್ವಜನಿಕರಿಗೆ ಚಿನ್ನದಲ್ಲಿ ಹೂಡಿಕೆ ಮಾಡುವ ಕುರಿತಂತೆ ಅವಕಾಶ ಮಾಡಿಕೊಡುತ್ತಿದ್ದು, ಆದರೆ ಈ ವ್ಯವಹಾರಗಳ ಕುರಿತಂತೆ Securities and Exchange Board of India (SEBI) ದಿಂದ ಅಥವಾ ಸಂಬಂಧಿಸಿದ ನಿಯಂತ್ರಣ ಪ್ರಾಧಿಕಾರದಿಂದ ಅನುಮತಿ ಪಡೆಯದೇ ಅಥವಾ ನೋಂದಾಯಿಸಿಕೊಳ್ಳದೇ ಅನಿಯಂತ್ರಿತ ರೀತಿಯಲ್ಲಿ ತನ್ನ ವ್ಯವಹಾರಗಳನ್ನು ಮಾಡುತ್ತಿರುವುದು ಮೇಲ್ನೋಟಕ್ಕೆ ಕಂಡುಬರುತ್ತದೆ.
3. ಸದರಿ ಸಂಸ್ಥೆಯು ಮತ್ತು ಅದರ ನಿರ್ದೇಶಕರುಗಳು ಸಾರ್ವಜನಿಕರುಗಳಿಂದ ಹತ್ತು ರೂಪಾಯಿಗಳಿಂದ ಒಂದು ಲಕ್ಷ ರೂಪಾಯಿಗಳವರೆಗೆ ಹೂಡಿಕೆಗಳನ್ನು ಡಿಜಿಟಲ್ ಗೋಲ್ಡ್ ಹೆಸರಿನಲ್ಲಿ ಸ್ವೀಕರಿಸುತ್ತಿದ್ದು, ಅಸಲಿ ಚಿನ್ನದ ಬದಲಿಗೆ ಡಿಜಿಟಲ್ ರೂಪದಲ್ಲಿ ಚಿನ್ನವು ಸಂಬಂಧಿಸಿದ ಗ್ರಾಹಕರ ಇ-ಖಾತೆಗಳಲ್ಲಿ ಇದೆ ಎಂದು ತೋರಿಸಿ ಅವರಿಗೆ ಬೇಕಾದಾಗ ಅದನ್ನು ಹಿಂಪಡೆಯಲು ಅವಕಾಶ ಮಾಡಿಕೊಡುತ್ತೇವೆ ಎಂದು ಹೇಳುವ ಅನಿಯಂತ್ರಿತ ಯೋಜನೆಯನ್ನು ಹೊರಡಿಸಿ ಸಾರ್ವಜನಿಕಗೊಳಿಸಿರುತ್ತದೆ.
4. ಸದರಿ ಅನಿಯಂತ್ರಿತ ಯೋಜನೆಗೆ ಆಕರ್ಷಣೆಗೊಂಡ ಸಾರ್ವಜನಿಕರು ತಮ್ಮ ಇ-ಖಾತೆಗಳನ್ನು ಸದರಿ ಸಂಸ್ಥೆಯಲ್ಲಿ ತೆರೆದು ಆ ಮೂಲಕ ಹಣವನ್ನು ಹೂಡಿಕೆ ಮಾಡಿ ಡಿಜಿಟಲ್ ರೂಪದಲ್ಲಿ ಚಿನ್ನದ ಠೇವಣಿಗಳನ್ನು ಹೊಂದಿರುತ್ತಾರೆ. ಇದರ ಜೊತೆ ಸದರಿ ಕಂಪನಿಯು ತನ್ನ ಹೂಡಿಕೆದಾರರಿಗೆ ತಮ್ಮ ಜೊತೆ ಉಳಿದ ಸಾರ್ವಜನಿಕರನ್ನು ಸೆಳೆದಲ್ಲಿ ಅಂತಹ ಹೂಡಿಕೆದಾರರಿಗೆ ಶೇ. 30 ರಿಂದ 40 Referral Bonus ಕೊಡುವುದಾಗಿ ಹೇಳಿ ನಂಬಿಸಿ ಹೂಡಿಕೆಗಳನ್ನು ಮತ್ತು ಠೇವಣಿಗಳನ್ನು ಸ್ವೀಕರಿಸುತ್ತಿರುತ್ತದೆ.
5. ಪ್ರಾಥಮಿಕ ವಿಚಾರಣೆಯಲ್ಲಿ ಸದರಿ ಸಂಸ್ಥೆಗೆ ಸಂಬಂಧಿಸಿದ ಪ್ರಾಧಿಕಾರದ ಅನುಮತಿಗಳನ್ನು ಮತ್ತು ವ್ಯವಹಾರದ ಸ್ವರೂಪಗಳನ್ನು ಸಲ್ಲಿಸುವಂತೆ ದಿನಾಂಕ 26.11.2025 ಹಾಗೂ 04.12.2025 ರಂದು ನೋಟೀಸ್ ನೀಡಲಾಗಿತ್ತು. ಅದಕ್ಕೆ ಪ್ರತಿಯಾಗಿ ಸದರಿ ಸಂಸ್ಥೆಯು ದಿನಾಂಕ 02.12.2025 ಹಾಗೂ 18.12.2025ರಂದು ಉತ್ತರವನ್ನು ನೀಡಿದ್ದು, ಅದರಲ್ಲಿ ಸದರಿಯವರು ಸದರಿ ಕಂಪನಿಯವರು ಸಾರ್ವಜನಿಕರುಗಳು/ ಗ್ರಾಹಕರುಗಳಿಗೆ ಮೊಬೈಲ್ ಅಪ್ಲಿಕೇಷನ್ ಮತ್ತು ವೆಬ್ ಸೈಟ್ ನಲ್ಲಿ ಚಿನ್ನವನ್ನು ಕೈಗೆಟುಕುವ, ಸುಲಭವಾಗಿ ಖರೀದಿಸಲು, ಮಾರಾಟ ಮಾಡಲು ಗ್ರಾಹಕರೊಂದಿಗೆ ಒಪ್ಪಂದ ಮಾಡಿಕೊಂಡು ಕಂಪನಿಯ ನಿಯಮ ಮತ್ತು ಷರತ್ತುಗಳ ಅನ್ವಯ ಗ್ರಾಹಕರುಗಳಿಂದ ಚಿನ್ನದ ಮೇಲೆ ಯು.ಪಿ.ಐ ಮುಖಾಂತರ ಹಣವನ್ನು ಹೂಡಿಕೆ ಮಾಡಿಸಿಕೊಳ್ಳುತ್ತಿರುವುದಾಗಿ, ಗ್ರಾಹಕರು ಖರೀದಿ

ಮಾಡುವ ಭೌತಿಕ ಚಿನ್ನದ ಅನುಗುಣವಾಗಿ ಸಮಾನ ಮೊತ್ತದ ಚಿನ್ನವನ್ನು ವಿಮೆ ಮಾಡಲಾದ ಸ್ವತಂತ್ರ ವಾಲ್ಟ್ ಗಳಲ್ಲಿ ಸಂಗ್ರಹಿಸಲಾಗುತ್ತಿರುವುದಾಗಿ, ಗ್ರಾಹಕರು ಭೌತಿಕ ಚಿನ್ನದ ಮಾಲೀಕತ್ವದ ಡಿಜಿಟಲ್ ದಾಖಲೆ ಹೊಂದಿರುತ್ತಾರೆ. ಗ್ರಾಹಕರು ತಮ್ಮ ಒಡತನದ ಚಿನ್ನವನ್ನು ವಿದ್ಯುನ್ಮಾನವಾಗಿ ನಗದು ರೂಪದಲ್ಲಿ ಮಾರಾಟ ಮಾಡುವ/ ಭೌತಿಕ ಚಿನ್ನದ ನಾಣ್ಯಗಳಾಗಿ/ ಚಿನ್ನದ ಭರಣಗಳನ್ನಾಗಿ ಪರಿವರ್ತಿಸುವ ಆಯ್ಕೆ ಹೊಂದಿರುವುದಾಗಿ ತಿಳಿಸಿರುತ್ತಾರೆ. ಆದರೆ ಸದರಿ ವ್ಯವಹಾರವು ಸಂಬಂಧಿಸಿದ ನಿಯಂತ್ರಕ ಪ್ರಾಧಿಕಾರವಾದ SEBI ಅಥವಾ ಇತರೆ ಪ್ರಾಧಿಕಾರದಡಿ ನೋಂದಣಿ ಮಾಡಿಸಿಕೊಂಡಿದ್ದರ ಬಗ್ಗೆ ಯಾವುದೇ ವಿಷಯವನ್ನು ಅಥವಾ ದಾಖಲಾತಿಗಳನ್ನು ಹಾಜರುಪಡಿಸಿರುವುದಿಲ್ಲ ಮತ್ತು ಅಂತಹ ನೋಂದಣಿ ಮತ್ತು ಅನುಮತಿ ಅಗತ್ಯವಿಲ್ಲವೆಂದು ಉಲ್ಲೇಖಿಸಿದ್ದರಿಂದ ಸದರಿ ಸಂಸ್ಥೆ ಮತ್ತು ನಿರ್ದೇಶಕರುಗಳು ತಮ್ಮ ಮೇಲ್ಕಾಣಿಸಿದ ವ್ಯವಹಾರವನ್ನು ನಿಯಂತ್ರಕ ಪ್ರಾಧಿಕಾರದಿಂದ ಅನುಮತಿಯನ್ನು ಪಡೆಯಲಾರದೇ ಮತ್ತು ನೋಂದಾಯಿಸಿಕೊಳ್ಳಲಾರದೇ ಅನಿಯಂತ್ರತವಾಗಿ ಸದರಿ ಯೋಜನೆಯನ್ನು ರೂಪಿಸಿ ಸಾರ್ವಜನಿಕರಿಂದ ಹಣವನ್ನು ಹೂಡಿಕೆ ಮಾಡುವುದರ ಮೂಲಕ ಠೇವಣಿ ಮಾಡಿಸಿಕೊಳ್ಳುತ್ತಿರುವುದು ಬಡ್ಡ್ಸ್ ಅಧಿನಿಯಮದ ಕಲಂ 3 ಅನ್ನು ಉಲ್ಲಂಘಿಸಿ ಕಲಂ 21(1) ಮತ್ತು (2) ರಡಿಯಲ್ಲಿ ಶಿಕ್ಷಾರ್ಹ ಅಪರಾಧ ಎಸಗಿದ್ದು ಮೇಲ್ನೋಟಕ್ಕೆ ಕಂಡುಬರುತ್ತದೆ.

6. ಸದರಿ ಸಂಸ್ಥೆ ಮತ್ತು ನಿರ್ದೇಶಕರುಗಳು ನೀಡಿದ ಮಾಹಿತಿಯಂತೆ ಸುಮಾರು 3.3 ಕೋಟಿ ಜನರಷ್ಟು ತಮ್ಮ ಮೊಬೈಲ್ ಅಪ್ಲಿಕೇಷನ್ ಮೂಲಕ ಇ-ಖಾತೆಗಳನ್ನು ತೆರೆದು ವ್ಯವಹಾರ ಮಾಡುತ್ತಿದ್ದು, ಈ ಹಿನ್ನೆಲೆಯಲ್ಲಿ ಸದರಿ ಸಂಸ್ಥೆ ಮತ್ತು ನಿರ್ದೇಶಕರುಗಳು ಸುಮಾರು 100 ಕೋಟಿಗಿಂತ ಮಿಗಿಲು ಹಣವನ್ನು ಸಾರ್ವಜನಿಕರಿಂದ ಸ್ವೀಕರಿಸಿರುವ ಬಗ್ಗೆ ಮಾಹಿತಿ ಇದ್ದು, ಈ ಕುರಿತಂತೆ ತಮ್ಮ ಲೆಕ್ಕ ಪತ್ರಗಳನ್ನು ಮತ್ತು ಮಾಹಿತಿಗಳನ್ನು ನೀಡದೇ ಹಿಂದೇಟು ಹಾಕಿರುತ್ತಾರೆ. ಅನೇಕ ಬಾರಿ ನಾನು ಸಾರ್ವಜನಿಕರಿಂದ ಸ್ವೀಕರಿಸಿದ ಹಣದ ಒಟ್ಟು ಮೊಬಲಗು ಮಾಹಿತಿ ನೀಡಿ ಎಂದು ಕೇಳಿದ್ದಾಗಿಯೂ ಕೂಡ ಹಾಜರುಪಡಿಸಿರುವುದಿಲ್ಲ. ಈ ಹಿನ್ನೆಲೆಯಲ್ಲಿ ಸದರಿ ಸಂಸ್ಥೆಯು ನೀಡಿದ ಮಾಹಿತಿ ಮೇಲೆ ಸುಮಾರು 100 ಕೋಟಿ ಮಿಗಿಲು ಹಣವನ್ನು ಸಾರ್ವಜನಿಕರಿಂದ ಈ ಅನಿಯಂತ್ರತ ಯೋಜನೆ ಅಡಿಯಲ್ಲಿ ಆರೋಪಿತರು ಸ್ವೀಕರಿಸಿ ಅಪರಾಧ ಎಸಗಿರುತ್ತಾರೆ.
7. SEBI ಸಂಸ್ಥೆಯವರು ತಮ್ಮ ಪತ್ರ PR No. 70/2025, dated 08.11.2025 ರ ಮೂಲಕ ಸಾರ್ವಜನಿಕರಿಗೆ ಈ ರೀತಿಯ ಡಿಜಿಟಲ್ ಗೋಲ್ಡ್/ಇ-ಗೋಲ್ಡ್ ಪ್ರಾಡಕ್ಟ್ಸ್ ವ್ಯವಹಾರವು ಅನಿಯಂತ್ರತವಾಗಿದೆ ಎಂದು ಸ್ಪಷ್ಟಪಡಿಸಿರುತ್ತದೆ ಮತ್ತು ಈ ಕುರಿತಂತೆ ಬಡ್ಡ್ಸ್ ಅಧಿನಿಯಮದಡಿ, ಕ್ರಮ ಕೈಗೊಳ್ಳುವಂತೆ ಸೂಚಿಸಿರುತ್ತದೆ.
8. ಸದರಿ ಸಂಸ್ಥೆ ಮತ್ತು ನಿರ್ದೇಶಕರುಗಳು ತಾವು ಮಾಡುತ್ತಿರುವ ವ್ಯವಹಾರವು ಅನಿಯಂತ್ರತವಾಗಿವೆ ಎಂದು ತಿಳಿದೂ ಸಹ ಸಾರ್ವಜನಿಕರಿಗೆ ನಿಜ ಸಂಗತಿಯನ್ನು ತಿಳಿಸದೇ ತಮ್ಮ ಡಿಜಿಟಲ್ ಪ್ಲಾಟ್ ಫಾರ್ಮ್ ಮೂಲಕ ಇ-ಖಾತೆಯನ್ನು ತೆರೆದು ಹಣ ಹೂಡಿಕೆ ಮಾಡುವುದರ ಮೂಲಕ ಚಿನ್ನ ಖರೀದಿಸಿ

ರೇವಣಿ ಇಟ್ಟುಕೊಂಡು ತಮಗೆ ಬೇಕಾದಾಗ ಮಾರಿದ ಹಣವನ್ನು ಅವರ ಖಾತೆಯಿಂದ ಸಂಸ್ಥೆ ಮೂಲಕ ಸೆಳೆದುಕೊಳ್ಳಬಹುದು ಎಂದು ನಂಬಿಸಿ ಸುಮಾರು 3.3 ಕೋಟಿ ಜನರಿಂದ ಸುಮಾರು 100 ಕೋಟಿಗಿಂತ ಹೆಚ್ಚು ಹಣವನ್ನು ಸ್ವೀಕರಿಸಿ ಹೂಡಿಕೆ ಮಾಡಿಸಿಕೊಂಡು ನಂತರ ಮರಳಿಸದೇ ಮೋಸ ಮಾಡುವ ಪ್ರಯತ್ನದಲ್ಲಿರುವುದು ಕಂಡುಬರುತ್ತಿದೆ.

9. ಸದರಿ ಬಡ್ಡು ಅಧಿನಿಯಮದ ಕಲಂ 21(1) ಮತ್ತು (2) ಅಪರಾಧವು ಸದರಿ ಅಧಿನಿಯಮದ ಕಲಂ 28 ರಡಿ ಸಂಜ್ಞೆ ಮತ್ತು ಜಾಮೀನು ರಹಿತ ಅಪರಾಧವಾಗಿದ್ದು, ಪೊಲೀಸರಿಗೆ ಪ್ರಕರಣ ದಾಖಲಿಸಿಕೊಂಡು ತನಿಖೆ ಮಾಡಲು ಅಧಿಕಾರವಿದೆ, ಜೊತೆಗೆ ಮಾನ್ಯ ಕರ್ನಾಟಕ ಉಚ್ಚ ನ್ಯಾಯಾಲಯವು ಕ್ರಿಮಿನಲ್ ಪಿಟಿಷನ್ ಸಂ. 100048/2024 ಜೊತೆಗೆ ಕ್ರಿಮಿನಲ್ ಪಿಟಿಷನ್ ಸಂ. 102510/2023 ರಲ್ಲಿ ದಿನಾಂಕ 17.01.2025ರಂದು ನೀಡಿದ ತೀರ್ಪಿನನುಸಾರ ಇಂತಹ ಪ್ರಕರಣಗಳನ್ನು ಪೊಲೀಸ್ ರಾಣಾಧಿಕಾರಿಯು ದಾಖಲಿಸಿಕೊಂಡು ತನಿಖೆ ಮಾಡಲು ಅಧಿಕಾರವಿದೆ ಎಂದು ತೀರ್ಪು ನೀಡಿದ್ದರ ಹಿನ್ನೆಲೆಯಲ್ಲಿ ಸರ್ಕಾರದ ಪರವಾಗಿ ನಾನು ಈ ದಿನ JAR GOLD RETAIL PRIVATE LIMITED ಕಂಪನಿ ಹಾಗೂ ಸಹ ಕಂಪನಿಗಳು ಮತ್ತು ಅದರ ನಿರ್ದೇಶಕರುಗಳಾದ 1) Misbah Ashraf, 2) Sandesh Nahar, 3) Nishchay Babu Arkalgud ರವರುಗಳ ವಿರುದ್ಧ ಸೂಕ್ತ ಕಾನೂನು ಕ್ರಮ ಕೈಗೊಳ್ಳಬೇಕೆಂದು ಕೋರಿ ದೂರು ಸಲ್ಲಿಸುತ್ತಿರುತ್ತೇನೆ.

ವಂದನೆಗಳೊಂದಿಗೆ,

ತಮ್ಮ ವಿಶ್ವಾಸಿ

ಸಹಿ/-

(ಶ್ರೀಕಂಠೇಗೌಡ.ಬಿ.)

ಪಿ.ಎಸ್.ಐ,

ಕೋರಮಂಗಲ ಪೊಲೀಸ್ ಠಾಣೆ,

ಬೆಂಗಳೂರು ನಗರ.”

ಲಗತ್ತುಗಳು:

- 1) ಕೋರಮಂಗಲ ಪೊಲೀಸ್ ಠಾಣೆ ಡಿ.ಪಿ.ಆರ್ ನಂ. 633/2025.
- 2) Jar Gold Retail Private Limited & Jarfin Retail Private Limited : ಕಂಪನಿಗಳ ವಿರುದ್ಧ ಕ್ರಮ ಕೈಗೊಳ್ಳುವ ಸಂಬಂಧ ಮಾನ್ಯ ಉಪ ಪೊಲೀಸ್ ಆಯುಕ್ತರು, ಆಗ್ನೇಯ ವಿಭಾಗ, ಬೆಂಗಳೂರು ರವರ ಜ್ಞಾಪನಾ ನಂ.ಸಿಆರ್.ಎಂ/591/ಡಿಸಿಪಿ(ಆವಿ)/2025, ದಿ:20/11/2025.

- 3) Jar Gold Retail Private Limited & Jarfin Retail Private Limited ಕಂಪನಿಗಳ ವಿರುದ್ಧ ಕ್ರಮ ಕೈಗೊಳ್ಳುವ ಸಂಬಂಧ ಮಾನ್ಯ ಪೊಲೀಸ್ ಆಯುಕ್ತ ರವರ ಕಛೇರಿ ಜ್ಞಾಪನ ನಂ.54/ಅಪರಾಧ-4/ ಸಿಟಿ/2025, ದಿ:10/11/2025.
- 4) Jar Gold Retail Private Limited & Jarfin Retail Private Limited ಕಂಪನಿಗಳ ವಿರುದ್ಧ ಕ್ರಮ ಕೈಗೊಳ್ಳುವ ಸಂಬಂಧ ಮಾನ್ಯ ಮಹಾ ನಿರ್ದೇಶಕರು & ಆರಕ್ಷಕ ಮಹಾ ನಿರೀಕ್ಷಕರು, ಕರ್ನಾಟಕ ರಾಜ್ಯ ರವರ ಕಛೇರಿ ಪತ್ರ ನಂ.ಅಪರಾಧ-12/45/2025, ದಿ:21/10/2025.
- 5) RBI MI Unit ರವರ ಈಮೇಲ್ ದಿನಾಂಕ:13/10/2025ರ ಪ್ರತಿ & ಅದರೊಂದಿಗೆ ಇರುವ ದಾಖಲಾತಿಗಳ ಪ್ರತಿಗಳು.
- 6) ಆರ್.ಬಿ.ಐ ಎಂ.ಐ ಯೂನಿಟ್ ರವರ ಈಮೇಲ್ ದೂರಿನ ಮೇಲೆ ಕಲಂ 173(3)(1) ಬಿ.ಎನ್.ಎಸ್.ಎಸ್ ಅಡಿ ಪ್ರಾಥಮಿಕ ವಿಚಾರಣೆ ಕೈಗೊಳ್ಳಲು ಮಾನ್ಯ ಸಹಾಯಕ ಪೊಲೀಸ್ ಆಯುಕ್ತರು, ಮಡಿವಾಳ ಉಪ ವಿಭಾಗ ರವರಿಂದ ಪಡೆದಿರುವ ಪಡೆದಿರುವ ಅನುಮತಿ ಪತ್ರ ದಿ:25/11/2025.
- 7) Jar Gold Retail Private Limited ಕಂಪನಿ ನಿರ್ದೇಶಕರುಗಳಿಗೆ ದಾಖಲಾತಿಗಳನ್ನು ಹಾಜರುಪಡಿಸುವಂತೆ ಕೊಟ್ಟಿರುವ ನೋಟೀಸ್ ದಿ:26/11/2025.
- 8) Jar Gold Retail Private Limited ಕಂಪನಿ ರವರ ರಿಪ್ಲೈ ಪತ್ರ ದಿ:01/12/2025.
- 9) Jar Gold Retail Private Limited ಕಂಪನಿ ನಿರ್ದೇಶಕರುಗಳಿಗೆ ದಾಖಲಾತಿಗಳನ್ನು ಹಾಜರುಪಡಿಸುವಂತೆ ಕೊಟ್ಟಿರುವ ನೋಟೀಸ್ ದಿ:04/12/2025.
- 10) Jar Gold Retail Private Limited ಕಂಪನಿ ರವರ ರಿಪ್ಲೈ ಪತ್ರ ದಿ:12/12/2025 & ಸದರಿಯವರು ಹಾಜರುಪಡಿಸಿರುವ ದಾಖಲಾತಿಗಳು.
- 11) SEBI, Southern Regional Office, Chennai ರವರಿಗೆ Jar Gold Retail Private & Jarfin Retail Private Limited ಕಂಪನಿಗಳ ಸಂಬಂಧ ಮಾಹಿತಿ ನೀಡುವಂತೆ ಈಮೇಲ್ ಮುಖಾಂತರ ಕೊಟ್ಟಿರುವ ನೋಟೀಸ್ ದಿ:05/12/2025.
- 12) ಆರ್.ಬಿ.ಐ ಪಿಟಿಷನ್ ಸಂಬಂಧ ಆಪಾದಿತ ಕಂಪನಿಗಳ ವಿರುದ್ಧ ಕೈಗೊಳ್ಳಬಹುದಾದ ಕ್ರಮದ ಬಗ್ಗೆ ಕಾನೂನು ಸಲಹೆಗಾರರಿಂದ ಅಭಿಪ್ರಾಯ ವರದಿ ಕೊಡಿಸಿಕೊಡುವಂತೆ ಮಾನ್ಯ ಉಪ ಪೊಲೀಸ್ ಆಯುಕ್ತರು, ಆಗ್ನೇಯ ವಿಭಾಗ, ಬೆಂಗಳೂರು ರವರಿಗೆ ಕೋರಿರುವ ಮನವಿ ದಿ:05/12/2025.

- 13) Chief Manager, Investment Management department, SEBI, Mumbai ರವರಿಗೆ Jar Gold Retail Private Limited & Jarfin Retail Private Limited ಕಂಪನಿಗಳ ಸಂಬಂಧ ಮಾಹಿತಿ ನೀಡುವಂತೆ ಕೊಟ್ಟಿರುವ ನೋಟೀಸ್ ದಿ:08/12/2025.
- 14) ಆರ್.ಬಿ.ಐ, ಎಂ.ಐ ಯೂನಿಟ್ ರವರ ಮೇಲ್ ದೂರಿನ ಮೇಲೆ ಕೈಗೊಂಡಿರುವ ಪ್ರಾಥಮಿಕ ವಿಚಾರಣೆ ಸಂಬಂಧ ವರದಿಯನ್ನು ಮಾನ್ಯ ಸಹಾಯಕ ಪೊಲೀಸ್ ಆಯುಕ್ತರು, ಮಡಿವಾಳ ಉಪ ವಿಭಾಗ ರವರಿಗೆ ನಿವೇದಿಸಿಕೊಂಡಿರುವ ಪತ್ರ್ ದಿ:05/12/2025.
- 15) ಆರ್ಬಿಐ ರವರಿಗೆ ಈಮೇಲ್ ಮುಖಾಂತರ ದೂರು ನೀಡಿದ್ದ Lakshminarasimhan Santhanam ರವರಿಗೆ ಪ್ರಕರಣ ದಾಖಲು ಮಾಡುವ ಸಂಬಂಧ ರಾಣಿಗೆ ಹಾಜರಾಗಿ ಲಿಖಿತ ದೂರನ್ನು ನೀಡುವಂತೆ ಕೊಟ್ಟಿರುವ ನೋಟೀಸ್ ದಿ:19/12/2025.
- 16) SEBI ರವರ ಪತ್ರಿಕಾ ಪ್ರಕಟಣೆ PR No.70/2025, ದಿ:08/11/2025.
- 17) ಮಾನ್ಯ ಉಪ ಪೊಲೀಸ್ ಆಯುಕ್ತರು, ಆಗ್ನೇಯ ವಿಭಾಗ, ಬೆಂಗಳೂರು ರವರು ಮಾನ್ಯ ಕಾನೂನು ಸಲಹೆಗಾರರು, ಪೊಲೀಸ್ ಆಯುಕ್ತ ರವರ ಕಛೇರಿ, ಬೆಂಗಳೂರು ನಗರ ರವರಿಗೆ Jar Gold Retail Private Limited & Jarfin Retail Private Limited ಕಂಪನಿಗಳ ವಿರುದ್ಧ ಕಾನೂನು ಕ್ರಮ ಜರುಗಿಸಲು ಅಭಿಪ್ರಾಯ ವರದಿ ನೀಡುವಂತೆ ಕೋರಿರುವ ಮನವಿ ದಿ:08/12/2025.
- 18) ಮಾನ್ಯ ಉಪ ಪೊಲೀಸ್ ಆಯುಕ್ತರು, ಆಗ್ನೇಯ ವಿಭಾಗ, ಬೆಂಗಳೂರು ರವರು ಕಾನೂನು ಸಲಹೆಗಾರರು, ಪೊಲೀಸ್ ಆಯುಕ್ತ ರವರ ಕಛೇರಿ, ಬೆಂಗಳೂರು ನಗರ ರವರ ಅಭಿಪ್ರಾಯ ವರದಿಯನ್ನು ಮುಂದಿನ ಕ್ರಮದ ಸಂಬಂಧ ಕೋರಮಂಗಲ ಪೊಲೀಸ್ ಠಾಣೆಗೆ ಕಳುಹಿಸಿ ಕೊಟ್ಟಿರುವ ಜ್ಞಾಪನ ನಂ.ಸಿ.ಆರ್.ಎಂ./664/ಡಿಪಿಪಿ(ಆಪಿ)/2025, ದಿ:20/12/2025.
- 19) ಕಾನೂನು ಸಲಹೆಗಾರರು, ಪೊಲೀಸ್ ಆಯುಕ್ತ ರವರ ಕಛೇರಿ, ಬೆಂಗಳೂರು ನಗರ ರವರು ಮಾನ್ಯ ಉಪ ಪೊಲೀಸ್ ಆಯುಕ್ತರು, ಆಗ್ನೇಯ ವಿಭಾಗ, ಬೆಂಗಳೂರು ರವರಿಗೆ Jar Gold Retail Private Limited & Jarfin Retail Private Limited ಕಂಪನಿಗಳ ವಿರುದ್ಧ ಕಾನೂನು ಕ್ರಮ ಕೈಗೊಳ್ಳುವ ಸಂಬಂಧ ಕೊಟ್ಟಿರುವ ಅಭಿಪ್ರಾಯ ದಿ:17/12/2025.
- 20) Jar Gold Retail Private Limited ಕಂಪನಿ ವಿರುದ್ಧ ಕ್ರಮ ಕೈಗೊಳ್ಳುವಂತೆ Manager, SEBI, Southern Regional Office ರವರು ಹಿರಿಯ ಅಧಿಕಾರಿಗಳಿಗೆ ಕಳುಹಿಸಿರುವ ಪತ್ರ ನಂ.SEBI/SRO/P/OW/2025/27057, ದಿ:17/10/2025 & ಈ ಸಂಬಂಧ ಕ್ರಮ ಕೈಗೊಳ್ಳುವಂತೆ ಸೂಚಿಸಿರುವ 1)ಮಾನ್ಯ ಉಪ ಪೊಲೀಸ್ ಆಯುಕ್ತರು, ಆಗ್ನೇಯ

ವಿಭಾಗ, ಬೆಂಗಳೂರು ರವರ ಜ್ಞಾಪನ ನಂ.ಸಿ.ಆರ್.ಎಂ./663/ಡಿಪಿಪಿ(ಆಪಿ)/2025, ದಿ:19/12/2025, 2)ಮಾನ್ಯ ಪೊಲೀಸ್ ಆಯುಕ್ತ ರವರ ಕಛೇರಿ ಜ್ಞಾಪನ ನಂ.54/ಅಪರಾಧ-4/ಸಿಪಿಪಿ/2025, ದಿ:06/12/2025, 3) ಮಾನ್ಯ ಮಹಾ ನಿರ್ದೇಶಕರು & ಆರಕ್ಷಕ ಮಹಾ ನಿರೀಕ್ಷಕರು, ಕರ್ನಾಟಕ ರಾಜ್ಯ ರವರ ಕಛೇರಿ ಪತ್ರ ನಂ. ಅಪರಾಧ-12/45/2025, ದಿ:11/11/2025.”

ಈ ದಿನ ದಿನಾಂಕ16/01/2026 ರಂದು ಬೆಳಿಗ್ಗೆ 10:30 ಗಂಟೆಗೆ ಪಿಯಾರ್ಡಿ PSI-2 ಶ್ರೀಕಂಠೇಗೌಡ ಬಿ., ಕೊರಮಂಗಲ ಪೊಲೀಸ್ ಠಾಣೆ ರವರು ನೀಡಿದ ದೂರನ್ನು ಪಡೆದು ದೂರಿನ ಮೇರೆಗೆ ಠಾಣಾ ಮೊ.ಸಂ. 25/2016 -ಕಲಂ 21(1) ಮತ್ತು 21 (2) BUDS Act 2019 ರೀತ್ಯ ಪ್ರಕರಣ ದಾಖಲಿಸಿಕೊಂಡಿರುತ್ತೆ.”

The complaint leads to seizure of several materials. All that led the petitioners to this Court. The contention is that it does not amount to a deposit under the Act. Section 21 and 22 of the Act reads as follows:

“21. Punishment for contravention of section 3. —

(1) Any deposit taker who solicits deposits in contravention of section 3 shall be punishable with imprisonment for a term which shall not be less than one year but which may extend to five years and with fine which shall not be less than two lakh rupees but which may extend to ten lakh rupees.

(2) Any deposit taker who accepts deposits in contravention of section 3 shall be punishable with imprisonment for a term which shall not be less than two years but which may extend to seven years and with fine which shall not be less than three lakh rupees but which may extend to ten lakh rupees.

... ..

22. Punishment for contravention of section 4. —

Any deposit taker who contravenes the provisions of section 4 shall be punishable with imprisonment for a term which may extend to seven years, or with fine which shall not be less than five lakh rupees but which may extend to twenty-five crore rupees or three times the amount of profits made out of the

fraudulent default referred to in said section, whichever is higher, or with both.”

Section 2(4) defines what is a deposit. It reads as follows:

“2. Definitions.—

- (4) “deposit” means an amount of money received by way of an advance or loan or in any other form, by any deposit taker with a promise to return whether after a specified period or otherwise, either in cash or in kind or in the form of a specified service, with or without any benefit in the form of interest, bonus, profit or in any other form, but does not include—**
- (a) amounts received as loan from a scheduled bank or a co-operative bank or any other banking company as defined in Section 5 of the Banking Regulation Act, 1949 (10 of 1949);
 - (b) amounts received as loan or financial assistance from the Public Financial Institutions notified by the Central Government in consultation with the Reserve Bank of India or any non-banking financial company as defined in clause (f) of Section 45-I of the Reserve Bank of India Act, 1934 (2 of 1934) and is registered with the Reserve Bank of India or any Regional Financial Institutions or insurance companies;
 - (c) amounts received from the appropriate Government, or any amount received from any other source whose repayment is guaranteed by the appropriate Government, or any amount received from a statutory authority constituted under an Act of Parliament or a State Legislature;
 - (d) amounts received from foreign Governments, foreign or international banks, multilateral financial institutions, foreign Government owned development financial

- institutions, foreign export credit collaborators, foreign bodies corporate, foreign citizens, foreign authorities or person resident outside India subject to the provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and the rules and regulations made thereunder;
- (e) amounts received by way of contributions towards the capital by partners of any partnership firm or a limited liability partnership;
 - (f) amounts received by an individual by way of loan from his relatives or amounts received by any firm by way of loan from the relatives of any of its partners;
 - (g) amounts received as credit by a buyer from a seller on the sale of any property (whether movable or immovable);
 - (h) amounts received by an asset re-construction company which is registered with the Reserve Bank of India under Section 3 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (54 of 2002);
 - (i) any deposit made under Section 34 or an amount accepted by a political party under Section 29-B of the Representation of the People Act, 1951 (43 of 1951);
 - (j) any periodic payment made by the members of the self-help groups operating within such ceilings as may be prescribed by the State Government or Union territory Government;
 - (k) any other amount collected for such purpose and within such ceilings as may be prescribed by the State Government;
 - (l) an amount received in the course of, or for the purpose of, business and bearing a genuine connection to such business including—

- (i) payment, advance or part payment for the supply or hire of goods or provision of services and is repayable in the event the goods or services are not in fact sold, hired or otherwise provided;
- (ii) advance received in connection with consideration of an immovable property under an agreement or arrangement subject to the condition that such advance is adjusted against such immovable property as specified in terms of the agreement or arrangement;
- (iii) security or dealership deposited for the performance of the contract for supply of goods or provision of services; or
- (iv) an advance under the long-term projects for supply of capital goods except those specified in item (ii):

Provided that if the amounts received under items (i) to (iv) become refundable, such amounts shall be deemed to be deposits on the expiry of fifteen days from the date on which they become due for refund:

Provided further that where the said amounts become refundable, due to the deposit taker not obtaining necessary permission or approval under the law for the time being in force, wherever required, to deal in the goods or properties or services for which money is taken, such amounts shall be deemed to be deposits.

Explanation.—For the purposes of this clause,—

- (i) in respect of a company, the expression “deposit” shall have the same meaning as assigned to it under the Companies Act, 2013 (18 of 2013);
- (ii) in respect of a non-banking financial company registered under the Reserve Bank of India Act, 1934 (2 of 1934), the expression “deposit” shall have the same meaning as assigned to it in clause (bb) of Section 45-I of the said Act;

- (iii) the expressions “partner” and “firm” shall have the meanings respectively assigned to them under the Indian Partnership Act, 1932 (9 of 1932);
- (iv) the expression “partner” in respect of a limited liability partnership shall have the same meaning as assigned to it in clause (q) of sub-section (1) of Section 2 of the Limited Liability Partnership Act, 2008 (6 of 2009);
- (v) the expression “relative” shall have the same meaning as assigned to it in the Companies Act, 2013 (18 of 2013);”

(Emphasis supplied)

The provisions of the Act define “deposit” in expansive terms and the argument that the statute must be construed narrowly, so as to exclude digital or gold backed arrangements stands repelled.

9. The evolution of digital gold, as a commercial concept, is not in dispute. However, the materials on record disclose that serious allegations are surfaced, including assertions that physical gold could not be traced when demanded, notwithstanding the assurances to the contrary. Searches have allegedly yielded gold bearing the Company’s branding at the premises of the office bearers. The learned senior counsel has strenuously contended that there is an agreement entered into between the Brinks India Private Limited

and the petitioners for storage of gold and would contend that all the gold is stored in the vault of Brinks India Private Limited. **With all this staring, this Court cannot lend its protective hands to the petitioners and obliterate the crime in its incipient stage.** Investigation in such cases is imperative, as the investors have already made hue and cry through communications between them that there is no gold and no money.

10. In the light of circumstances giving rise to sharply contested questions of fact, which cannot be adjudicated in the proceedings of this nature, at this juncture, as it is well settled principle of law that power to quash criminal proceedings in exercise of jurisdiction under Section 528 of the BNSS is an exception and not the rule. The Apex Court has repeatedly cautioned that Courts must refrain from embarking upon appreciation of disputed facts or evaluating the probative worth of material, at the stage of investigation. It becomes apposite to refer to the judgment of the

Apex Court in the case of **KAPTAN SINGH v. STATE OF UTTAR PRADESH**¹, wherein the Apex Court has held as follows:

“....

9.1. At the outset, it is required to be noted that in the present case the High Court in exercise of powers under Section 482 Cr.P.C.,, has quashed the criminal proceedings for the offences under Sections 147, 148, 149, 406, 329 and 386 IPC. It is required to be noted that when the High Court in exercise of powers under Section 482 Cr.P.C.,, quashed the criminal proceedings, by the time the investigating officer after recording the statement of the witnesses, statement of the complainant and collecting the evidence from the incident place and after taking statement of the independent witnesses and even statement of the accused persons, has filed the charge-sheet before the learned Magistrate for the offences under Sections 147, 148, 149, 406, 329 and 386 IPC and even the learned Magistrate also took the cognizance. From the impugned judgment and order [Radhey Shyam Gupta v. State of U.P., 2020 SCC OnLine All 914] passed by the High Court, it does not appear that the High Court took into consideration the material collected during the investigation/inquiry and even the statements recorded. **If the petition under Section 482 Cr.P.C.,, was at the stage of FIR in that case the allegations in the FIR/complaint only are required to be considered and whether a cognizable offence is disclosed or not is required to be considered. However, thereafter when the statements are recorded, evidence is collected and the charge-sheet is filed after conclusion of the investigation/inquiry the matter stands on different footing and the Court is required to consider the material/evidence collected during the investigation. Even at this stage also, as observed and held by this Court in a catena of decisions, the High Court is not required to go into the merits of the allegations and/or enter into the merits of the**

¹ (2021) 9 SCC 35

case as if the High Court is exercising the appellate jurisdiction and/or conducting the trial. As held by this Court in Dineshbhai Chandubhai Patel [Dineshbhai Chandubhai Patel v. State of Gujarat, (2018) 3 SCC 104 : (2018) 1 SCC (Cri) 683] in order to examine as to whether factual contents of FIR disclose any cognizable offence or not, the High Court cannot act like the investigating agency nor can exercise the powers like an appellate court. It is further observed and held that that question is required to be examined keeping in view, the contents of FIR and prima facie material, if any, requiring no proof. **At such stage, the High Court cannot appreciate evidence nor can it draw its own inferences from contents of FIR and material relied on. It is further observed it is more so, when the material relied on is disputed. It is further observed that in such a situation, it becomes the job of the investigating authority at such stage to probe and then of the court to examine questions once the charge-sheet is filed along with such material as to how far and to what extent reliance can be placed on such material.**

9.2. In Dhruvaram Murlidhar Sonar [Dhruvaram Murlidhar Sonar v. State of Maharashtra, (2019) 18 SCC 191 : (2020) 3 SCC (Cri) 672] after considering the decisions of this Court in Bhajan Lal [State of Haryana v. Bhajan Lal, 1992 Supp (1) SCC 335 : 1992 SCC (Cri) 426] , it is held by this Court that exercise of powers under Section 482 Cr.P.C., to quash the proceedings is an exception and not a rule. It is further observed that inherent jurisdiction under Section 482 Cr.P.C., though wide is to be exercised sparingly, carefully and with caution, only when such exercise is justified by tests specifically laid down in the section itself. It is further observed that appreciation of evidence is not permissible at the stage of quashing of proceedings in exercise of powers under Section 482 Cr.P.C., Similar view has been expressed by this Court in Arvind Khanna [CBI v. Arvind Khanna, (2019) 10 SCC 686 : (2020) 1 SCC (Cri) 94] , Managipet [State of Telangana v. Managipet, (2019) 19 SCC 87 : (2020) 3 SCC (Cri) 702] and in XYZ [XYZ v. State

of Gujarat, (2019) 10 SCC 337 : (2020) 1 SCC (Cri) 173] , referred to hereinabove.

9.3. Applying the law laid down by this Court in the aforesaid decisions to the facts of the case on hand, we are of the opinion that the High Court has exceeded its jurisdiction in quashing the criminal proceedings in exercise of powers under Section 482 Cr.P.C.,

10. The High Court has failed to appreciate and consider the fact that there are very serious triable issues/allegations which are required to be gone into and considered at the time of trial. The High Court has lost sight of crucial aspects which have emerged during the course of the investigation. The High Court has failed to appreciate and consider the fact that the document i.e. a joint notarised affidavit of Mamta Gupta Accused 2 and Munni Devi under which according to Accused 2 Ms Mamta Gupta, Rs 25 lakhs was paid and the possession was transferred to her itself is seriously disputed. It is required to be noted that in the registered agreement to sell dated 27-10-2010, the sale consideration is stated to be Rs 25 lakhs and with no reference to payment of Rs 25 lakhs to Ms Munni Devi and no reference to handing over the possession. However, in the joint notarised affidavit of the same date i.e. 27-10-2010 sale consideration is stated to be Rs 35 lakhs out of which Rs 25 lakhs is alleged to have been paid and there is a reference to transfer of possession to Accused 2. Whether Rs 25 lakhs has been paid or not the accused have to establish during the trial, because the accused are relying upon the said document and payment of Rs 25 lakhs as mentioned in the joint notarised affidavit dated 27-10-2010. It is also required to be considered that the first agreement to sell in which Rs 25 lakhs is stated to be sale consideration and there is reference to the payment of Rs 10 lakhs by cheques. It is a registered document. The aforesaid are all triable issues/allegations which are required to be considered at the time of trial. The High Court has failed to notice and/or consider the material collected during the investigation.

11. Now so far as the finding recorded by the High Court that no case is made out for the offence under

Section 406 IPC is concerned, it is to be noted that the High Court itself has noted that the joint notarised affidavit dated 27-10-2010 is seriously disputed, however as per the High Court the same is required to be considered in the civil proceedings. There the High Court has committed an error. Even the High Court has failed to notice that another FIR has been lodged against the accused for the offences under Sections 467, 468, 471 IPC with respect to the said alleged joint notarised affidavit. Even according to the accused the possession was handed over to them. However, when the payment of Rs 25 lakhs as mentioned in the joint notarised affidavit is seriously disputed and even one of the cheques out of 5 cheques each of Rs 2 lakhs was dishonoured and according to the accused they were handed over the possession (which is seriously disputed) it can be said to be entrustment of property. Therefore, at this stage to opine that no case is made out for the offence under Section 406 IPC is premature and the aforesaid aspect is to be considered during trial. It is also required to be noted that the first suit was filed by Munni Devi and thereafter subsequent suit came to be filed by the accused and that too for permanent injunction only. Nothing is on record that any suit for specific performance has been filed. Be that as it may, all the aforesaid aspects are required to be considered at the time of trial only.

12. Therefore, the High Court has grossly erred in quashing the criminal proceedings by entering into the merits of the allegations as if the High Court was exercising the appellate jurisdiction and/or conducting the trial. The High Court has exceeded its jurisdiction in quashing the criminal proceedings in exercise of powers under Section 482 Cr.P.C.,

13. Even the High Court has erred in observing that original complaint has no locus. The aforesaid observation is made on the premise that the complainant has not placed on record the power of attorney along with the counter filed before the High Court. However, when it is specifically stated in the FIR that Munni Devi has executed the power of attorney and thereafter the investigating officer has conducted the investigation and has recorded

the statement of the complainant, accused and the independent witnesses, thereafter whether the complainant is having the power of attorney or not is to be considered during trial.

14. In view of the above and for the reasons stated above, the impugned judgment and order [Radhey Shyam Gupta v. State of U.P., 2020 SCC OnLine All 914] passed by the High Court quashing the criminal proceedings in exercise of powers under Section 482 Cr.P.C., is unsustainable and the same deserves to be quashed and set aside and is accordingly quashed and set aside. Now, the trial is to be conducted and proceeded further in accordance with law and on its own merits. It is made clear that the observations made by this Court in the present proceedings are to be treated to be confined to the proceedings under Section 482 Cr.P.C., only and the trial court to decide the case in accordance with law and on its own merits and on the basis of the evidence to be laid and without being influenced by any of the observations made by us hereinabove. The present appeal is accordingly allowed.”

(Emphasis supplied)

The Apex Court in **KAPTAN SINGH** has clearly held that interference at the juncture of the investigation, except in exceptional circumstances, **would amount to stifling of legitimate enquiry and would run afoul of binding precedents.**

11. The submission that the Act stands uninvoked in the present circumstances is entirely bereft of merit and cannot be countenanced. The absence of express regulatory

supervision by bodies such as SEBI or the RBI over the purchase or storage of gold, be it in tangible form or in its digital avatar, does not confer upon such transactions a sanctuary beyond the reach of the statute. The argument that deposit is not in currency or hard cash but in gold, physical or digital, is equally unavailing. **“Law is concerned not with the cosmetic garb in which a transaction is clothed, but with its intrinsic character and its economic substance. In the rapidly mutating landscape of cyber enabled financial frauds, deception no longer adheres to the crude paradigm of cash deposits.”** It now assumes a subtler and more sophisticated forms – commodities, digital assets, gold linked assurances and other alluring constructs designed to circumvent regulatory vigilance.

12. **The BUDS Act, being a remedial and protective legislation, was enacted precisely to arrest such ingenuity in evasion. To confine the expression money within the narrow confines of physical currency, would become a pedantic and myopic construction, which would render the statute otiose**

in the face of evolving financial stratagems and defeat the very mischief it was designed to suppress. Therefore, a purposive, expansive and pragmatic interpretation alone would advance the object of the enactment and uphold the protective mantle to extend over unsuspecting deposits.

Even otherwise, what is now challenged is an FIR. The reason for challenge is the crime not fitting itself in the definition of the word deposit. It is trite law that FIR is not an encyclopedia of offences, it is only to trigger investigation. Different offences may come in while filing the final report. It becomes apposite to quote a paragraph of the judgment of the Apex Court in the case of **NEEHARIKA INFRASTRUCTURE (P) LTD. v. STATE OF MAHARASHTRA**², wherein the Apex Court has held as follows:

"...."

33.12. The first information report is not an encyclopaedia which must disclose all facts and details relating to the offence reported. Therefore, when the investigation by the police is in progress, the court should not go into the merits of the allegations in the FIR. Police must be permitted to complete the investigation. It would be premature to pronounce the conclusion based on hazy facts that the complaint/FIR does not deserve to be investigated or that it amounts

² (2021) 19 SCC 401

to abuse of process of law. After investigation, if the investigating officer finds that there is no substance in the application made by the complainant, the investigating officer may file an appropriate report/summary before the learned Magistrate which may be considered by the learned Magistrate in accordance with the known procedure."

(Emphasis supplied)

In the light of the afore-narrated facts, glaring enough they are, the allegations disclose serious and triable issues, which demand thorough investigation.

13. Therefore, finding no merit in the petition, the petition stands ***rejected***.

It is made clear that the observations made during the course of this order are only for the purpose of consideration of the case of the petitioners under Section 528 of the BNSS and the same would not bind any proceedings pending against any other accused.

**Sd/-
(M.NAGAPRASANNA)
JUDGE**

bkp
CT:MJ