CGHC010264772026 2026:CGHC:29555-DB

NAFR

HIGH COURT OF CHHATTISGARH AT BILASPUR

WPCR No. 384 of 2026

1 - Garvit Jain S/o Sh. Manoj Jain Aged About 26 Years R/o 146- A Hari Nagar, Ashram Delhi – 110014

2 - Anshul Ginotra S/o Sh. Dharmpal Aged About 33 Years R/o 331/ 4 Near Old Bus Stand Krishna Colony, Rohtak, Haryana - 124001

... Petitioners

versus

1 - State of Chhattisgarh Through S H O P.S. Cyber Police Thana (Range Sarguja) District- Surguja/ Ambikapur, Chhattisgarh Pin Code- 497001

2 - Mr. Rahul Bansal I P S / City S P- Ambikapur, I O Concerned F I R No. 3/2025 P.S. Cyber Police Thana (Range Sarguja) District- Surguja/ Ambikapur, Chhattisgarh Pin Code- 497001

3 - H C Anshul P.S. Cyber Police Thana (Range Sarguja) District- Surguja/ Ambikapur, Chhattisgarh 497001

4 - H C Praveen Rathore P.S. Cyber Police Thana Range Sarguja District- Surguja/ Ambikapur, Chhattisgarh

... Respondents

(Cause-title taken from Case Information System)

For Petitioners	:	Mr. Manoj Paranjpe, Senior Advocate assisted by Mr. Nitesh Kumar Jha, Advocate
For Respondent No.1/State	:	Mr. Shaleen Singh Baghel, Government Advocate

Hon'ble Shri Ramesh Sinha, Chief Justice
Hon'ble Shri Ravindra Kumar Agrawal, Judge

Order on Board

***Per* Ramesh Sinha, Chief Justice**

14.07.2026

1. Heard Mr. Manoj Paranjpe, learned Senior Counsel assisted by Mr. Nitesh Kumar Jha, learned counsel for the petitioners as well as Mr. Shaleen Singh Baghel, learned Government Advocate, appearing for the State/respondent No.1.

2. The present writ petition has been preferred under Article 226 of the Constitution of India read with Section 528 of the Bharatiya Nagarik Suraksha Sanhita, 2023 seeking quashing of the First Information Report registered at Cyber Police Station, Range Surguja, District Surguja (Ambikapur), together with all consequential proceedings arising therefrom, as also a direction for transfer of investigation to an independent investigating agency. The FIR came to be registered on the complaint of one Ravi Mohan Goswami alleging that certain unknown persons induced him to invest money in the share market through online applications namely "Money Trade 365" and "Skytrade" on the assurance of high returns and thereby dishonestly induced him to transfer an aggregate amount of ₹21,15,000/- in several transactions. On the basis of the said allegations, offences punishable under Sections 318(4), 317(4), 111, 238 and 3(5) of the Bharatiya Nyaya Sanhita, 2023, Section 66-D of the Information Technology Act, 2000 and Sections 21(1), 21(2) and 21(3) of the Banning of Unregulated

Deposit Schemes Act, 2019 came to be registered against unknown persons. The petitioners has prayed for following relief(s):-

> *“10.1 Quash the First Information Report (F.I.R.) bearing Crime No. 3/2025 lodged on 22.07.2025 at Police Station -Cyber Police Thana, (Range-Sarguja), District-Sarguja/Ambikapur, (C.G.), U/s. 318(4)/3(5)/317(4)/111/238 BNS R/w 66-D IT Act and Section 21(1), 21(2), 21(3) of BUDS Act and all consequential proceedings emanating therefrom qua the Petitioners; And/or*
>
> *10.2 Transfer the investigation emanating from the said FIR bearing Crime No. 3/2025 lodged on 22.07.2025 at Police Station -Cyber Police Thana, (Range-Sarguja), District -Sarguja/ Ambikapur (C.G.), from the Respondent No.2 to 4 to any other independent investigating agency in any other district of Respondent State. And/or*
>
> *10.3 Initiate and conduct disciplinary action and departmental enquiry against the errant and corrupt of the Respondent State i.e., the Respondent No.2 to 4 and suspend the errant officials i.e., the Respondent No.2 to 4 from their offices. And/or;*
>
> *10.4 Pass any such further order(s) as this Hon'ble Court may deem fit and appropriate in the facts and circumstances of the present case.*”

3. It is the case of the petitioners that they are neither named in the First Information Report nor has any allegation whatsoever been levelled against them by the complainant. According to the petitioners, despite the absence of any accusation, notices under Section 41-A of the Code of Criminal Procedure (corresponding provisions under the BNSS) and other coercive measures were initiated against them solely on the basis of disclosure statements allegedly made by certain co-accused persons during investigation. It is specifically pleaded that apart from such disclosure statements, the investigating agency has neither recovered any incriminating article from the petitioners nor traced any money trail, digital evidence, bank transaction or documentary material establishing their nexus with the alleged offences.

4. The petitioners further aver that apprehending arrest, they approached the competent Courts at Delhi and were granted transit anticipatory bail by the learned Additional Sessions Judge, Rohini Courts, Delhi vide order dated 28.04.2026, which protection was subsequently extended on 15.05.2026. During the subsistence of the said protection, the petitioners travelled from Delhi to Ambikapur on more than one occasion, joined the investigation, cooperated with the Investigating Officer and furnished all information sought from them, whereafter acknowledgements evidencing their participation in the investigation were also issued. Thereafter, by order dated 19.06.2026 passed by the learned Additional Sessions Judge, Shahdara District, Karkardooma Courts, Delhi, the petitioners were granted anticipatory bail after the investigating agency itself admitted before the said Court that the petitioners were not named in the FIR and that no legally admissible evidence had surfaced against them except the disclosure statements allegedly made by co-accused persons.

5. It is further alleged that the investigation has not been conducted in a fair, impartial or transparent manner and has been actuated by mala fides. The petitioners have asserted that the investigating agency has been indiscriminately apprehending persons from different States, extracting disclosure statements by subjecting the arrested persons to custodial coercion and thereafter falsely implicating innocent individuals. Serious allegations have also been levelled against the Investigating Officer and other police officials regarding demand and acceptance of illegal gratification in connection with the present investigation, whereupon proceedings are stated to have been initiated before the learned Special Judge (PC Act), CBI, Rouse Avenue Courts, Delhi. On the aforesaid factual foundation, the petitioners have approached this Court seeking quashment of the FIR and all consequential proceedings qua them, or in the alternative, transfer of investigation to an independent investigating agency.

6. Mr. Manoj Paranjpe, learned Senior Counsel assisted by Mr. Nitesh Kumar Jha, learned counsel appearing for the petitioners submits that the continuation of the impugned criminal proceedings constitutes a gross abuse of the process of law inasmuch as the petitioners are admittedly not named in the First Information Report and the complainant has not attributed any role whatsoever to them. It is contended that even after investigation extending for more than one year and despite filing of the charge-sheet as well as supplementary charge-sheet, the investigating agency has failed to collect any legally admissible evidence connecting the petitioners with the alleged offences. According to the learned counsel, the petitioners neither induced the complainant to invest money nor had any interaction with him, they are not beneficiaries of the alleged amount of ₹21,15,000/-, no recovery has been effected from them and no digital or financial trail has been traced to them. It is further submitted that, apprehending arrest solely on the basis of disclosure statements of co-accused persons, the petitioners had approached the competent Courts at Delhi and were granted transit anticipatory bail by the learned Additional Sessions Judge, North-West District, Rohini Courts, Delhi vide order dated 28.04.2026, which protection was subsequently extended by order dated 15.05.2026. Thereafter, upon hearing the investigating agency, the learned Additional Sessions Judge, Shahdara District, Karkardooma Courts, Delhi, by order dated 19.06.2026, granted anticipatory bail to the petitioners after noticing that they were not named in the FIR and that no legally admissible evidence had surfaced against them except the disclosure statements of co-accused persons. It is submitted that the aforesaid judicial orders, passed after hearing the Investigating Officer, have attained finality and lend considerable support to the petitioners' contention that no prima facie case is made out against them.

7. Reliance is placed upon ***State of Haryana v. Bhajan Lal, 1992 Supp (1) SCC 335***, particularly Categories (1), (3), (5) and (7), to contend that where the allegations and material collected during investigation do not disclose commission of any offence or where the proceedings are manifestly attended with mala fides, the extraordinary jurisdiction of the High Court ought to be exercised to prevent abuse of process. It is next contended that the petitioners scrupulously complied with every condition imposed while granting them transit protection. Pursuant to the orders passed by the Courts at Delhi, they travelled from Delhi to Ambikapur, Chhattisgarh, appeared before the Investigating Officer on multiple occasions, joined the investigation, cooperated fully with the investigating agency and furnished all information sought from them. The Investigating Officer himself acknowledged their participation in the investigation by issuing written acknowledgements. Learned counsel submits that despite such complete cooperation, the investigating agency has not been able to recover any incriminating material from the petitioners or collect any evidence connecting them with the alleged crime. It is, therefore, argued that the petitioners' conduct throughout demonstrates their bona fides and completely negates any allegation that custodial interrogation is either necessary or justified.

8. It is next contended that the entire edifice of the prosecution case against the petitioners rests solely upon disclosure statements allegedly made by co-accused persons while in police custody. Learned counsel submits that such disclosure statements do not constitute substantive evidence against a co-accused and cannot legally be made the sole foundation either for arrest or for continuation of criminal proceedings. It is argued that no recovery has been effected pursuant to the alleged disclosures insofar as the petitioners are concerned and, therefore, the same are wholly inadmissible except to the limited extent permissible under Section 27 of the Indian Evidence Act. Reliance is placed upon the recent judgment of the Hon'ble Supreme Court in ***P. Krishna Mohan Reddy v. State of Andhra Pradesh, SLP (Crl.) Nos. 7532-7534 of 2025***, wherein it has been observed that statements of an accused recorded during investigation cannot be used as substantive material against a co-accused while considering his liberty. Reliance is also placed upon ***Tofan Singh v. State of Tamil Nadu, (2021) 4 SCC 1, Haricharan Kurmi v. State of Bihar, AIR 1964 SC 1184*** and ***Kashmira Singh v. State of Madhya Pradesh, AIR 1952 SC 159.***

9. Lastly, learned counsel submits that the statutory ingredients of the offences invoked against the petitioners are wholly absent and, in any event, the investigation itself stands vitiated by bias and mala fides. It is argued that none of the ingredients of Sections 318(4), 317(4), 111 or 238 of the Bharatiya Nyaya Sanhita, 2023, or Sections 21(1), 21(2) and 21(3) of the Banning of Unregulated Deposit Schemes Act, 2019, are attracted on the allegations appearing in the FIR or the material collected during investigation. It is further submitted that serious allegations of corruption, demand and acceptance of illegal gratification have been levelled against the Investigating Officer and other police officials, in respect whereof proceedings are pending before the learned Special Judge (PC Act), CBI, Rouse Avenue Courts, Delhi. Placing reliance upon ***Babubhai v. State of Gujarat, (2010) 12 SCC 254, Vinay Tyagi v. Irshad Ali, (2013) 5 SCC 762, Manohar Lal Sharma v. Principal Secretary, (2014) 2 SCC 532*** and ***Narmada Bai v. State of Gujarat, (2011) 5 SCC 79***, learned counsel submits that a fair investigation is an integral facet of Article 21 of the Constitution and, where the conduct of the investigating agency itself creates a reasonable apprehension of bias, this Court ought either to quash the proceedings qua the petitioners or direct that the investigation be transferred to an independent investigating agency.

10. On the other hand, Mr. Shaleen Singh Baghel, learned Government Advocate opposes the writ petition and submits that the investigation is being conducted strictly in accordance with law and at a stage when investigation is still in progress, this Court ought not to exercise its extraordinary jurisdiction either under Article 226 of the Constitution of India or its inherent jurisdiction under Section 528 of the Bharatiya Nagarik Suraksha Sanhita, 2023, to interdict the statutory powers of investigation. It is contended that although the petitioners were not named in the First Information Report, their involvement surfaced during the course of investigation through the disclosure statements of co-accused persons, digital evidence collected during investigation, financial transactions and other material presently being examined by the investigating agency.

11. It is submitted that the petitioners are suspected to be associated with the operation and management of the fraudulent investment platforms through which unsuspecting investors were induced to part with substantial amounts of money and, therefore, the investigation cannot be stifled merely because the petitioners dispute the allegations. He further submits that grant of transit anticipatory bail and subsequent anticipatory bail by the Courts at Delhi neither amounts to an adjudication on the merits of the prosecution case nor precludes the investigating agency from carrying the investigation to its logical conclusion. It is argued that the observations made in the bail orders are only prima facie in nature and cannot be construed as binding findings warranting quashing of the FIR or transfer of investigation. It is further submitted that the allegations regarding demand of illegal gratification and bias on the part of the Investigating Officer are wholly extraneous to the present proceedings, remain unsubstantiated and cannot form the basis for quashing a criminal case or transferring the investigation in the absence of any judicial determination establishing such allegations.

12. Placing reliance upon the settled principles governing interference at the stage of investigation, learned State counsel submits that the inherent and writ jurisdiction of this Court is to be exercised sparingly and only in the rarest of cases where the allegations do not disclose the commission of any cognizable offence. Since the investigation has disclosed material requiring further probe and the allegations involve a large-scale cyber fraud affecting public interest, no case is made out either for quashing of the FIR or for transfer of investigation, and consequently, the writ petition deserves to be dismissed.

13. Reliance is placed on ***State of Haryana v. Bhajan Lal, 1992 Supp (1) SCC 335; Neeharika Infrastructure Pvt. Ltd. v. State of Maharashtra, (2021) 19 SCC 401; Skoda Auto Volkswagen India***

Pvt. Ltd. v. State of Uttar Pradesh, (2021) 5 SCC 795; and ***CBI v. Arvind Khanna, (2019) 10 SCC 686***.

14. We have heard learned counsel for the parties and perused the material available on record with utmost circumspection.

15. It is trite that the power to quash criminal proceedings at the threshold is an extraordinary power, required to be exercised sparingly, with circumspection and only in the rarest of rare cases where the allegations, even if accepted in their entirety, fail to disclose the commission of any cognizable offence or where the prosecution is demonstrably mala fide or constitutes a manifest abuse of the process of law. At the stage of investigation, this Court does not embark upon an appreciation of the sufficiency or reliability of the evidence collected by the investigating agency, nor does it undertake a mini trial to determine the innocence or guilt of the persons against whom investigation is being carried on. Such an exercise would amount to trenching upon the statutory domain of the investigating agency and would be contrary to the well-settled parameters governing judicial review in criminal matters.

16. The principal contention advanced on behalf of the petitioners is that they are not named in the First Information Report and that no legally admissible material has surfaced against them except the disclosure statements of certain co-accused persons. While such submissions may undoubtedly constitute relevant considerations at an appropriate stage of the criminal proceedings, including while considering discharge or at the stage of framing of charge, they do not, by themselves, furnish a legal foundation for quashing the First Information Report or terminating the investigation in exercise of the extraordinary jurisdiction of this Court. The correctness, admissibility and evidentiary value of the material collected during investigation are matters which fall within the exclusive province of the trial Court after the investigation reaches its logical conclusion. Likewise, the submissions relating to the applicability or otherwise of the provisions of the Bharatiya Nyaya Sanhita, 2023 and the Banning of Unregulated Deposit Schemes Act, 2019 involve questions requiring examination upon completion of investigation and cannot be conclusively adjudicated in proceedings of the present nature.

17. This Court also finds no justification, on the basis of the material presently placed before it, to direct transfer of investigation from the existing investigating agency. Allegations of bias, mala fides, corruption or unfair investigation undoubtedly deserve serious consideration whenever substantiated by cogent and convincing material. However, such allegations cannot be accepted merely on the basis of assertions made in the writ petition. Save and except placing reliance upon the pendency of certain proceedings against the investigating officers, no judicial determination has been brought to the notice of this Court establishing that the investigation in the present crime has been conducted in a manner so unfair, tainted or actuated by mala fides as to completely erode public confidence in the investigative process. The mere pendency of complaints or collateral proceedings cannot, by itself, furnish a ground to divest the statutory investigating agency of its authority to investigate cognizable offences. The law is equally well settled that transfer of investigation is an extraordinary remedy, to be resorted to only when there exists compelling material demonstrating a real likelihood of miscarriage of justice, which, in the considered opinion of this Court, is absent in the facts of the present case.

18. The grant of transit anticipatory bail by the competent Courts at Delhi, followed by the grant of anticipatory bail after hearing the investigating agency, also does not persuade this Court to exercise its extraordinary writ jurisdiction. The orders granting anticipatory bail were rendered in proceedings relating to the liberty of the petitioners and cannot be construed as recording final findings upon the legality of the investigation or the sustainability of the allegations contained in the First Information Report. Equally, the observations made while granting bail are necessarily prima facie in nature and cannot foreclose the statutory right of the investigating agency to carry the investigation to its logical conclusion in accordance with law.

19. The law declared by the Hon'ble Supreme Court in ***Bhajan Lal,*** (supra), ***Neeharika Infrastructure Pvt. Ltd.*** (supra), ***Skoda Auto Volkswagen India Pvt. Ltd.*** (supra), ***Arvind Khanna*** (supra) and a catena of subsequent decisions leaves no manner of doubt that constitutional courts should ordinarily refrain from interfering with an ongoing investigation except in exceptional circumstances clearly falling within the recognised categories. Tested on the touchstone of the aforesaid principles, this Court is unable to hold that the present case falls within any of the exceptional categories warranting quashing of the First Information Report or transfer of investigation. The contentions raised by the petitioners pertain essentially to appreciation of evidence, admissibility of material collected during investigation and the ultimate culpability of the petitioners, all of which are matters to be examined by the competent criminal Court in accordance with law after the investigation culminates in an appropriate report under the provisions of the BNSS.

20. For all the foregoing reasons, this Court is of the considered view that the petitioners have failed to establish any jurisdictional error, manifest arbitrariness, abuse of the process of law or exceptional circumstance justifying exercise of the extraordinary jurisdiction of this Court either for quashing the impugned First Information Report or for issuing a direction for transfer of investigation. The investigation shall, therefore, be permitted to proceed unhindered and in accordance with law. It is, however, clarified that any observations made in this judgment are confined solely to the adjudication of the present writ petition and shall not be construed as an expression on the merits of the criminal case. The investigating agency shall conduct the investigation fairly, impartially and uninfluenced by any observation contained herein, while the petitioners shall remain at liberty to avail such remedies as may be available to them under law at the appropriate stage.

21. Upon a comprehensive consideration of the pleadings, the material placed on record, the rival submissions advanced by the learned counsel for the parties and the settled principles governing the exercise of jurisdiction under Article 226 of the Constitution of India read with Section 528 of the Bharatiya Nagarik Suraksha Sanhita, 2023, this Court is of the considered opinion that the petitioners have failed to make out any case warranting interference in the extraordinary writ jurisdiction of this Court. None of the grounds urged by the petitioners falls within the well-recognised parameters for quashing of a First Information Report or for transfer of investigation. The investigation is still in progress and this Court finds no exceptional circumstance or manifest abuse of the process of law justifying interdicting the statutory powers of the investigating agency at this stage. The contentions raised by the petitioners involve disputed questions of fact, appreciation of evidence and determination of the evidentiary value of the material collected during investigation, all of which are matters to be considered by the competent criminal Court at the appropriate stage in accordance with law.

22. Consequently, the writ petition, being devoid of substance and merit, deserves to be and is hereby dismissed. However, it is clarified that all observations made in this judgment are confined solely to the adjudication of the issues arising in the present writ petition and shall not be construed as an expression on the merits of the criminal case pending investigation. The investigating agency shall proceed with the investigation independently, objectively and strictly in accordance with law, uninfluenced by any observations contained herein, while the petitioners shall remain at liberty to avail such statutory remedies as may be available to them at the appropriate stage of the criminal proceedings.

23. There shall be no order as to costs.

Sd/-	**Sd/-**
(Ravindra Kumar Agrawal)	**(Ramesh Sinha)**
Judge	**Chief Justice**

Anu