

Legal Case Description for Integration Testing*Submitted for Lawsphere System Testing**Case No. FFS-2025-001**Date of Submission: May 15, 2025***Case Description: Financial Fraud Scam****Case Title**

The State of Maharashtra vs. Mr. Vikram Deshmukh & Ors.

Parties Involved

- **Complainant:** The State of Maharashtra, represented by Mr. Sanjay Patil, Deputy Commissioner of Police, Economic Offences Wing, Mumbai.
- **Accused 1 (Primary):** Mr. Vikram Deshmukh, aged 42, resident of Andheri West, Mumbai, Director of Vantage Investments Pvt. Ltd.
- **Accused 2:** Ms. Priya Malhotra, aged 38, resident of Bandra, Mumbai, Chief Financial Officer of Vantage Investments Pvt. Ltd.
- **Accused 3:** Mr. Rohan Kulkarni, aged 35, resident of Pune, Maharashtra, Marketing Head of Vantage Investments Pvt. Ltd.
- **Accused 4:** Mr. Amitabh Saxena, aged 40, resident of Thane, Maharashtra, Operations Manager of Vantage Investments Pvt. Ltd.

Case Summary

On January 10, 2024, the Economic Offences Wing (EOW) of Mumbai Police registered a First Information Report (FIR) against Mr. Vikram Deshmukh and three associates following complaints from over 200 investors who collectively lost INR 50 crores in a fraudulent investment scheme operated by Vantage Investments Pvt. Ltd. The accused allegedly lured investors with promises of 20% annual returns through a Ponzi scheme, misrepresenting the company's financial health and using forged documents to gain trust.

The scheme collapsed in December 2023 when the company failed to honor withdrawal requests, leading to widespread financial distress among investors, including several senior citizens who lost their life savings.

The prosecution alleges that the accused engaged in cheating, forgery, and criminal conspiracy, violating multiple provisions of the Indian Penal Code (IPC). The investigation revealed that the accused diverted funds to personal accounts and shell companies, with transactions traced to offshore accounts in Dubai and Singapore. The case has been classified as high-priority due to the scale of financial loss, the number of victims, and the involvement of interstate and international elements.

Legal Sections Involved

- **Section 420 IPC:** Cheating and dishonestly inducing delivery of property.
- **Section 406 IPC:** Criminal breach of trust.
- **Section 120B IPC:** Criminal conspiracy.
- **Section 467 IPC:** Forgery of valuable security.
- **Section 13(2) read with Section 13(1)(d) of the Prevention of Corruption Act, 1988:** Criminal misconduct by a public servant (pertaining to alleged involvement of a bank official who facilitated fraudulent transactions).

Background of the Case

Vantage Investments Pvt. Ltd. was incorporated in 2018 and initially operated as a legitimate financial consultancy firm, offering investment advisory services. However, starting in 2020, the company shifted its business model to promote a high-yield investment scheme targeting middle-class and retired individuals. Marketing campaigns, led by Mr. Rohan Kulkarni, utilized social media and seminars to attract investors, promising guaranteed returns through investments in "secure real estate projects." Ms. Priya Malhotra, the CFO, allegedly fabricated financial statements to show inflated profits,

while Mr. Amitabh Saxena managed operations to ensure smooth fund collection from investors.

The scheme operated as a classic Ponzi structure, where returns to earlier investors were paid using funds from new investors. By mid-2023, the company had amassed INR 50 crores from over 200 investors. However, in November 2023, several investors reported delays in receiving their returns. On December 5, 2023, Vantage Investments announced a "temporary suspension" of withdrawals, citing "market volatility." This led to protests by investors, prompting the EOW to intervene. A preliminary investigation confirmed the fraudulent nature of the scheme, leading to the arrest of the accused on January 20, 2024.

Legal Arguments

The prosecution argues that the accused knowingly engaged in a fraudulent scheme with the intent to deceive investors, constituting cheating under Section 420 IPC. The diversion of funds to personal and offshore accounts establishes criminal breach of trust under Section 406 IPC. Evidence of forged financial statements and investor agreements supports charges of forgery under Section 467 IPC. The coordinated roles of the accused—Mr. Deshmukh as the mastermind, Ms. Malhotra as the financial orchestrator, Mr. Kulkarni as the marketing lead, and Mr. Saxena as the operational facilitator—demonstrate a criminal conspiracy under Section 120B IPC. Additionally, the involvement of a bank official, who allegedly received kickbacks to approve suspicious transactions, invokes provisions of the Prevention of Corruption Act.

The defense, represented by counsel for Mr. Deshmukh, claims that the company operated in good faith and that the failure to deliver returns was due to unforeseen market conditions, not fraudulent intent. They argue that investors were aware of the risks involved in high-yield investments and that the prosecution has not provided sufficient evidence to prove forgery or conspiracy beyond reasonable doubt.

Evidence Presented

- **FIR No. 2024/001:** Filed on January 10, 2024, by the EOW, Mumbai, detailing complaints from 210 investors.
- **Bank Statements:** Transaction records from 2020-2023 showing fund transfers from Vantage Investments to personal accounts of the accused and shell companies in Dubai and Singapore.
- **Forensic Financial Report:** An independent audit by M/s. Gupta & Associates, confirming the Ponzi nature of the scheme and identifying INR 42 crores as unaccounted funds.
- **Witness Testimonies:** Statements from 15 investors, including Mrs. Shalini Gupta, a 65-year-old retiree who lost INR 15 lakhs, describing the marketing tactics used by the accused.
- **Forged Documents:** Copies of fabricated financial statements and investor agreements, verified as fraudulent by forensic document examiners.
- **Email Correspondence:** Internal emails between the accused, dated 2022-2023, discussing strategies to delay withdrawals and mislead investors.

Supporting Documents

- First Information Report (FIR) No. 2024/001, dated January 10, 2024.
- Bank statements of Vantage Investments Pvt. Ltd. and personal accounts of the accused (2020-2023).
- Forensic financial audit report by M/s. Gupta & Associates, dated February 5, 2024.
- Witness testimony affidavits from 15 investors, notarized on February 15, 2024.
- Forensic document analysis report on fabricated financial statements, dated March 1, 2024.
- Email correspondence extracted from company servers, retrieved on January 25, 2024.

Current Status

The case has been submitted through the Lawsphere User Application for AI analysis and judge allocation. Given the scale of financial loss, the number of victims, and the interstate and international dimensions of the fraud, the prosecution requests urgent processing to expedite justice for the affected investors. The accused are currently in judicial custody, with bail hearings scheduled for May 20, 2025.