

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CRIMINAL APPELLATE JURISDICTION**

WRIT PETITION (ST) NO. 25844 OF 2025

Rahuul Ramesh Shah & Anr. ..Petitioners

Versus

State of Maharashtra & Ors. ...Respondents

Mr. Vikram Nankani, Senior Advocate a/w Sajal Yadav, Mr.
S.K. Suxana, Harsh Ghangurde, Raj Raut, Arpit Mutha,
Niahal Rebello, i/b. Aayushya Geruja, for the Petitioners.

Mr. Hrishikesh Mundargi a/w Ms. Aditi Bhargava & Kinnar
Shah i/b. Divya Shah Associates, for Respondent Nos. 2
to 33.

Mr. Aaqib Kazi, a/w Samreen Allana for Respondent No. 34,
Ms. Minal Chandnani, for the Respondent Nos. 35 & 36.

Mr. Rohan Agrawal a/w Mr. Shabbir Jariwala i/b. Jariwala
Associates, for Respondent No. 37.

Ms. Rashmi Tendulkar, APP for Respondent No. 1 – State.

CORAM: N. J. JAMADAR, J.

DATE : 19th DECEMBER 2025

P.C.:

1. Heard the learned Counsel for the parties.

2. The challenge in this petition is to an order dated 05th
December, 2025 whereby the learned Designated Judge, MPID
Court cancelled the bail granted to the petitioners by an order
dated 05th June, 2025.

3. By the said order dated 05th June, 2025 in the Bail
Applications No. 520/2025 & 521/2025, the petitioners were

released on bail primarily on account of the undertakings given by the petitioners to settle the disputes with investors and other flat purchasers in the said project and the dispute/claim with the HDFC Bank in connection with 18 flat purchasers within a period of two months. The petitioners failed to comply with the said undertakings. Nor the dispute with the other flat purchasers could be settled.

4. The investors/victims filed miscellaneous applications for cancellation of bail. By the impugned order, the learned Designated Judge was persuaded to cancel the bail on account of failure on the part of the petitioners to comply with the undertakings and settle the dispute with other flat purchasers. In the order, the learned Designated Judge has referred to the decision of the Supreme Court which proscribes the release of the accused on bail on an undertaking to pay the amount or settle the dispute with the informant party.

5. Mr. Nankani, learned Senior Advocate for the petitioners, submitted that, in accordance with the undertakings, the petitioners have arraigned demand drafts in the names of 22 persons/entities aggregating to Rs. 28,30,64,645.86/- (Rupees Twenty Crores Thirty Lakhs Sixty Four Thousand Six Hundred Forty Five and Eighty Six Paise).

6. Mr. Mundargi, Ms. Chandnani, and Mr. Agarwal, the learned Counsel who appear for the respective investors/victims - respondents, strongly opposed the prayer for interim relief in the petition. It was submitted that, the petitioners are liable to pay far more amount than the amount for which demand drafts have been purportedly drawn, to the persons/entities in whose names the demand drafts are drawn. It was submitted that, the bail was granted without entering into the merits of the matter and solely on the basis of the undertakings given by the petitioner and, therefore, the learned Designated Judge was justified in cancelling the bail.

7. *Prima facie*, the Court is of the view that, the enforcement of the undertaking to pay the amount to settle the dispute at the pain of cancellation of bail, partakes the character of release of accused on bail on such undertaking. Since, the petitioners are willing to deposit an amount of Rs. 28,30,64,645.86/- (Rupees Twenty Crores Thirty Lakhs Sixty Four Thousand Six Hundred Forty Five and Eighty Six Paise) which is due and payable to the persons/entities, in the assessment of the petitioners, the Court considers it appropriate to grant interim relief subject to payment/deposit of the said amount.

8. Mr. Kazi, the learned Counsel for Respondent No. 34 – M/s. Metro Investments, on instructions of Mr. Mahesh Valiram Mirani, who is present in Court submits that, the Respondent No. 34 is willing to accept the amount of Rs. 16,50,00,000/- (Rupees Sixteen Crores Fifty Lakhs), without prejudice to rights and contentions of Respondent No. 34, Mr. Virani, who is present in Court, states that, he is willing to accept the said amount.

9. Mr. Agrawal, the learned Counsel for Respondent No. 37, on instructions of Mr. Muffadal Qusay Kothari – the Chairman of Harbour Heights Flat Owners Association submits that, without prejudice to the rights and contentions of Respondent No. 37, the respondent No. 37 is also willing to accept the amount of Rs. 10,00,00,000/- (Rupees Ten Crores).

10. The aforesaid statements are accepted.

11. The petitioners shall, thus, deliver the demand drafts of Rs. 16,50,00,000/- (Rupees Sixteen Crores and Fifty Lakhs) to M/s. Metro Investments (R No. 34) and Rs. 10,00,00,000/- (Rupees Ten Crores) to Harbour Heights Flat Owners Association (R No. 37), without prejudice to the rights and contentions of the parties.

12. The balance amount (out of Rs. 28,30,64,645.86/-) be deposited in the MPID Court by 22nd December, 2025.
13. Issue notice to the respondents, returnable on 07th January, 2026.
14. Ms. Tendulkar, the learned APP, waives notice to the Respondent No. 1.
15. Mr. Mundargi, waives notice to Respondent Nos. 2 to 33.
16. Mr. Kazi waives notice to the Respondent No. 34.
17. Ms. Chandani waives notice to Respondent Nos. 35 & 36.
18. Mr. Agarwal waives notice to Respondent No. 37.
19. In the meanwhile, the execution and operation of the impugned order cancelling the bail of the petitioners, shall remain stayed.

[N. J. JAMADAR, J.]