IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CRIMINAL APPELLATE JURISDICTION
CRIMINAL BAIL APPLICATION NO.3433 OF 2019

Prasad Kishor Paraswar .. Applicant

Vs.

The State of Maharashtra .. Respondent

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Mr. Ashok Mundargi, senior counsel i/b Mr. Chetan Alai for the Applicant.

Ms. A.A. Takalkar, A.P.P. for the State.

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CORAM: SMT. BHARATI DANGRE, J.

DATED : 24TH SEPTEMBER 2020.

P.C:-

1. The present Application is field by the Applicant who is charge-sheeted for offences punishable under Section 120-B, 409, 420 and 34 of the IPC along with Section 3 of the Maharashtra Protection of Interest of Depositors Act, 1999 ("MPID Act"). On filing of the charge-sheet, the case is numbered as MPID Case No.9 of 2018. The said C.R. I-243 of 2016 was registered with Deccan Police Station, Pune. The informant one Kiran

Shantikumar Dixit filed a complaint on 30/07/2016. He alleged that he invested an amount of Rs.1 lakh for a period of one year in Samruddha Jeevan Multi State Multi Purpose Co-operative Society Limited, situated in Shivaji Nagar, Pune. He was promised interest at the rate of 11.5% per annum. He further stated that he deposited an amount of Rs.25,000/- on two occasions for one year and for sixty six months respectively as he was promised double return on maturity date. He then narrated about the attempts made by him to receive the amounts with the return as expected but became aware that the director of the Society Mahesh Motewar was arrested. He also gained knowledge about other depositors, who had invested money with the Society, were duped in a similar manner. He, therefore, lodged an FIR for himself and also on behalf of one Vasant, an investor who had invested an amount of Rs.35,00,000/- in December, 2014. The FIR was lodged against the directors and staff of the said Society and it was alleged that there was cheating of an amount of Rs.41,53,063/-.

2. The Applicant is alleged to be one of the directors of the said Society. The charge-sheet filed against the Applicant and the other co-accused compiled the material to justify the charges levelled against them. It is alleged that Group Chief - accused Mahesh Kisan Motewar had formed a company viz. Gurukrupa Dairy Private Limtied in the year 2002 and changed the name of

the company as Samruddha Jeevan Foods India Limited. The director Mahesh Motewar along with the co-accused floated different schemes giving speculative interest and attractive returns which is higher than the interest rates specified by the Reserve Bank of India and this was all done with an intention to motivate the investors to invest in the scheme. Due publicity was given to the schemes on the internet and printed sheets were also circulated. SEBI started receiving complaints since 2011 and from 31/10/2013 the Company was debarred from accepting new deposits as well as disposing of the assets based on the deposits. Smaruddhi Jeevan Multi State Multi Purpose Co-operative Society Limited, which was formed on 08/06/2012 began its working initially in 4 States and by the year 2015, it extended its area of operation into 17 States. After SEBI barred the company from accepting deposits, an MoU was entered into on 30/05/2013 by the Board of Directors and the business of the Company was transferred to the Society. Now the Society started accepting the deposits promising attractive returns as live stock purchase rearing of the company . The Society operated through 350 branches and accumulated huge amounts in the form of deposits. The accumulated deposits of the Society came to be spent by offering returns to the investors of the Company on maturity.

3. The charge-sheet contains materials in the form of Report of the SEBI, the MoU executed between the Society and the Company, the details of the Board Resolutions passed by the Company for transferred business of the Company. The Inspection Report of the Central Registrar of Co-operative, Ministry of Agriculture, Government of India, New Delhi as well as the proceedings taken out by the Liquidator is also contained in the charge-sheet. The material in the charge-sheet establishes a conspiracy as well as it also contains material to establish the charges under Sections 409, 406 of the IPC. As far as the provisions of MPID is concerned, it is alleged that the accused persons accepted more than 3700 crores in deposits from lakhs of investors across India by depositing them on commission basis for promotion of various schemes by establishing Co-operative Society. The promised returns were never paid attracting Section 4 of the MPID Act. The Applicant has been named as a person who has collected huge amounts from the investors.

4. The Applicant placed reliance on various orders passed by this court in case of co-accused. One order is dated 24/01/2020 in cases of Leena Motewar (Criminal Bail Application No.873 of 2019), Abhishek Motewar (Criminal Bail Application No.3110 of 2018). Both the Applicants sought their bail in connection with C.R. No.243 of 2016 registered with Deccan Police Station, Pune where the present Applicant is also arraigned as an accused.

Considering that the Applicants also came to be arrested in relation to another C.R. registered with Chatushrungi Police Station and granted bail by the High Court on 19/06/2018, she came to be arrested again in the present C.R. where charge-sheet is filed. Reliance was placed on an order passed by the Apex Court in case of Mahesh Motewar, a co-accused who was also an accused in an offence registered in Odisha. He was released on bail by the Hon'ble Apex Court on 23/04/2019 and further Leena Motewar and Abhishek Motewar were also granted bail by the Apex Court on 31/07/2019. In C.R. No.384 of 2014 Mahesh Motewar was released on bail by an order of this Court on 23/08/2019. After dealing with the contention that the offence in which the Applicants are charge-sheeted is serious, the Court noted that the charge-sheet is already filed and the main accused Mahesh Motewar is already released on bail, the Applicants therein came to be released on bail by the said order. Another order on which reliance is placed is the order in which Mahesh Motewar is released on bail (Bail Application No.1750 of 2019) in relation with C.R. No.186 of 2017 registered with Vishram Baug Police Station, Sangli.

5. The present Applicant came to be released on bail by the High Court of Gujarat at Ahmedabad by order dated 24/02/2020 in relation to FIR No.I-101 of 2016 registered with Navsari Town Police Station for offence under Sections 406, 409, 420, 114,

120B of the IPC and Section 3 of the GPID Act. By referring to the fact that the main accused Mahesh Motewar has been released on bail, the benefit is extended to him. Another order in favour of the Applicant is dated 12/12/2019 in Cri. Misc. Application No.20982 of 2019 by the same High Court. It is in the backdrop of these orders, the Applicant seeks his release on bail.

6. I have heard learned A.P.P. for the State, who has vehemently opposed the release of the Applicant on bail. I have perused the charge-sheet with the assistance of the counsel for the parties and have also gone through the orders on which reliance is placed.

7. The submission of the learned counsel has to be appreciated in the light of the said orders. It is, no doubt, true that the offences with which the Applicant is charged are serious offences. The investors were induced to part with their money by promising huge returns. Crores of rupees came to be collected. Several cases came to be registered against all the accused persons and the *modus operandi* of the Applicant is identical. It is not only the investors in Maharashtra but investors from other States have also been duped and, therefore, the offence is a serious economic offence. It is alleged that the total amount involved is Rs.3600 crores throughout the country. Learned A.P.P. alleged that the Applicant played a

major role being a director though the case of the Applicant is that after 2015, he had no role to play in the said Society. On completion of investigation, charge-sheet has been filed and it contains material to connect the present Applicant to the crime in question. The Report placed on record by the Serious Fraud Investigation Office (SFIO), Ministry of Corporate Affairs, Government of India also contains the details of the crime committed and Mahesh Motewar is alleged to be the key person involved in the day-today affairs of Samruddha Jeevan Foods India Limited i.e. the Company and Samruddha Jeevan Multi State Multi Purpose Co-operative Society Limited i.e. the Society, which collected huge amounts as deposits. The Applicant came to be arrested on 12/04/2018 and presently is in judicial custody in Central Jail, Yerawada, Pune. He is the nephew of the main accused Mahesh Motewar.

8. The accused Mahesh Motewar had preferred a Bail Application in connection with FIR registered in the State of Odisha before the Apex Court. The charge-sheet in the said case was filed by the CBI under Sections 420, 406, 409, 120B read with Sections 4, 5, 6 of Price Chits and Money Circulation Schemes (Banning) Act, 1978. He was granted bail by the order dated 26/10/2018. The accused was alleged to be the master mind behind the big fraud which involved Samruddha Jeevan Foods India Limited. Considering that the accused was

incarcerated for a period of almost three years, he came to be enlarged on bail. Mahesh Motewar also preferred an application for bail in another charge-sheet before the High Court of Odisha which was rejected on 29/01/2019. Subsequently, the Apex Court granted him bail on 23/04/2019 by observing that the High Court ought to have considered that the two charge-sheets that have been filed are with regard to the group companies where the accused is alleged to have been the mastermind in which the common evidence has to be given. The co-accused Leena Motewar also approached the Apex Court and was released on bail on 31/07/2019.

9. This Court granted bail to Mahesh Motewar in C.R. No.384 of 2014 and it was observed that several complaints of similar nature are filed. Relying upon the order of the Apex Court date 09/05/2014 in Writ Petition (C) No.401 of 2013 and companion petitions where it was recorded that the cases registered in different police stations in West Bengal and Odisha were transferred to CBI, the CBI took over the investigation and filed charge-sheet in case of Samruddha Jeevan Foods India Limited, Accused Mahesh Motewar was also granted bail in C.R. No.186 of 2017 registered with Vishram Baug Police Station by this Court. The CBI has investigated transactions with Samruddha Jeevan Foods Limited and Samruddha Jeevan Multi State Multi Purpose Cooperative Society Limited. The Applicant

in this particular C.R. is alleged to have dealt with the funds of Samruddha Jeevan Multi State Multi Purpose Cooperative Society Limited. The investigation in all these cases are overlapping. The investors who were depositing in different plans in Samruddha Jeevan Foods India Limited continued to make deposits in Samruddha Jeevan Multi State Multi Purpose Cooperative Society Limited. There is MoU between the Company and the said Society. Though distinct cases are registered, the methodology adopted by the accused persons is common. The investigation is now complete. The charge-sheet is filed in the present C.R. Though huge amounts are involved, in the similar offences in which he is arraigned as an accused in the State of Gujarat in relation to offence registered at Sahyajigunj Police Station, Vadodara Town Police Station, Vishakapatnam Police Station and one offence at Bhubneshwar Police Station, the Applicant is released on bail by the Sessions Court at Vadodara, Vishakapatnam, Special Chief Metropolitan Magistrate at Bhubneshwar respectively. Since the properties of the company in question are already attached by the Investigating Agency, interest of the investors and depositors stand protected. Co-accused are already released on bail and, therefore, the Applicant is also entitled to be released on bail subject to stringent conditions. Hence the following order:

ORDER

(a) The Applicant – Prasad Kishor Paraswar shall be released on bail in C.R. I-243 of 2016 was registered with Deccan Police Station, Pune on executing P.R. bond to the extent of Rs.1,00,000/- and furnishing one or two sureties of the like amount.

(b) The Applicant shall not directly or indirectly make any inducement, threat or promise to any person acquainted with facts of case and shall not tamper with prosecution evidence.

(c) The Applicant shall provide his permanent address and mobile number to the Investigating Officer and also intimate any change therein, from time to time.

(d) The Applicant shall surrender his passport with the Special Court and shall not leave India without the leave of the Special Court trying MPID cases.

10. The Bail Application as well as all the pending Interim Applications are disposed of in the aforestated terms.

11. All parties are directed to act on the downloaded copy of the order supplied by the Advocate under his seal and signature.

SMT. BHARATI DANGRE, J.

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