IN THE HIGH COURT OF JUDICATURE AT BOMBAY

CRIMINAL APPELLATE JURISDICTION

BAIL APPLICATION NO.239 OF 2021

Sandip Subhash Arbhune @ Mohite]
R/o. Mohityache Vadgaon, Kadegaon,]
Taluka & Dist. Sangli.]
[Presently lodged at Kolhapur Central]
Prison, Kolhapur]] ... Applicant

Versus

The State of Maharashtra]
[Through Sr. Inspector of Police,]
Shahupuri Police Station.]] ... Respondent

…

Mr. I.S. Thakur with Mr. Chandrashekhar S. Patil for the Applicant.

Mr. A.R. Kapadnis, A.P.P. for the State.

Mr. Sajid Shikalgor, EoW, Kolhapur, is present in the Court.

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CORAM : SMT. BHARATI DANGRE, J.

DATED : 02ND SEPTEMBER, 2021.

ORDER:-

1. The Applicant is charged with offences punishable under

Sections 406, 409, 420 read with Section 34 of the IPC along with one Sudhir Shankar Mohite, arraigned as main accused and one Hanumant Jagtale. The Applicant is arraigned as charge-sheeted Accuse No.2 and came to be arrested on 18/09/2019.

2. The charge faced by the accused persons is that they induced the Complainant and other investors to handover an amount of Rs.3,45,67,007/- to Rayath Agro India Pvt. Ltd. and Maharayath Agro India Private Limited along with an amount of Rs.98,92,930/- towards the feed for the poultry and, without abiding by the terms and conditions of the agreement executed with various investors, misappropriated an amount of Rs.3,94,59,930/- of 181 investors and, thereby, committed an offence of criminal breach of trust and cheating.

3. The exhaustive charge-sheet compile statements of various investors and the employees of the company.

4. The Complainant, who initiated the process approached the concerned police station on 29/08/2019 and narrated that an advertisement was flashed on Saam T.V., by Maharayath Agro India Pvt. Ltd., giving information about Kadaknath Poultry Farm and how one can earn money by investing amount and the contact numbers were also displayed. An address was provided for securing information about the project. Since the project appeared to be impressive, the Complainant visited at the given

address and the plan was explained to him. It contemplated investment of an amount of Rs.1 lakh, of which booking amount was Rs.20,000/- and, on this investment, the members were expected to erect a shed for poultry, which would be inspected by the Manager of the Company and, on the report being submitted to the Company, an agreement would be executed. At the time of the execution of the Agreement, an amount of Rs.55,000/- shall be paid to the Company and, in turn, the Company would allot 300 chicks. Within 60 days of handing over of the birds, the investor would pay additional amount of Rs.25,000/- to Maharayath Agro India Private Limited. Thereupon, the feed and medicine would be provided free for the chickens by the Company. The investment would nurture the chickens for three months and 15 days and, thereafter, out of 300 chickens, 180 chickens shall be supplied to Maharayath Agro India Pvt. Ltd. without any consideration and remaining chickens and the eggs would be purchased by Maharayath Agro India Pvt. Ltd. The Agreement would be executed for purchase of 4000 eggs from each investor in one year and, thereafter, 120 hens would be purchased at the rate of Rs.1000/- per hen. This was the scheme, which lured many persons, particularly, agriculturists and unemployed youths in the rural areas.

5. The Complainant also invested in the said scheme and executed an Agreement. Initial response of the scheme was positive, but after seven months, not a single egg was purchased

by the Company nor the feed was supplied. On enquiry with the office of the Company, the Company was in a complete negation mood. Fake assurance was given by Accused No.1 that things would be sorted out. When the informant read about the other investors being duped in the newspapers in a similar fashion, he approached the police and gave a list of 181 investors, who had invested their amounts in the scheme and were denied the benefits, as promised. This involved a huge amount of Rs.3,94,59,930/- and the Complainant expressed in his complaint that there are other investors in Kolhapur, who have been deceived in a similar fashion.

6. It is this allegation, which led to further investigation and, statements of several investors came to be recorded, who corroborate each other on the manner in which the scheme was introduced to the investors and, the scheme was implemented since 2016. The investors implicate the Applicant as the director of Rayath Agro India and he has been named as a person, who had introduced the scheme to the investors and convinced them about its benefits. The Applicant has been named as an active participant in introducing the scheme to the investors along with Accused No.1.

7. Further, statements of various employees engaged by the Company are also recorded. One witness by name Akshay Mane states that when he was in search of a job in December, 2017, he

came across an advertisement inviting applications for employees working in Agro Companies. When he called on the number, Accused No.1 responded and asked him to come for a meeting after two days. There were 60 to 70 people, who had assembled there and Accused No.1 was giving information about rearing of the poultry. The name of the Company, which reflected was Rayath Agro India Pvt. Ltd. and Sudhir Mohite was introduced as the director. He apprised them of the working of the scheme. He was entrusted an area for the purpose of carrying out a survey and, was asked to report to the present Applicant. When the investors were brought for the purpose of investment, Accused No.1 explained them the scheme and money was paid to him by the investors. As far as the present Applicant is concerned, he is alleged to have provided the feed. The Company was subsequently renamed as Maharayat Agro India Pvt. Ltd. From 01/09/2019. The said witness has given the details about the expansion of the scheme in various other districts like Kolhapur, where he was posted for spreading the word about the scheme. At the end of his statement, he alleged that his salary was due for two months and even the fund money was not paid and his office at Islampur was required to be shut.

8. The statements of one Dattatray Pawar, Sanjay Deshmukh, Vikash Kharat, Jaywant Bhosle and Salman Akthar Umraj Mujavar are also compiled in the charge-sheet. When the statements are carefully read, the association of the Applicant

with the Company and Accused No.1 surface prominently. The witnesses, who were the employees, have stated that they were dealing with Accused Nos.1 and 2 in respect of any difficulties in implementation of the scheme and when the supply of the feed was stopped, the Applicant was contacted. One of the witnesses has specifically stated that the Chairman of the Company was Sudhir Mohite whereas, the Applicant was a director and along with CEO Hanumant Jagtale provided information to the employees and engaged them by giving motivational lectures. From the statements of these witnesses, it can be discerned that the Applicant played a key role in implementation of the scheme and was an integral part of the scheme. Neither the investors nor the employees of the Company were aware of the actual role played by the present Applicant since the present Applicant was considered as part of the Company and, he accompanied the Chairman/Accused No.1 and that is why the investors and the employees took the name of the Applicant as the one, who induced people by providing information about the scheme an making them conversant with the benefits, which prompted the rural public at large to invest in the scheme.

9. An affidavit has been placed on record by the Police Inspector, Economic Offences Wing, Kolhapur, in which the magnitude of the offence has been highlighted and it is stated that the accused persons have accepted amounts worth Rs.11,84,96,427/- from 662 investors. The Applicant is alleged

the role of Sole Director of Maharayat Agro Feeds and Foods Pvt. Ltd.

10. The submission of learned counsel for the Applicant is that he was merely engaged with Maharayat Agro Feeds and Foods Pvt. Ltd. and he was provided the raw material in the form of Corn, Rice polish, DORB (D Oiled Rice bran), Soya, Poultry Contain, etc. and other raw material for the purpose of processing and, accordingly, by converting it into feeds for birds. As per the instructions given by Maharayat Agro India Pvt. Ltd., his Company used to supply the feed to the office of the Company at Islampur, District Sangli and, from there, the feed was distributed to various poultry farms within Sangli District. In other part of the State of Maharashtra, other contractors, to whom the contract were awarded, used to supply the feed. In the affidavit filed by the Applicant on 03/08/2021, he deposed that in the said process, he used to charge processing fee of Rs.50/- per bag of feeds and Maharayat Agro India Pvt. Ltd. used to pay the said charges to his Company by RTGS and for the period from 02/05/2019 to 15/07/2019, total amount of Rs.5,56,946/- was received by the Applicant's Company. Copy of the invoices of challan depicting the number of bags containing feeds supplied to the Maharayat Agro India Pvt. Ltd. is also placed on record along with the said affidavit. Assuming for a moment that the Applicant was engaged for processing the raw materials and converting it into feed to be supplied to

Maharayat Agro India Pvt. Ltd., which had received investment from the investors, from the material compiled in the charge-sheet, the role of the Applicant is not restricted to that level, but from the statements of the various investors and employees, it appear that the Applicant had played a key role in spreading the word about the scheme and he had trained the staff by giving motivational lectures and also interacted with the investors and convinced them about the benefit of the scheme and whenever some problem arose, he made attempts to sort it out, which is a clear indication that the Applicant was an integral part of the Maharayat Agro India Pvt. Ltd. though the Applicant is projecting that he received only a limited amount of Rs.5,56,946/-. Since he was an active participant in inducing the investors, who invested their money by creating an atmosphere of faith and trust, result of which the investors entrusted their money to the Company for implementation of the scheme, he is responsible for criminal breach of trust and since the investors were cheated and dishonestly induced to part with their money in favour of the Company with which the Applicant was closely associated, considering the gravity of the nature of accusations and the magnitude of the operation of the Company, the Applicant does not deserve his release. The Application is, therefore, rejected.

[SMT. BHARATI DANGRE, J.]

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