AGK

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CRIMINAL APPELLATE JURISDICTION

BAIL APPLICATION NO.5038 OF 2024

Meet Amit Shah … Applicant
V/s.
The State of Maharashtra … Respondent

Ms. Anita D. Marbhal for the applicant.
Mrs. Megha S. Bajoria, APP for the respondent-State.

CORAM : AMIT BORKAR, J.

DATED : AUGUST 21, 2025

P.C.:

1. By the instant bail application filed under Section 439 of the Code of Criminal Procedure, 1973 ("Cr.P.C." for short), the applicant seeks his release on regular bail in connection with Crime Register No. 773 of 2022 registered with MRA Marg Police Station, Mumbai. The offences alleged against him are punishable under Sections 408, 418, 420, 465, 467, 471, 477, 120B, and 34 of the Indian Penal Code, 1860 ("IPC" for short).

2. The case of the prosecution, as narrated in the First Information Report, is that the informant is a resident of Malad East, Mumbai, and carries on the ancestral business of International Shipping and Clearing Agency from Bellard Estate, Mumbai. In the course of an audit, it was noticed that the profits of the business had reduced substantially by about Rs. 1 crore to Rs. 1.5 crore. Consequently, on 3rd October 2022, the informant lodged a report with the police station alleging financial irregularities.

3. It is stated that after the demise of the father of the informant, the informant and his younger brother have been managing the business of customs clearance at Sahara Cargo Complex, Andheri, Mumbai, and JNPT, Uran. The mode of payment of the company is by issuance of cheques at JNPT and through online transfer at Sahara Cargo. The accounts of the company are audited by M/s. Parikh & Co. For internal work, one Mr. Meet Amit Shah was appointed as accountant, who was assisted by Ms. Anjali Pandey and Mr. Amit Jadhav. Since the informant-company is a member of the Brihanmumbai Customs Broker Association, it has the authority to make cheque payments. In order to facilitate day-to-day transactions, Meet Shah was entrusted with the custody of duly signed cheques drawn on South Indian Bank, each having a limit of Rs. 50,000/-, to be used as and when required for making business payments.

4. The turnover of the informant-company is stated to be around Rs. 10 to 12 crore annually, with a usual profit margin of Rs. 1 crore to Rs. 1.5 crore. However, in the year 2022, when the expected profits were not reflected in the accounts, a re-verification of the books was undertaken. It was then discovered that several cheques of the company had been diverted to a firm named *Ameya Logistic*, which deceptively resembled the name of an existing concern *Ameya Logistic Pvt. Ltd.* with whom the informant was regularly dealing. Similarly, another set of transactions revealed the creation of a fictitious company named

MSA Global Logistics, closely resembling *MSA Global Logistics Pvt. Ltd.*, with whom also the informant had genuine dealings. Upon further scrutiny, it was revealed that the cheques had been deposited in the accounts of such bogus concerns.

5. When the informant visited the banks for cross-verification of the cheque numbers, it was found that several cheques were deposited in accounts maintained with HDFC Bank, IDFC First Bank, and Axis Bank. The addresses and e-mail details used for opening such accounts were found to be linked with accused Meet Shah. On the completion of audit, it was revealed that in all, three such bogus concerns were floated, and through them cheques drawn on the informant-company's account with South Indian Bank had been deposited into their accounts maintained with the aforesaid banks. The total amount misappropriated in this manner was to the tune of approximately Rs. 2.25 crore.

6. The learned Advocate appearing for the applicant submitted that the applicant was arrested on 4th October, 2022 and since then, he has been in custody. It is pointed out that the charge is yet to be framed and looking to the nature of the case, the trial is likely to take considerable time for its conclusion. It is, therefore, urged that in the light of the long period of incarceration already undergone, the applicant deserves to be released on regular bail. Learned Advocate further submitted that the applicant has roots in society, there is no possibility of absconding, and appropriate conditions can be imposed to secure his presence during trial.

7. Per contra, the learned Additional Public Prosecutor appearing for the State opposed the application. It is submitted that the applicant, in conspiracy with other co-accused, has misappropriated a huge amount of Rs. 2,51,00,000/-. Out of this, an amount of Rs. 1,38,85,510/- has been found invested by the applicant himself. It is contended that though the informant's company never directly transferred money into the account of the applicant, the investigation revealed that as many as 350 cheques drawn from the South Indian Bank account of the informant-company were deposited into the account of the present applicant by using false and fabricated documents showing the existence of five different companies. These companies were found to be bogus, created only for the purpose of siphoning funds. Being an internal accountant of the company, the applicant had complete access to the financial records and was in possession of duly signed cheques at the relevant time. By misusing his position of trust, he created false documents, opened accounts in the name of fictitious companies, and diverted the funds of the informant-company into his own account. Although an amount of Rs. 1,33,82,210/- has already been seized by the investigating agency, further investigation regarding the balance misappropriated amount is still in progress. It is, therefore, contended that in view of the gravity of the offence and the active role of the applicant, the present bail application does not deserve to be allowed.

8. I have considered the submissions advanced by the learned Advocate for the applicant and the learned APP for the State. I have also perused the papers of investigation placed on record.

9. The material collected during investigation prima facie reveals that the applicant, being in a position of trust as an internal accountant of the informant-company, misused his authority. He was entrusted with the custody of signed cheques for making legitimate payments in the course of business. Instead of using them for the said purpose, he is alleged to have created fictitious companies and opened bank accounts in their names by preparing false and fabricated documents. Through such accounts, about 350 cheques belonging to the informant-company were deposited, resulting in diversion of funds to the tune of more than Rs. 2.5 crore.

10. The papers further disclose that out of the crime proceeds, a substantial amount of Rs. 1,38,85,510/- has been traced to the investment of the applicant. Though part of the money has been seized, the investigation in respect of the remaining amount is still underway. The active role attributed to the applicant, coupled with his special knowledge of the accounts and control over the cheques, cannot be overlooked.

11. It is settled law that while considering a prayer for bail in economic offences involving breach of trust and misappropriation of public or private funds, the gravity of the offence, the magnitude of the misappropriation, and the manner in which the accused has misused his fiduciary position are of great relevance. The offences alleged are serious in nature, punishable with severe sentences, and have wide ramifications not only for the informant but also for the confidence of business transactions in general.

12. In the present case, the allegations against the applicant are not of a peripheral or minor role but of being a prime mover in the creation of bogus concerns and siphoning of huge funds. The amount involved is substantial and the possibility of tampering with evidence or attempting to obstruct further investigation cannot be ruled out if the applicant is released at this stage.

13. Having regard to the totality of facts and circumstances, particularly the gravity of the economic offence, the breach of trust by the applicant, and the stage of investigation, I am not inclined to exercise discretion in favour of the applicant.

14. Hence, the application stands rejected.

(AMIT BORKAR, J.)