

IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

**R/CRIMINAL MISC.APPLICATION (FOR MODIFICATION OF ORDERS) NO.
7797 of 2026**

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MAHESH S/O KISHAN BHAGWAN MOTEVAR

Versus

STATE OF GUJARAT
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Appearance:

MR HARSHIT S. TOLIA, SENIOR ADVOCATE with

MR CHAITANYA S JOSHI(5927) for the Applicant(s) No. 1

MR. MAYUR V DHOTARE(7019) for the Applicant(s) No. 1

MR JK SHAH ADDL. PUBLIC PROSECUTOR for the Respondent(s) No. 1
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CORAM:HONOURABLE MR. JUSTICE NIKHIL S. KARIEL

Date : 27/04/2026

ORAL ORDER

1. Heard learned senior advocate Mr. Harshit Tolia with learned advocates Mr. Chaitanya Joshi and Mr. Mayur Dhotare for the applicant and learned APP Mr.J.K. for the respondent – State.

2. The present applicant who has been arraigned as an accused in C.R. No.2 of 2028 registered with CID Crime, Rajkot Zone Police station, Rajkot under Sections 406, 409, 420, 120B of IPC; under Section 3 of the Gujarat Protection of Interest of Depositors (In Financial Establishments) Act, 2003

and under Sections 4, 5 and 6 of the Prize Chits and Money Circulation Scheme (Banning) Act, has preferred this application praying for modification / deletion of condition Nos. 4, 5, 6 and 8 vide order dated 12.01.2022 passed by learned Principal District and Sessions Court, (Designated Court), Rajkot in Criminal Misc. Application No.2585 of 2021, more particularly, submitting that the said conditions have prejudiced the present applicant. It would appear in this regard that vide the said order, the applicant had been enlarged on regular bail in connection with the offence in question and whereas, it is submitted that while releasing the applicant, the learned Sessions Court had directed the applicant to produce Bank Guarantee of Rs.5,42,98,105/- in favour of the District Court, Rajkot, that is half of the amount which was found due to be paid to the investors by the applicant within a period of seven days from the date of release. The conditions also *inter alia* stipulated that in case the applicant does not deposit the said amount then the applicant would surrender before the jail authorities and in case he does not surrender, the Investigating Officer was directed to arrest the present applicant.

3. It appears in this regard, that while he had been facing various FIRs with regard to the self same allegations after having been released, vide order dated 12.01.2022, the present

applicant, had been arrested by the Karnataka Police, in connection with an offence registered at Chikkaballapura and was in custody from 21.08.2022 to 10.01.2023 in connection with the said offence. After having been released, the present applicant had approached the learned Sessions Court for extension of time and whereas vide an order dated 07.08.2023, the learned Sessions Court had rejected such an application. It would also appear in this regard that from 07.08.2023, till the present application is preferred, the applicant had not taken any steps qua the present offence concerned and whereas it would appear that in connection with a similar FIR, the applicant had been arrested by the Dahod Police on 06.03.2026 and is at present in custody of the Sub-Jail, Dahod. It also appears as per the submissions of learned senior advocate that the present applicant, has been released by the learned Sessions Court, Dahod vide an order dated 11.03.2026 in connection with the said offence and whereas, since the present applicant, was apprehending arrest in connection with the present offence, the applicant was in process and as of now has deposited the amount of Rs.29,24,00,310/- as directed by the learned Sessions Court and whereas, appropriate steps for being released, is being undertaken.

4. Learned Senior Advocate Mr. Tolia would submit that present applicant, who was Managing Director of one Samruddha Jeevan Foods India Limited, and other group of Companies, was facing 32 FIRs all over the country and whereas, in all the FIRs, the present applicant has been enlarged on regular bail. It is submitted that as far as the order dated 12.01.2022 the present order, has laid down certain conditions which the present applicant is not able to fulfill on account of various proceedings and whereas in case the conditions are not modified, the present applicant would continue to remain in jail, more particularly, learned Senior Advocate submitting that as of now, the present applicant has been under incarceration for more than 7 years cumulatively in connection with the FIRs referred to above. Learned senior advocate would also draw the attention of this Court to two affidavits namely, an affidavit filed by one Mrs. Vaishali Mahesh Motewar wife of the present applicant and Whole-time Director of the Company i.e. Ms/. Samruddha Jeevan Foods India Limited as well as by the present applicant himself and whereas, it is submitted by learned senior advocate that the wife of the applicant and the present applicant, are the only Directors of the Company as of now, the third Director i.e. one Mr. Rajendra Bhandare, an independent Director whose term has expired on 16.02.2019. Learned senior advocate

would also point out that the Company in question, has various properties all through out the country and whereas, while the properties i.e. 161 in number, which is valued at more than Rs.300 crores, are under attachment yet, by way of the affidavit, it is submitted that if the properties are liquidated and the sale proceedings, being distributed amongst the borrowers, as per their entitlement, then neither the applicant nor his wife i.e. the other Director, would have any objection as regards the same. Learned senior advocate would also point out that apart from the 32 FIRs, proceedings against the applicant have been initiated by the ED, by the SEBI, by the Serious Fraud Investigation Agency, and whereas, while there is an interim injunction granted by the Appellate Tribunal, under the Money Laundering Act, as regards the ED proceedings yet, the final hearing of the said appeal is fixed on 25.05.2026 and whereas, upon instruction of Mr.Yash Mahesh Motewar son of the present applicant who is present in the Court it is submitted that the present applicant would cooperate to ensure that the hearing gets concluded as expeditiously as possible.

5. Learned senior advocate would submit that the applicant having shown his *bona fides* by stating that he and his wife i.e. the remaining Directors of the Company in question not

having any objection to the properties being liquidated, this Court may release the present applicant and whereas, it is submitted that the applicant would undertake to take such steps in the pending proceedings, to ensure that the properties are released and/or the properties are available to the petitioner to dispose of so that the dues could be repaid. Learned senior advocate would submit that since the present applicant, as of now would not have the wherewithal's to deposit before the learned trial Court the amount of Rs.5,42,98,105/-, and the present applicant, having violated the condition yet, in view of the mitigating circumstances submitted, this Court may consider the case of the applicant and modify the conditions.

6. As against the same, the present application is vehemently opposed by learned APP Mr. Shah. Learned APP would submit that the present applicant, having been released on regular bail, vide an order dated 12.01.2022 with a direction to deposit the amount in question, had not deposited the same for a substantially long period of time and whereas, it is only after the applicant had been released by the Karnataka Court that the applicant had approached the learned Sessions Court for extension of time. Learned APP would submit that even the application for extension of time had

been rejected by the learned Sessions Court vide an order dated 07.08.2023 and whereas, the present applicant, has approached this Court after more than 2 ½ years. Learned APP would submit that under such circumstances, this Court may not grant any indulgence to the present applicant. Learned APP would further submit that since there are number of proceedings, and whereas since it would not be possible for this Court to ensure that all proceedings may be heard together, even if the applicant is released, nothing would come of it and whereas, the properties will remain under the attachment and none of the victims would get any returns from the same. Learned APP would submit that having regard to such circumstances, this Court may not intervene.

7. As against the same, learned senior advocate Mr.Tolia would draw the attention of this Court to as order dated 23.07.2025 passed by the Karnataka High Court whereby, the Karnataka High Court has directed consolidation of the cases filed against the present applicant before the Special Court for the Karnataka Protection of Interest of the Depositors in Financial Establishment Act, 2003 with regard to offences filed against the present application under the said enactment.

8. Learned senior advocate would submit that as such, the applicant had also approached the Hon'ble High Court by preferring WP (Criminal) No.180 of 2019 for consolidation of the FIRs against the present applicant under the enactments, which are analogous to the Karnataka Protection of Interest of Depositors in Financial Establishments Act, 2005 and all over the country. Learned senior advocate would submit that at the relevant point of time, the Hon'ble Court vide order dated 15.07.2019, had directed the applicant to avail appropriate remedy before appropriate Court, that is according to learned senior advocate, the Hon'ble Apex Court was of the opinion that the applicant should approach the concerned High Courts for filing such applications for consolidation. Learned senior advocate would submit that apart from the undertaking i.e. referred herein above, the applicant, as per instructions given by Mr. Yash Mahesh Motewar, who is present in the Court, would also file an appropriate applicant before all High Courts including this High Court, where cases under provisions which are analogous with regard to GPID Act, for consolidation thereof and whereas the applicant would also produce the present order of this Court, more particularly, which would reflect as regards the undertaking given by the applicant for disposing of the properties and paying the amount to the creditors/investors in all the said proceedings.

9. Having considered the submissions made by learned senior advocate Mr. Tolia and learned APP Mr. Shah, and having considered the application from the overall perspective, while the fact of the applicant, having not sought for an extension, with regard to order dated 12.01.2022 passed by the learned Sessions Court for a period of two years and seven months, could not be overlooked yet, this Court has also taken notice of the fact that the present applicant, as of now has spent more than seven years in custody in total. This Court has also considered the aspect that during the interregnum, the present applicant was in custody in a similar offence in the State of Karnataka. It also appears that as per the chart submitted by learned senior advocate which is part of the application that the properties of the applicant, is valued at around Rs.307 crores which according to learned senior advocate is on the conservative side and whereas, the dues which are to be paid to the investors, is much less than the same.

10. Furthermore it appears that the applicant while he had been granted liberty vide a conditional order and since the condition has not been fulfilled as of now yet the applicant apprehends that he would be sent to judicial custody again. This Court has also considered the aspect of the applicant

having shown his willingness, to undertake such actions, which would ensure that the dispute i.e. the non-payment of the money deposited by the investors, is taken care of as early as possible. Again, to this Court it would appear that non-modification of the conditions permanently would not be of any incentive to the present applicant to fulfill the undertakings, which have been stated before this Court as recorded herein above and whereas to this Court as of now, the conditions, could be suspended for a period of 90 days and whereas, the present applicant could be directed to approach this Court once again after said such period and place before this Court the actions taken by him for ensuring that the properties in question could be liquidated and the monies could be paid to the investors where after appropriate decision with regard to permanently modifying the conditions or not could be taken. Under such circumstances, following directions are passed:

i. The condition Nos. 4, 5, 6 and 8 of order dated 12.01.2022 in Criminal Misc. Application No.2585 of 2021 is directed to be suspended till the 10th August, 2026. The present application shall be listed on 03.08.2026.

ii. On the next date, the present applicant shall file an appropriate affidavit indicating to this Court the steps taken by him, to ensure that the properties are liquidated including but not limited to filing applications before the concerned High Courts for consolidation of cases under the GPID Act or analogous provisions, moving the appropriate Courts for early hearing of the applications and conducting final hearing of the appeal under the Prevention of Money Laundering Act etc.

Stand over to 03.08.2026.

(NIKHIL S. KARIEL,J)

NAIR SMITA V./32-DB