

HARSHADA H. SAWANT
(P.A.)

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CRIMINAL APPELLATE JURISDICTION

BAIL APPLICATION NO.589 OF 2026

Sandeep Subhashrao Deshmukh	.. Applicant
Versus	
The State of Maharashtra and Anr.	.. Respondents

WITH
INTERIM APPLICATION NO.2847 OF 2026
IN
BAIL APPLICATION NO.589 OF 2026

Union of India	.. Applicant
IN THE MATTER BETWEEN:	
Sandeep Subhashrao Deshmukh	.. Applicant
Versus	
The State of Maharashtra and Anr.	.. Respondents

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- Mr. Ujjwalkumar Chavhan a/w. Mr. Bhushan Yadav, Mr. Aditya Hire, Ms. Sana Shaikh and Mr. Shivang Kute, Advocates for Applicant.
 - Mr. Shishir Hiray, PP a/w. Mr. Krishna Jaihar, Mr. Ankit Patil and Ms. Aruna Borkar for Respondent No.1 – State.
 - Mr. Shubham Joshi, Advocate for Respondent No.2.
 - ASI – I. R. Sayyed, Manmad Police Station.
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CORAM : MILIND N. JADHAV, J.

DATE : SEPTEMBER 03, 2026

P.C.:

1. Heard Mr. Chavhan, learned Advocate for Applicant; Mr. Hiray, learned PP for Respondent No.1 – State and Mr. Joshi, learned Advocate for Respondent No.2.

2. This is an Application by Applicant under Section 439 of Code of Criminal Procedure, 1973 (for short 'Cr.P.C.') seeking Bail in

connection with C.R. No.213 of 2024 registered with Manmad City Police Station for offences punishable under Sections 468, 471, 467, 420, 409, 406, 381 and 120B of the Indian Penal Code, 1860.

3. On 18.08.2026, this Application was adjourned to 01.09.2026 and heard today.

4. According to prosecution case, huge sum of money has been misappropriated by issuing fake Fixed Deposit receipts to customers. Subsequent thereto, withdrawal of the amounts from the Bank Accounts of the customers by obtaining checks from the Bank's customers inside the Bank's premises by Accused persons. Applicant is one of the said Accused persons. He is not a Bank employee. The Bank in question is Union Bank of India, Manmad Branch. The total misappropriated amount from the customers in this form is approximately Rs.8.75 Crores. The indictment and arrest of the Applicant has revealed startling and shocking facts. From his custody, 15 Fixed Deposit receipts were also recovered.

5. Mr. Chavhan, learned Advocate for the Applicant has submitted written submissions in the form of a written note while arguing the matter. He has submitted that according to prosecution case, customers of the Union Bank while intending to invest money in Fixed Deposit handed over signed cheques of the concerned amounts to the Applicant who was stationed in inside the premises of Union

Bank. He would fairly argue and submit that Applicant was not an employee of Union Bank of India. He would submit that Applicant was an insurance agent of joint venture Company called Messrs Star Union Dai-ichi Life Insurance Company Limited (for short, '**SUD Life Insurance Company**'). He would once again in his usual fair-mindedness submit Applicant was functioning from the premises of the Manmad Branch of Union Bank for approximately 5 to 6 years and his physical presence and functioning inside the premises of the Union Bank was with the absolute knowledge and permission of the Bank and more specifically, the Bank Officials namely, the Branch Manager, the Deputy Branch Manager, the Clerk and the Cashier.

6. He would submit that customers entering the premises of Union Bank and intending to invest in Fixed Deposits were referred by the Branch Manager and the Bank staff and even the security personnel. The stand of the prosecution is that though Applicant was not a signing Authority of the Bank, nor was an Official Authority to sign or authorize, Fixed Deposit certificates or high value cheque investments. He impersonated as an Official, and guided the customers of the Bank into preparing and filling the Fixed Deposit Application forms and Bank receipts and thereafter guided them to the authorized Bank Officers who were the Bank Manager, the Deputy Bank Manager and the Credit Officer and signature of at least two out of these three officers were required for issuing Fixed Deposit

certificates and acceptance of the Application from the customers.

7. He would submit that according to prosecution, this *modus operandi* went on for a few years during which many customers invested their hard-earned amounts in Fixed Deposit receipts while taking help of the Applicant and handed over signed cheques to him with the hope that Fixed Deposit amount being invested in their Fixed Deposit account.

8. According to prosecution, once these cheques were handed over to the Applicant, he would then manipulate these cheques in connivance and collusion with the Bank Manager and Deputy Bank Manager or other staff of the Bank and withdrew the amounts written on these cheques since they were all self / bearer cheques given by the investors and customers. He would submit that when the customer once again approached the Bank it is case of prosecution that Applicant handed over to them printed Fixed Deposit receipts which were infact forged and fabricated rather counterfeit Fixed Deposit receipts. His principal submission is that Applicant is not the mastermind of the crime and he was not at all the person who was responsible for carrying out the *modus operandi* that the co-accused persons, namely the Bank Manager and the Deputy Bank Manager, both the concerned Authorized Officers who have been granted Anticipatory bail who were the real main perpetrators of the fraud and

therefore, Applicant's role must be distinguished distinctly from that of the other co-accused persons.

9. Mr. Chavan, learned Advocate would vehemently argue that Applicant was not privy to the Union Bank of India Cloud network and Net Banking Server Systems, he was not concerned with verification or authorization of banking transactions, he was not concerned with processing of the self, / bearer cheques which were given to him by the customer and which were deposited by him in the Bank, that he was not in custody of the original printed inventory of receipts that he was never in custody of the bank official seal which appeared on the fake Fixed Deposit receipts, that he was not the signing Authority for issuance of Fixed Deposit receipts and certificates and most importantly, he was intermediary in the crime. He would submit role of the Bank officials and signing Authority in the present case assumes greater significance than that of the Applicant. He would submit that all four Bank officials namely, the Branch Manager, Deputy Branch Manager, Cashier, and Clerk have been granted Anticipatory bail and therefore, on the ground of parity, the Applicant deserves enlargement on bail.

10. He would submit that this Court should consider the fact that the Bank administration has already suspended the other co-accused persons for their alleged involvement in the aforesaid fraud and

therefore on the ground of parity, Bank officials who had relevant official positions and exercise control over the internal banking processes have received protection by way of Anticipatory bail, the continued incarceration of the Applicant who was not even a Bank employee is unwarranted and he should be therefore, released on bail.

11. On the ground of long incarceration, learned Advocate would submit that Applicant has been in custody since 24.05.2024 and charge-sheet is filed on 19.08.2024 and the trial has not commenced. He would submit that since there is no immediate likelihood of the trial commencing and concluding and the prosecution desiring to examine 86 witnesses, Applicant has undergone a considerable period of incarceration and therefore considering that investigation is complete, the incarceration of the Applicant assumes the character of pre-trial punishment and therefore the Applicant should be released on bail.

12. In support of his submissions for releasing the Applicant on bail, Mr. Chavan would refer to rely upon the decisions in the cases of *Mangaldas Bandal Vs. DOE* ¹; *Ramchand Kotumal Issrani Vs. DoE* ²; *Suraj Chavan vs. DOE* ³; *Tanaji Mandal Adhikari vs. DOE* ⁴ and the decisions of the Supreme Court in the cases of *Anil Tuteja vs.*

1 Criminal Bail Application No.4998 of 2024 decided on 11.03.2025.

2 Criminal Bail Application No.5350 of 2024 decided on 03.03.2025.

3 Bail Application No. 4141 of 2024 decided on 04.02.2025.

4 Bail Application No.1003 of 2025 decided on 23.12..2025.

DOE⁵; Uddhav Singh vs. DOE⁶; V. Senthil Balaji vs. Deputy Director, DOE⁷; Prem Prakash vs. Union of India through DOE⁸; Kalvakuntla Kavitha vs. DOE⁹; Manish Sisodia vs. DOE¹⁰ and Ramkripal Meena Vs. DOE¹¹ and would persuade me not to consider the role of the Applicant as a principal Accused person who induced customers and investors who came with the idea of depositing their hard-earned money into Fixed Deposits with the Bank.

13. Complainant and Prosecution case led by PP Mr. Hiray would submit that he has over a substantial period of time eroded the hope of the Bank customers by being part of criminal conspiracy to achieve the common object to defraud the Bank. They both would submit that the Applicant – Accused is infact the mastermind of the crime because he gained the confidence of bank customers to such an extent that he induced them to part with blank signed cheques and used to call them later for collecting the Fixed Deposit receipt. Prosecution case is that Applicant used to gain the confidence of the customer and investors by portraying himself to be a bank employee and use to pick up their cheques and Fixed Deposit Application form and obtain their signatures and most importantly he was the person who used to hand over forged Fixed Deposit receipts to the customer

5 SLP Cr. 3148 of 2025 decided on 15.04.2025.

6 SLP No.18369 of 2024 decided on 17.02.2025.

7 SLP No.3986 of 2024 decided on 26.09.2024.

8 SLP No.5416 of 2024 decided on 28.08.2024.

9 SLP No.10778 of 2024 decided on 27.08.2024.

10 SLP No.8781 of 2024 decided on 09.08.2024.

11 SLP No.3205 of 2024 decided on 30.07.2024.

which had the Bank seal and signature affixed on the said receipts. The prosecution case is that in such a manner for over a period of 2 to 3 years, the Applicant eroded the trust of the Bank's customers. Prosecution has placed on record details of immovable property purchased by the Applicant at Chalisgaon in the name of his wife from the said ill-gotten amount belonging to the customers. Though the Applicant was not a Bank official, he was occupying a chair in the Bank premises itself so as to falsely render the customers to believe that he was an Officer of the Bank and not an insurance agent as claimed by him.

14. Hence, prosecution would submit that he is the perpetrator of the crime and he was having complete know-how about the entire operations and therefore, the Applicant is likely to reoffend himself and influence witnesses considering his mindset and antecedents. Hence, they would persuade the Court to dismiss the present Application.

15. I have heard Mr. Chavhan, learned Advocate for Applicant; Mr. Hiray, learned PP for Respondent No.1 – State and Mr. Joshi, learned Advocate for Respondent No.2 and considered the record of the case.

16. The role of the Applicant which can be *prima facie* seen from the submissions made by learned Advocate for the Applicant is *qua* the

Authority of the other co-accused persons. The Branch Manager, the Deputy Branch Manager, the Clerk and the Cashier have all been enlarged on bail. It is the case of the prosecution that these four Accused persons alongwith Bank's watchman used to refer the customers and ask them to approach the Applicant. Though, it is *prima facie* seen that the Applicant was appointed as an Agent and Representative of an Insurance Company to sell insurance policies however, at the behest of the other co-accused persons he was given a table and chair to sit in the bank's premises alongwith the other staff members.

17. The prosecution case also *prima facie* shows that the other co-accused persons, infact referred each and every customer who used to come to them for the purpose of investment to be made in Fixed Deposits to the Applicant. That apart, for the prosecution case with regard to forgery and fabrication of counterfeit Fixed Deposit receipts, the entire onus cannot be put on the Applicant for the simple reason that each of the Fixed Deposit receipts when investigated was *in seriatim* according to the numbers which were infact manipulated by the Bank Manager and the Deputy Bank Manager who had the custody of the *seriatim* numbers of the said Fixed Deposit receipts.

18. What is more crucial and significant is that though the Applicant may have been a conduit in handing over the said Fixed

Deposit receipts to the customers or filling up their Application forms, the Fixed Deposit receipts had to bear two signatures of the concerned Officials namely, either that of the Branch Manager or Deputy Bank Manager or the Credit Officer of the Bank which is seen from the prosecution case.

19. It is not the prosecution case that the fabrication of these signatures were done by the Applicant, infact, his *modus operandi* was that these Fixed Deposit receipts infact had the signatures of the other co-accused persons. In so far as recovery is concerned, though it is argued at the bar that certain recovery of Fixed Deposit receipts has been made from the person of the Applicant, it is *prima facie* seen that 15 Fixed Deposit receipts were recovered.

20. Considering the fact the Applicant was not privy to the internal working system of the Union Bank of India's cloud networking system and its banking server system, that he never verified or authorized any of the bank transactions, nor had any Authority to do the same and he was also not in custody of the original printed inventory receipts namely, Fixed Deposit receipts on which the official seal of the Bank was reproduced and most importantly that he was not the signing Authority for issuance of Fixed Deposit receipts and the certificates which were given to the customers/investors, his role to the extent of the prosecution case will have to be treated at par with the

other co-accused persons who have infact been granted bail. Hence on parity in my opinion, the Applicant deserves to be released on bail.

21. Mr. Joshi, learned Advocate appearing on behalf of the Intervenor namely, the Complainant would persuade me to consider the ignominy of the said customers/investors who have suffered at the hands of not only the Applicant but also the other co-accused persons, in losing their hard-earned money.

22. Mr. Joshi as well as Mr. Hiray, both would try to persuade the Court to direct deposit of certain amounts to the extent of the losses suffered by the customers/investors in the present case. Mr. Joshi would submit that the total outlay of the losses and finances to which the exposure of customers/investors was in the range of approximately Rs.8.75 Crores in the present case and several customers/investors were selectively duped. He would therefore persuade the Court and submit that some stringent condition of deposit of amount should be imposed by the Court, if at all the Court is inclined to consider the case of the Applicant on parity and enlarge him on bail.

23. Mr. Hiray, learned PP for the State would draw the Court's attention to the fact that the Applicant is bound to re-offend himself in view of his antecedents and a similar conduct while rendering his services in Jalgaon Janata Sahakari Bank in the past. They both in

tandem would submit that in that view of the matter imposition of the condition of deposit should be made by the Court.

24. I have considered the submissions made by both learned Advocates, however, it is not the prosecution case that it has traced the end user of the amounts and it has found that the Applicant before me is a beneficiary of any amount though prosecution's has pursuant to investigation stated that the Applicant has invested in a land parcel in Taluka-Chalisingaon, District-Jalgaon which is in the name of his wife.

25. The prosecution will undoubtedly be at liberty to take appropriate steps as available to them in law for attachment of the said property if the investigation so points out in that direction that any amount with regard to the present *lis* was surreptitiously received by the Applicant. However from the issues, argued by Mr. Chavan and the papers placed before the Court, the Applicant has made out a case for grant of bail. In view of my aforesaid *prima facie* observations Applicant is granted bail subject to following conditions:-

- (i) Applicant is directed to be immediately released from prison in connection with Crime No.213 of 2024;
- (ii) Applicant is directed to be released on bail on furnishing P.R. Bond of Rs. 25,000/- (Rs. Twenty Five Thousand only) with one or two surety /

sureties of the like amount;

- (iii) Applicant shall report to the Investigating Officer at the concerned Police Station, once every month on the first Monday of the month between 10:00 a.m. to 12:00 p.m.;
- (iv) Applicant shall co-operate with the conduct of trial and attend the Trial Court on all dates, unless specifically exempted and will not take any unnecessary adjournments, if he does so it will entitle the prosecution to apply for revocation of this order;
- (v) Applicant shall not leave the State of Maharashtra without prior permission of the Trial Court;
- (vi) Applicant shall not influence any of the witnesses or tamper with the evidence in any manner;
- (vii) Applicant shall keep the Investigating Officer informed of his current address and mobile contact number and / or change of residence or mobile details, if any, from time to time, as applicable; and
- (viii) Any infraction of the conditions shall entail

cancellation of bail granted to the Applicant.

26. However, at the request made by Mr. Joshi, the learned Advocate appearing on behalf of the Complainant and that too on behalf of scores of similarly placed investors/customers who have lost their hard-earned money, I am inclined to consider his request for expeditious disposal of the trial by the Trial Court. The Trial Court is directed to dispose of the trial as expeditiously as possible within the shortest possible time.

27. It is clarified that the observations made in this order are limited for the purpose of granting Bail only and I have not made any observations on merits of the case. The trial shall be adjudicated on the strength of the evidence led and strictly on its own merits being uninfluenced with any of the *prima facie* observations made hereinabove in this order.

28. I must also put in a word of appreciation for learned Advocate for Complainant, Mr. Joshi who has ably assisted the Court and conducted the present matter gracefully on behalf of his client as an Officer of this Court.

29. Bail Application is allowed and disposed of in the above terms. Interim Application is also disposed.