THE HIGH COURT OF JUDICATURE AT BOMBAY

CRIMINAL APPELLATE JURISDICTION

BAIL APPLICATION NO.522 OF 2020

Kishor Devidas Bhosale]
R/at, A4, Flat No.604, 10 Elite Society,]
Pimple Gurav, Pune, Dist. Pune.]
[Presently at Central Prison, Yervada, Pune.]] … Applicant

Versus

The State of Maharashtra]
[Through Baramati Taluka Police Station.]] … Respondents

<u>ALONG WITH</u>

BAIL APPLICATION NO.548 OF 2021

Kishor Devidas Bhosale]
R/at, Tenilights Society, Pimpalegurav,]
Sangavi, Pune.] … Applicant

Versus

The State of Maharashtra]
[Through Phaltan Police Station.]] … Respondents

<u>ALONG WITH</u>

BAIL APPLICATION NO.723 OF 2020

Kishor Devidas Bhosale]
R/at, A4, Flat No.604, 10 Elite Society,]
Pimple Gurav, Pune, Dist. Pune.]
[Presently at Central Prison, Yervada, Pune.]] … Applicant

Versus

The State of Maharashtra]
[Through Baramati City Police Station.]] … Respondents

…

Mr. Sandeep Salunkhe for the Applicant.

Mr. P.N. Dabholkar, A.P.P. for the State.

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CORAM : SMT. BHARATI DANGRE, J.

DATED : 05TH AUGUST, 2021.

ORDER:-

1. All these three Bail Applications are filed by the same Applicant seeking his release in three distinct CRs, two of which are registered with Baramati City Police Station and one registered with Phaltan Police Station, thereby invoking Sections 406, 409, 420, 467, 468 read with Section 34 of the Indian Penal Code (**"IPC"**) and Sections 3 and 4 of the Maharashtra Protection of Interest of Depositors (In Financial Establishments) Act, 1999 (**"the MPID Act"**). The two cases registered with Baramati City

Police Station have culminated into Special MPID Case Nos.1 and 2 of 2019. Since the nature of accusations faced by the Applicant is similar in nature in all the three CRs, the Applications were tagged together and argued collectively by learned counsel for the Applicant and learned A.P.P. The Applications are disposed of by this common order.

2. In C.R. No.138 of 2019 registered with Baramati Taluka Police Station, the Complainant is one Anisha Aslam Shaikh, who allege that she has established a Mahila Bachat Gat under Mahalaxmi Narayan Mahila, Pune, which is controlled by Success Group, Pune. The Bachat Gat comprised of women members, who contributed a fixed amount of Rs.200/- per month, which was deposited by the Complainant with one Mahadeo Dhavale of Success Group in the Khandala Branch. It is alleged that the founder of Success Group – Shivaji Dhamdhere and the Chairman, Mandarani Dhamdhere interacted with the women members of the Bachat Gat and introduced them to employment scheme and persuaded the members to deposit their amounts in bank account of Shivaji Success Pvt. Ltd. Thereafter, the founder of Success Group, Shivaji Dhamdhere and the Chairman, Mandarani Dhamdhere established, Shivjeet Mudra Multi-State Credit Co-operative Society. In order to induce the members, a rosy picture was painted that interest at the rate of 9% per annum would be paid on the fixed deposit and 5% interest would be paid on the saving and current accounts.

3. In C.R. No.142 of 2020, the Complainant is one Vidya Namdeo Sapkal, who was also a member of Success Group's Mahalaxmi Narayan Mahila Mahasangh Pune, Branch Phaltan and it is alleged that Shivaji Dhamdhere and Mandarani Dhamdhere of the said Mahasangh arranged a programme in Phaltan inducing the investors in Shivjeet Mudra Multi State Credit Co-operative Society Limited, which was operating in the States of Maharashtra, Gujarat and Karnataka. The Complainant allege that the Applicant is the CEO of the Society and actively participated in the whole propaganda. On assured of the returns, six Bachat Gats of 15 women each in Phaltan and Mahabaleshwar collected Rs.200/- per month from every member and deposited it in the said Society. The investment was for one year, supported by the receipt of the deposits. On maturity of the deposits, when the Complainant contacted the Dhamdheres and the present Applicant, they assured to return the money soon, but money was never returned.

4. In C.R. No.296 of 2019 registered with Baramati City Police Station, the Complainant is one Bhakti Prakash Kshirsagar, resident of Baramati, who was informed about the Success Group and Mahalaxmi Narayan Mahil Mahasangh Bachat Gat and on a meeting being arranged with Dhamdheres, who convinced the Complainant and other women folks accompanying her, that they will create employment through the Success Group on stipulation

that every member of Bachat Gat will have to contribute an amount of Rs.200/- per month and, on completion of one year, they will be entitled to get Rs.2,688/- i.e. interest at 12% per annum. The Bachat Gat came to be constituted with one President and 14 members. The Complainant allege that she deposited an amount of Rs.1,65,300/- and one Sunita Agawane, who had also made her own group, deposited an amount of Rs.10,20,573/-. After one year, when the date of maturity was crossed, when she approached the Applicant and Dhamdhere and demanded their money, she was informed that they have formed Shivjeet Mudra Multi State Credit Co-operative Society Limited and all their money would be returned back. The Complainant also allege that she invested Rs.3,70,000/- in various deposits and when the time came for returning the moneys, the promoters of the scheme backed out.

5. These allegations resulted in registration of different CRs invoking the relevant offences under the IPC and Sections 3 and 4 of the MPID Act.

6. The Applicant came to be arrested along with Ashok Dhamdhere and Ashwini Dhamdhere on 01/04/2019 in a C.R. registered with Baramati Taluka Police Station, Pune. Considering the spread of the alleged act involving huge amounts, the investigation was transferred to Economic Offences Wing, Pune on 04/05/2019. The other accused persons Mandaranai

Dhamdere and Shivaji Dhamdhere came to be arrested on 15/05/2019. The investigation was completed and charge-sheet is filed before the competent court.

7. At the outset, learned counsel for the Applicant has raised an objection to the effect that the provisions of the MPID Act cannot be made applicable to the present C.Rs. since the Society in which the amounts are invested is a Multi State Co-operative Society, which would not fall within the purview of "Financial Establishment" within the meaning of Section 2(d) of the MPID Act. Further, the submission of learned counsel for the Applicant is to the effect that the Applicant was a Director of Aditya Aarthik Niyojan Co-operative Credit Society, which was subsequently in 2018, merged with Shivjeet Mudra Multi State Credit Co-operative Society Limited and, therefore, he cannot be indicted in the said crime. The submission is that no amount is transferred to him, but the entire amount has gone to the account of Mandarani Dhamdhere and, therefore, the default to return the amount as assured to various women groups, cannot be attributed to him.

8. John Legend, an American producer, actor and philanthropist has once remarked, "*If all men care about women's right, the world will be a better place. We are better off when women are empowered, it leads to a better Society*."

The Applicant takes a stand that he propagated a scheme for empowerment of women by ensuring that they are trained in various skills like tailoring, beauty culture, making of household items, eatables, etc. The Applicant is alleged to have run one Aditya Aarthik Niyojan Co-operative Credit Society, which merged into the Shivjeet Mudra Co-operative Credit Society Limited. The Applicant is shown as Managing Director of Aditya Aarthik Niyogan Co-operative Credit Society. The role played by the Applicant in the entire episode is crucial. He is an economist and published various articles through widely circulated newspapers in the region, by which, he influenced the investors, largely rural women, who were lured to invest into the Credit Society. The material published in various newspapers are placed on record by the prosecution and when perused, it reflects that the advertisements were issued for luring the investors in the form of “Smart RD Scheme”, which propagated investments of Rs.200/- per month for a period of one year with a maturity value of Rs.6,500/-. The article published by the present Applicant propagated the scheme, in the form of ‘Bachat Gat Sankalpana - A key of overall development of women’, where the Applicant projected himself as an Economist and expressed his views about women coming together and forming Bachat Gats for their overall empowerment. His another article published, projecting himself as an Economist, is under the caption ‘Investment is an Art – How to become an Expert?’. The Applicant inaugurated various branches of Shivjeet Mudra Co-operative Credit Society Limited amongst a huge number of women participants and his photograph flanked with several women, were printed on front page of News

Tabloids, some resourseful women formed Bachat Gats for facilitating the investment and a systematic method was adopted for luring more and more women investors. All these documents form part of the charge-sheet.

9. The website of the Government of India, Ministry of Agriculture, Department of Agriculture and Co-operation, reveals that Aditya Arthik Niyojan Multi-State Co-operative Credit Society Limited Pune, formed on 31/03/2017 is a credit Society with an authorized share capital of Rs.10,00,00,000/-. The activities undertaken by the Credit Society is reflected as deposits accepted from members and disbursed to members. The area of operation is shown as Maharashtra and Gujarat. The Managing Director of the said Multi State Co-operative Society is the present Applicant, Kishor Bhosale. This Society further merged into Shivjeet Mudra Multi State Credit Co-operative Society Limited, continuing with its object and functioning to provide assistance to groups of women captioned as 'Bachat Gat' and also individual women.

10. The statements of various investors are compiled in the charge-sheet, who clearly assign the role to the present Applicant as the person, who induced the women to invest in the schemes and who propagated them by arranging for meets to explain the schemes to rural women. The women, who formed Bachat Gats from their hard earned money, set out their savings to be invested

in Bachat Gats, which invested into the schemes and, one day, woke up to the fact that they have been duped.

11. According to the prosecution, in C.R. No.138 of 2019 registered with the Baramati Taluka Police Station, the total amount misappropriated is to the tune of Rs.44,29,190/- whereas, in another C.R. No.296 of 2019 registered with the same Police Station, the amount misappropriated is to the tune of Rs.50,55,000/-. In C.R. registered with the Phaltan Police Station, the amount misappropriated, according to the prosecution, is Rs.53,14,437/- whereas, according to learned counsel for the Applicant, is Rs.36,28,787/-.

12. The objection of learned counsel for the Applicant that the MPID Act is not attracted is overruled in the light of the Division Bench judgment of this Court in the case of ***Shridhar s/o. Udhav Kolpe & Anr. v. State of Maharashtra & Ors.*** reported in ***2018 ALL MR (Cri.) 4428***, which has taken a view that a Multi-State Co-operative Society is not excluded from the operations of MPID Act by referring to the scheme of Multi State Co-operative Societies Act, 2002. In the wake of the said Division Bench judgment, the provisions of the MPID Act are made applicable to the Multi-State Co-operative Society and the Applicant being Director of Aditya Arthik Niyojan Multi State Co-operative Credit Society Limited, a Multi-State Co-operative Society and which is subsequently merged into Shivjeet Mudra Multi-State Credit Co-

operative Society Limited, the provisions of the MPID Act are clearly applicable. The statements of witnesses clearly reflect that it is a 'Financial Establishment' and the activity undertaken by the said Society of accepting the money with an assured return after specified period, would fall within the purview of "Deposit" as defined in Section 2(c) of the MPID Act.

13. The evidence in the charge-sheet reflects the *modus operandi* of the Society of which the Applicant forms an integral part. He was the main propagator of the entire scheme of investments. In terms of Section 3 of the MPID Act, whenever there is a default committed on behalf of any Financial Establishment in repayment of deposit on maturity along with any benefit in the form of interest, bonus, profit or in any other form as promised, every promoter, partner, director, manager or any other person or an employee or any other person or an employee responsible for the management of or conducting of the business or affairs of such Financial Establishment, shall be held liable. The Applicant clearly falls within the ambit of Section 3 of the MPID Act. The entire episode of luring the rural women into the scheme is a systematic effort to relieve them of their amounts with a promised return, in the form of money and employment which never came. The amount involved is huge, the allegations are serious and *prima facie*, compiled in the charge-sheet. Mere fact that the Applicant has been incarcerated for 2½ years does not justify his release. Considering the gravity and seriousness of the

accusations and the material indicating his involvement, all the three Applications are rejected.

[SMT. BHARATI DANGRE, J.]

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