

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
BENCH AT AURANGABAD**

**BAIL APPLICATION NO.1495 OF 2023
WITH
CRIMINAL APPLICATION NO.3316 OF 2023
IN BA/1495/2023**

**YOGESH NAVNATH KARANDE
VERSUS
THE STATE OF MAHARASHTRA**

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Mr. S. S. Thombre h/f Mr. S. E. Shekade, Advocate for the Applicant.

Mrs. P. V. Diggikar, APP for Respondents-State.

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**CORAM : S. G. CHAPALGAONKAR, J.
DATED : 14th SEPTEMBER, 2023.**

ORDER:-

1. The applicant seeks regular bail in connection with Crime No.360/2022 registered with Shivajinagar Police Station, Dist. Beed for the offence punishable under 406, 409, 420, 120-B of the Indian Penal Code and Sections 3 and 4 of the Maharashtra Protection of Interest of Depositors (In Financial Establishments) Act, 1999 (for short 'MPID Act, 1999').

2. The investigation was set in motion on the basis of the information given by one Santosh Appasaheb Jagtap. It is alleged that he had invested total amount of Rs.53,24,975/- in the name of his family members with Jijau Masaheb Multi State Co-operative Credit Society Ltd., Beed in Fixed Deposits. Since he was in need of money, he sought to withdraw amount. However, the President of the Society, his son and other Directors failed to repay the amount and finally declared that Society is insolvent. The

Chairman of the Society, her husband are alleged to have lured the depositors to make investments with the Society, since it offers 13% interest on FDR. It is further alleged that the various deposits made by the persons are utilized by the Directors of the Society for their educational institution. Even, they have purchased the agriculture lands and luxury cars. It is further alleged that large number of persons have invested the amount with the Society, which may be around Rs.7,72,52,962/-. Pursuance to the aforesaid information, Crime No.360/2023 came to be registered against in all five accused persons and unnamed Directors of the Society with Shivajinagar Police Station, Dist. Beed for aforesaid offences. The applicant has been shown as accused no.4 in the FIR. In pursuance of the registration of the offence, the applicant has been arrested on 16.07.2023. He was remanded to Magisterial Custody since 22.07.2023. The plea of the applicant for grant of bail has been negated by order dated 14.08.2023 passed by the Additional Sessions Judge at Beed.

3. Mr. Thombre, learned Advocate appearing for the applicant would submit that the applicant has been falsely implicated in the aforesaid crime. He has absolutely no concern with the Society or the investments made by the informant and other persons. He would submit that only because he is son-in-law of the President of the Credit Society, his name has been implicated as an accused. He would submit that the applicant is Government servant and working as Senior Clerk at District Sports Office, Beed since 18.06.2018.

4. The learned APP as well as the learned Advocate appearing for the complainant strongly oppose the application. It

is submitted that during the course of investigation, the statements of various depositors are recorded. It has been revealed that the applicant acted as key person in bringing investments to the Society. He had assured handsome returns on the investments. Further he is son-in-law of the President and Directors, who are absconding. It is further alleged that the applicant had called meeting of the Journalists and assured that he will make an endeavour to return the amount of investors, which shows his active participation in the conduct of business of the Society. It is further submitted that the provisions of the MPID Act, 1999 are invoked. The release of the applicant would be pre-matured. The charge-sheet is yet to be filed. Therefore, it is submitted that the release of the applicant may bring hurdle in the further investigation.

5. Having considered the submissions advanced, apparently huge investment of account holders in the Co-operative Society is at stake. In-laws of the applicant are office bearers of the Co-operative Society. However, there is no material to show that the applicant is either office bearer, promoter, Director or partner of the Society. There is nothing to indicate the direct or indirect involvement of the applicant in the business of the Society. The arrest of the applicant is only for two reasons. Firstly, he is son-in-law of the President and Directors of the Society. Secondly, he had arranged the meeting of the Journalists, wherein he assured depositors that he will make an endeavour to repay the amount. Assuming that the applicant has given such assurance in a public meeting before the Journalists, that itself is not sufficient to hold that he is anyway concerned with the business of the Society. Apparently, the applicant is a

Government servant and working as Senior Clerk with District Sport Office at Beed. The investigation papers do not show that the applicant had any transactions with the Society or he is beneficiary from the depositors' amount from the Society.

6. Although, it is contended on behalf of the prosecution that the applicant has induced investors, it cannot be assumed that he is responsible for financial irregularities in the Society, when he is neither in the management nor Director of the Society. In that view of the matter, there is no reason to continue detention of the applicant behind the bar. Hence, case is made out for grant of bail. Hence, the following order:

ORDER

- (i) Bail Application is allowed.
- (ii) The applicant, Yogesh Navnath Karande be released on bail in Crime No.360/2022 registered with Shivajinagar Police Station, Dist. Beed for the offence punishable under 406, 409, 420, 120-B of the Indian Penal Code and Sections 3 and 4 of the Maharashtra Protection of Interest of Depositors (In Financial Establishments) Act, 1999 on furnishing P.B. and S.B. of Rs.1,00,000/- (Rs.One Lakh only) each on following condition:
 - a. The applicant shall not tamper with the prosecution evidence in any manner.
 - b. The applicant shall visit concerned Police Station on every Sunday between 10.00 am to 02.00 pm.
 - c. The applicant shall furnish his detailed address and contact numbers and keep updating the same.

(iii) Bail Application is disposed of.

(iii) Criminal Application No.3316 of 2023 is disposed of.

(S. G. CHAPALGAONKAR)
JUDGE

Devendra/September-2023