IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CRIMINAL APPELLATE JURISDICTION

BAIL APPLICATION NO. 304 OF 2021

Mukesh Dattatray More ...Applicant
vs.
The State of Maharashtra ...Respondent

ALONGWITH
INTERIM APPLICATION NO. 1113 OF 2022
IN
BAIL APPLICATION NO. 2255 OF 2021

Gulshanara Hammad Sayyed
and Anr. ...Applicants
vs.
The State of Maharashtra ...Respondent

ALONGWITH
BAIL APPLICATION NO. 2255 OF 2021

Haroon Rashil Abdul Sattar Shaikh ...Applicant
vs.
The State of Maharashtra ...Respondent

ALONGWITH
INTERIM APPLICATION NO. 3776 OF 2022
IN
BAIL APPLICATION NO. 2255 OF 2021

Mohammed Amin Abdul Rehman
and Ors. ...Applicants
vs.
The State of Maharashtra and Anr. ...Respondents

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Mr. Ankit Pandey a/w Mr. Sandeep Mishra - Advocate for the Applicant in BA 304 of 2021

Mr. Karansingh Rajput a/w Mr. Devendra M. Patil – Advocate for Applicant in BA 2255 of 2021
Mr.H. J. Dedhia - APP for the Respondent-State
API Sudhir Patil – EOW Thane City

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CORAM : S. M. MODAK, J.

DATE : 11th JULY, 2023

P. C. :-

1. Heard learned Advocate for the Applicants and learned APP. Investigating officer is present.

2. Both these bail applications are arising out of F.I.R. registered with Mumbra Police Station bearing C.R. No. 736 of 2019. It is registered on the complaint of one Ummey Salma Mohammed Amjad Khan on 12/09/2019. It is registered under Sections 420, 465, 467, 468, 471, 409 read with 34 of the Indian Penal Code. It was registered against in all four persons. Out of them present Applicants Mukesh and Haroon are two of them.

3. The first informant believed of the fantastic returns, if amount is invested. From time to time, she invested Rs. 3,70,000/- in the Company name as **"K.G.N. Securities"**. The contention is raised that "K.G.N. Securities" does not belong to these Applicants but it belongs to co accused Salman Shaikh. Further contention is

raised, in all there are six offences registered at different Police Stations and both of them are granted bail in five offences. It is undisputed fact.

4. After investigation, the investigating agency i.e. Economic Offences Wing have realized that in all there are 62 witnesses, who have invested various amounts and the number of the investors is 223 which has now gone to 231. The witnesses have invested in their own names and in the name of their family members. The total amount misappropriated Rs. 18,90,03,110/- which now increased to almost Rs. 20 Crores.

5. During investigation it was disclosed that the Applicant Haroon has started "K.G.N. Securities" without obtaining the permission, it is mentioned in the role assigned to the Applicant Haroon in charge-sheet on page no. 23. The contention is raised by him that investigating agency has mixed up the investment with "**K.G.N. Security" and investment in "K.G.N. Securities**". The first informant was concerned with "K.G.N. Securities" for which the present Applicants are not concerned. The Applicant-Haroon is concerned with larger group by name "K.G.N. Group" and main grievance raised is that the investigating agency has just annexed the

papers which is part of the investigating papers from the Bhandup offence.

6. Investigating agency further discloses that there was meeting and it was called for all the investors on 10/05/2019, wherein co-accused Salman Shaikh and Nabil Surve attended and addressed the investors and they have introduced the present Applicant-Haroon as CEO of "K.G.N. Group Securities". It was told to the investors that their investment is transferred to one "Mount Meri Urban Co-operative Credit Society" and one "Sai Shararha Co-operative Credit Society". It finds place on page no. 419 of the affidavit. It was further disclosed that in fact the certificates with the investors in the earlier name were taken back and new certificates in those two entities are issued and present Applicant-Haroon and present Applicant-Mukesh have signed as **Chairman** and **Secretary** respectively.

7. It is true that subsequently the provisions of Maharashtra Protection of Interest of Depositors Act is invoked. It is true that for securing the interest of the investors, the investigating agency makes every attempt to attach the property. In this case, the property belongs to Haroon are attached. Immovable properties details are

given in para no. 9 (A) and movable properties details are given in para no. 9(B) and for Applicant-Mukesh those details finds place in para no. 10, on page no. 55 in the affidavit in reply respectively.

8. Learned Advocate for the both the Applicants submitted that learned Special Judge has taken a note of attachment of the properties in a different offences and observations finds place in para no. 8 of the order passed by learned Special Judge, MPID Act, Mumbai on 01/04/2021 in another offence.

9. During arguments learned APP produced one chart showing the properties belonging to **Applicant-Haroon** which are seized by the investigating agency. It is taken on record and marked as 'Annexure-X'. They are different from the properties mentioned in the affidavit. He submitted that in fact the properties mentioned at Sr. Nos. 1 to 4 situated at Dahiwali, Taluka Karjat belongs to the present Applicant-Haroon. They are attached. Valuation is also mentioned.

10. Whereas the property belonging to **Applicant-Mukesh** in para no. 10 of the affidavit, valuation is mentioned. Whereas according to the learned APP the valuation must have increased due to passage of time.

11. It is true that in all other offences, both these Applicants are released on bail. The contention is that even though the new entities are created, there is no material to show that either any amount is transferred to their accounts from earlier entities or they have accepted it in the new capacity alleged.

12. So according to them, there are only statements recorded of the witnesses which refers about that meeting and taking receipts of these two entities.

13. <u>Be that it may, I am inclined to grant them bail for two reasons.</u> One is that they are behind bar since 2018 and 2019 and yet charges are not framed. Another reason is some of their properties are attached in the present offence. So investigating agency has made every efforts to protect the interest of the investors. Further steps can be taken by the Special Court/Competent authority for attachment of those properties. So I do not think their further detention in jail is required. So I am inclined to grant them bail.

ORDER

(i) Bail applications are allowed.

(ii) Applicant-Mukesh Dattatray More and Applicant-Haroon Rashil Abdul Sattar Shaikh arrested in connection with C.R. No. 736 of 2019 registered with Mumbra Police Station, Thane for the offence punishable under Sections 420, 465, 467, 468, 471, 409 read with 34 of the Indian Penal Code and under Sections 3 of the MPID Act be released on bail on furnishing Personal bond and surety bond in sum of Rs. 50,000/- each.

(iii) Applicants are directed to co-operate the Police as and when required.

(iv) The Applicants shall regularly attend the proceedings before the trial Court.

(v) Needless to say, violating of the condition above will make the Applicants liable for cancellation of bail after notice.

14. It is made clear that the these are my prima facie observations.

15. Applications are disposed of in the aforesaid terms.

16. All the parties to act on an authenticated copy of this order.

[S. M. MODAK, J.]