



IN THE HIGH COURT OF JUDICATURE AT BOMBAY
BENCH AT AURANGABAD

BAIL APPLICATION NO. 1880 OF 2024
WITH
BAIL APPLICATION NO. 1881 OF 2024

Mahendra Jagdish Deshmukh And Another
VERSUS
The State Of Maharashtra

...
Advocate for Applicants : Mr. P.P. More h/f Mr. Tope Sambhaji
Subhashrao & Mr. Mane Sarthak M
APP for Respondent/State : Mr. G.O. Wattamvar
Special Public Prosecutor for State : Ms. Komal Kandharkar

...
CORAM : S.G. MEHARE, J.

DATED : OCTOBER 22, 2024

PER COURT:-

1. Heard learned counsel for the applicants and learned SPP for the State.
2. The applicants seek bail in Crime Nos.454 of 2023 and 455 of 2023 registered with CIDCO Police Station, District Aurangabad for the offences punishable under Sections 406, 409, 420, 465, 467, 468, 471, 120-B, 217 r/w 34 of the Indian Penal Code and Sections 3 and 4 of Maharashtra Protection of Interest of Depositors (in Financial Establishments) Act ('MPID Act' for short) and Sections 21 and 23 of the Banning of Unregulated Deposit Scheme.
3. Admittedly, both applicants were either the Directors or holding some position in the Board of Directors for the period for

which the audit was done. The investigation find that a huge amount has been siphoned. Various illegalities have been committed while disbursing the loan. The prosecution case is based upon the prime allegations that all the accused in conspiracy have siphoned the huge amount and they have been benefited. All of them have cheated the poor depositors. It is also not disputed that the individual properties of the Directors and other institutions have been seized or attached.

4. Both applicants are senior citizens. It has been pointed out that applicant no.2 Bhausahab Mogal had lodged the complaint to the Registrar of Co-operative Societies for some illegalities in 2016. To counter this argument, the learned SPP for the State submits that had he been honest, he would not continue as the Director of the society, but he was continuously the Director of the financial institution.

5. The root question goes to the fact, what benefit the applicants have received from the alleged misappropriated amount. The record reveals that long back, applicant no.2 had raised a loan from the institution and he has repaid it in time. The prosecution has no material to point out that out of the benefit received from such misappropriation, both applicants have made money or purchased the properties disproportionate to their known income source. The applicants are languishing in jail for sufficient time. The investigation has been completed and the charge sheet has been filed.

6. After having gone through the charge sheet and the evidence collected by the investigation officer, this Court did not find the grounds for their further detention. There were no complaints against the applicant that they ever tamper with the prosecution witnesses or disturbed the investigation. Whether they were the persons behind the conspiracy is a long battle and it will require a thorough appreciation of evidence. Considering the large number of crimes registered against the Directors, the prosecution cannot ensure speedy trial. For the above reasons, the applications deserve to be allowed. Hence, the following order :

ORDER

- (i) Both Bail Applications are allowed.
- (ii) Applicants in both applications, Mahendra s/o Jagdish Deshmukh and Bhausahab s/o Malharrao Mogal be released on bail on furnishing P.B. and S.B. of Rs.50,000/- (Rupees Fifty Thousand only) each with one solvent surety of the like amount each in the above crime, on the conditions that ;
 - (a) The applicants should not tamper with the prosecution witnesses and should attend the trial on each and every effective date.
 - (b) The applicants should co-operate with the investigation officer in future, if required anytime for investigating the

(4)

connected crimes, if came to the light after the forensic audit report.

(S.G. MEHARE, J.)

Mujaheed//