2026:BHC-AUG:7234

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
BENCH AT AURANGABAD

BAIL APPLICATION NO. 2460 OF 2025

SAGAR BHAIYASAHEB ANGARAKHE
VERSUS
THE STATE OF MAHARASHTRA
...
Advocate for Applicant : Mr. Sharad V. Natu
APP for Respondent : Mr. A. R. Kale
...

CORAM : SACHIN S. DESHMUKH, J.

DATE : 16-02-2026

PER COURT:-

1. The applicant seeks regular bail in connection with Crime No.691 of 2025 dated 07.08.2025 registered with Shevgaon Police Station, District Ahilyanagar, for the offences punishable under Sections 406, 409 and 420 of the Indian Penal Code and Section 3 of the Maharashtra Protection of Interest of Depositors (in Financial Establishments) Act, 1999. In the said crime, the applicant was arrested on 08.08.2025. After completion of the investigation, the chargesheet is filed.

2. The prosecution case is that the applicant induced the informant and others to invest in his share market business, "David Cafe Trading", promising a 10% monthly return. Relying on these assurances, the informant invested amount Rs.16,00,000/-. Subsequently, the applicant failed to repay the funds, allegedly

misappropriating a total of Rs.48,40,200/- from multiple investors. Hence, lodged the report.

3. The learned counsel for the applicant submits that the applicant is innocent. It is submitted that "David Cafe Trading" does not exist. It is clarified that his brother operates a legitimate restaurant named "David’s Cafe," for which a Shop Act License was duly issued. The applicant contends he does not operate a "financial establishment" under Section 3 of the MPID Act; rather, the amounts were borrowed for personal purpose, in relation to which an agreement is duly executed. He further claims to have repaid the majority of the funds, either in cash or via bank transfers to the persons from whom these amounts were borrowed or their relatives.

Further, the applicant has filed affidavit indicating total repayment to complainants as appearing from the statement of account annexed with the chargesheet. The applicant also stated in order to repay the due amount to complainant, the mother of applicant had to also sale plot in the name of mother of applicant. Hence, prayed for bail.

4. The learned A.P.P. and the learned counsel for the informant oppose bail, citing the serious nature of the fraud and the evidence found in the applicant's Demat account. They argue that Rs.11,11,000/- remains misappropriated from the informant alone

and express concerns regarding witness tampering and the risk of the applicant absconding if released.

5. Upon considering the submissions of both sides and perusal of the record, including the chargesheet, indicates that the matter prima facie appears to be rooted in a contractual or business transaction. Whether the applicant's inability to return the amount constitutes a criminal "breach of trust" or a civil "failure of investment" remains a triable issue. Furthermore, there is a legitimate question regarding the applicability of the MPID Act, as the transaction appears to be an informal, private arrangement rather than a registered "financial establishment" soliciting deposits.

6. Crucially, the applicant has filed an affidavit detailing substantial repayments made to the complainants via cash and bank transfers, supported by the statement of accounts annexed to the chargesheet. The fact that the applicant’s family disposed of immovable property (a plot belonging to the applicant's mother) to facilitate these repayments further demonstrates bona fide intent to settle the dues. This proactive conduct, weakens the necessity for continued incarceration of the applicant.

7. The investigation is complete for all intent and purpose, resultantly, the chargesheet is filed. Having regard to the number of the accused and the witnesses which the prosecution proposes

to examine, it is very unlikely that the trial can be commenced and concluded within a reasonable period. As such, further detention of the applicant as an under-trial prisoner, in the circumstances of the case does not seem to be either warranted or justifiable. I am, therefore, persuaded to exercise the discretion in favour of the applicant.

8. Hence, the order:-

ORDER

(i) The bail application is allowed.

(ii) Applicant, Sagar Bhaiyasaheb Angarakhe, be released on bail, upon furnishing P.R. bond in the sum of Rs.50,000/- (Rs.Fifty Thousand) with one or two local solvent sureties, in the like amount, in connection with Crime No.691 of 2025 dated 07.08.2025 registered with Shevgaon Police Station, District Ahilyanagar, for the offences punishable under Sections 406, 409 and 420 of the Indian Penal Code and Section 3 of the Maharashtra Protection of Interest of Depositors (in Financial Establishments) Act, 1999, on the following conditions :-

(a) The applicant shall not pressurize the prosecution witnesses and tamper with the prosecution evidence, in any manner.

(b) The applicant shall attend the trial on each and every date unless exempted by the trial Court and shall not leave the area of jurisdiction of the concerned Police Station till conclusion of the trial.

(c) The applicant shall submit *Aadhar* and Pan Cards to the Investigating Officer and detailed address and phone numbers and two of the near relatives.

(d) In case of breach of any of the conditions by the applicant, it is open for the Prosecution to move this Court seeking cancellation of bail.

(iii) Needless to state that the observations rendered herein are to the extent of this application and the trial Court shall not be influenced by the same.

[SACHIN S. DESHMUKH, J.]

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