IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CIRCUIT BENCH AT KOLHAPUR
CRIMINAL APPELLATE JURISDICTION

(907) CRIMINAL ANTICIPATORY BAIL APPLICATION NO. 507 OF 2026

Rakesh Prakash Kotiya ... Applicant
Versus
The State of Maharashtra & Ors. ... Respondents

WITH
(908) CRIMINAL ANTICIPATORY BAIL APPLICATION NO. 508 OF 2026

Prasad Suryakant Mehta & Ors. ... Applicants
Versus
The State of Maharashtra & Anr. ... Respondents

WITH
(910) CRIMINAL ANTICIPATORY BAIL APPLICATION NO. 515 OF 2026

Sudhir Sadanand Talathi ... Applicant
Versus
The State of Maharashtra & Ors. ... Respondents

WITH
(911) CRIMINAL ANTICIPATORY BAIL APPLICATION NO. 516 OF 2026

Shaila Alias Shailaja Prabhakar Mehta ... Applicant
Versus
The State of Maharashtra & Ors. ... Respondents

WITH
(912) CRIMINAL ANTICIPATORY BAIL APPLICATION NO. 517 OF 2026

Madhavi Madhav Shetye ... Applicant
Versus
The State of Maharashtra & Ors. ... Respondents

WITH
(913) CRIMINAL ANTICIPATORY BAIL APPLICATION NO. 523 OF 2026

Supriya Balkrishna Talathi … Applicant
Versus
The State of Maharashtra & Ors. … Respondents

Mr. Siddharth Mehta i/by Mr. Mandar Khambete for the Applicant in ABA/507/2026.

Mr. Harshad Bhadbhade (through V.C.) with Mr. Siddharth Mehta and Mr. Shubham Gangan i/by Mr. Shreyas S. Butala for the Applicants in ABA/508/2026.

Mr. Shreyas Butala (through V.C.) with Mr. Mandar Khambete for the Applicants in ABA/515/2026, ABA/516/2026, ABA/517/2026 and ABA/523/2026.

Ms. S. N. Deshmukh, APP for the State in ABA/507/2026, ABA/515/2026 and ABA/523/2026.

Mr. S. S. Chaudhari, APP for the State in ABA/516/2026 and ABA/517/2026.

Mr. N. B. Patil, APP for the State in ABA/508/2026.

Kale A. N., EOW Ratnagiri, is present.

Ms. Shriya J. Zagde, Government Auditor Cooperative Society, Dapoli is present.

CORAM : ASHWIN D. BHOBE, J.

DATED : OCTOBER 7, 2026

P.C.:

1. Heard, Mr. Siddharth Mehta, learned Advocate for the Applicant in ABA No. 507 of 2026, Mr. Harshad Bhadbhade, learned Advocate for the Applicants in ABA No. 508 of 2026, Mr. Shreyas Butala, learned Advocate for the Applicants in ABA No.515 of 2026, ABA No. 516 of 2026, ABA No. 517 of

2026 and ABA No. 523 of 2026, Ms. S. N. Deshmukh, learned APP for the State in ABA No. 507 of 2026, ABA No. 515 of 2026 and ABA No. 523 of 2026, Mr. S. S. Chaudhari, learned APP for the State in ABA No. 516 of 2026 and ABA No. 517 of 2026 and Mr. N. B. Patil, learned APP for the State in ABA No. 508 of 2026.

2. The learned Advocates for the Applicants and the learned APPs submit that the subject matter of these six Applications pertains to Crime No. 162 of 2026 dated 16th August 2026 registered with Dapoli Police Station, Ratnagiri, for the offences punishable under Sections 406, 409, 417, 418, 465, 468, 471, 120-B and 34 of the Indian Penal Code, 1860 and Sections 146 and 147 of the Maharashtra Co-operative Societies Act, 1960. They, therefore, request that all these Applications be taken up together and disposed of by a common order. At the request of the learned Advocates for the Applicants and the learned APPs, these six Applications are taken up together and disposed of by a common order.

3. Applicants in these six Applications are members of the Managing Committee of "Shri Gopalkrishna Gramin Bigarsheti Sahakari Patsanstha Maryadit", Dapoli ("Patsanstha"). The Chairman is the Applicant in Anticipatory Bail Application No. 508 of 2026; the Vice-Chairman is the Applicant in Anticipatory Bail Application No. 508 of 2026; and the Directors

are the Applicants in Anticipatory Bail Applications Nos. 507, 515, 516, 517 and 523 of 2026. All these Applicants seek pre-arrest bail under Section 482 of BNSS 2023, apprehending arrest in Crime No. 162 of 2026.

4. In brief, the prosecution case, as revealed in the FIR, is that Respondent No. 3 (Informant), an Auditor in the Cooperative Department, Dapoli, pursuant to an order of the District Deputy Registrar, Ratnagiri, conducted a audit of the Patsanstha for the period from 2018-19 to 2022-23. During the audit, irregularities were noticed in several loan transactions, including sanctioning loans before borrowers were admitted as members, failure to verify salary certificates and other documents and submission of false or fabricated documents. The audit also noted that several borrowers obtained loans based on purported guarantee letters and salary certificates bearing forged signatures/seals of Government authorities. The audit further revealed that 30 loan accounts, with a total sanctioned amount of ₹2,69,50,000/-, were allegedly irregular. Of this amount, only ₹20,17,148/- had been recovered and about ₹4,98,16,748/- was outstanding, as per the statement. That the concerned Office-bearers, Directors, Manager and Loan Officer failed to properly scrutinise the loan documents and facilitated the sanction and disbursement of loans on the basis of those documents. That Government documents, seals and signatures were misused, thereby cheating the Patsanstha. Accordingly, on the basis of the audit findings and the

material collected during the audit, the Respondent No. 3 lodged the FIR against the Office-bearers/Directors and other concerned persons for offences punishable under Sections 406, 409, 417, 418, 465, 468, 471, 120-B and 34 of the IPC and Sections 146 and 147 of the Maharashtra Cooperative Societies Act, 1960.

5. Mr. Siddharth Mehta, Mr. Harshad Bhadbhade and Mr. Shreyas Butala, learned Advocates for the Applicants, have submitted that the Applicants, being members of the Managing Committee of the Patsanstha, as referred to in paragraph no. 4 hereinabove, the sanctioning and the disbursement of the loan by the Patsanstha, which is the subject matter of the Audit Report dated 29th September 2025, are not in dispute.

6. Mr. Siddharth Mehta, Mr. Harshad Bhadbhade and Mr. Shreyas Butala, learned Advocates for the Applicants, submit that the Managing Committee of the Patsanstha performed its duties and acted in accordance with the Patsanstha's bye-laws while passing the resolution sanctioning the loans to the borrowers. They submit that the documentation placed before the Board of Directors of the Patsanstha at the time of the resolution had passed through the various levels, i.e. the clerical and managerial staff. They submit that after due scrutiny by the clerical and managerial staff of the Patsanstha, who are responsible for scrutinizing the documents, verifying the same,

checking eligibility, etc., the matter was placed before the Managing Committee of the Patsanstha. They therefore submit that the Managing Committee of the Patsanstha acted bona fide while sanctioning the loans.

7. Mr. Siddharth Mehta, Mr. Harshad Bhadbhade and Mr. Shreyas Butala, learned Advocates for the Applicants, submit that in 2024, the Board of Directors of the Patsanstha, having noticed the illegalities and irregularities committed by the borrowers, initiated steps to recover the amounts and a Recovery Certificate under Section 101 of the Maharashtra Co-operative Societies Act, 1960, was issued on 19.09.2024. They further submit that on 14.12.2025, the Board of Directors of the Patsanstha, through its Chairman, filed a police complaint with Respondent No. 1, informing the police that a criminal case be lodged against the borrowers of the said loans and that appropriate action be initiated against them. They submit that the police did not take cognisance of the said complaint. Accordingly, the Patsanstha, through its Board of Directors, is before the Magistrate having jurisdiction under Section 156(3) of the Code of Criminal Procedure, 1973, requesting the registration of an FIR. They submit that these proceedings are still pending adjudication before the Judicial Magistrate First Class, Dapoli.

8. Mr. Siddharth Mehta, Mr. Harshad Bhadbhade and Mr. Shreyas Butala, learned Advocates for the Applicants, by referring to the Auditor's report,

submit that the person instrumental in committing the act which is the subject matter of the Auditor's report is one Dinesh Sabale, who, though initially not named in the FIR, was subsequently arrested and is presently in custody. They further submit that the entire Auditor's report contains no allegation that the Applicants are the beneficiaries of the amount.

9. Ms. S. N. Deshmukh, Mr. S. S. Chaudhari and Mr. N. B. Patil, learned APPs for the State, submit that the FIR has been lodged on the basis of the Auditor's report dated 29th September 2025. They submit that during the investigation, various borrowers stated that they were simply made to sign documents, after which their loan applications were processed, the loan amounts were sanctioned and disbursed by transferring them into their accounts. They submit that a major portion of the sanctioned and disbursed loan amounts has thereafter been transferred to the account of Dinesh Sabale. They submit that the offence is an economic offence and therefore, the Investigating Officer should be afforded a reasonable opportunity to thoroughly investigate the crime. They submit that the custodial interrogation of the Applicants is required to ascertain the modus operandi in sanctioning such loans and further to determine how such loans were sanctioned and granted to persons who were not eligible and not entitled to such loans from the Patsanstha.

10. Perused the records with the assistance of the learned Advocates.

11. Crime No. 162 of 2026 was registered based on the Auditor's report dated 29th September 2025. A perusal of the Auditor's report does not indicate any allegations of misfeasance by the Managing Committee of the Patsanstha i.e. Applicants (Accused Nos. 1 to 11) in these Applications.

12. Though the Ms. S. N. Deshmukh, Mr. S. S. Chaudhari and Mr. N. B. Patil learned APPs by referring to the Auditor's report dated 29th September 2025, submit that the Auditor in his report, has stated that for the disbursement or sanction of a loan not in terms of the bye-laws, etc. action is required to be initiated against the Managing Committee of the Patsanstha, however, as on date, as submitted by Mr. Siddharth Mehta, Mr. Harshad Bhadbhade and Mr. Shreyas Butala, there is no order passed by the competent Authority under the Maharashtra Co-operative Societies Act, 1960, disqualifying the Board of Directors of the Patsanstha. Mr. Siddharth Mehta, Mr. Harshad Bhadbhade and Mr. Shreyas Butala, state that Applicants (Accused Nos. 1 to 11) continue to be the Managing Committee of the Patsanstha.

13. Be that as it may, the allegations, as they stand in the Auditor's report dated 29th September 2025, which forms the basis for the registration of Crime No. 162 of 2026, are that there has been irregularity in the

disbursal/sanctioning of loans to persons who may not be eligible or entitled. The prosecution case in Crime No. 162 of 2026 is based on documents/documentary evidence, which the learned APPs, on instructions, submit are already seized by the Investigating Officer.

14. Considering the nature of the allegations in the FIR, the absence of any specific allegations against the Applicants, who are members of the Managing Committee of the Patsanstha, of misfeasance or of the Applicants being beneficiaries of the loan amounts, the submissions of Mr. Siddharth Mehta, Mr. Harshad Bhadbhade and Mr. Shreyas Butala that matters placed before the Board of Directors of the Patsanstha for decisions pass through a process which scrutinizes the documents and further, the Patsanstha having on 14.12.2025 filed a police complaint against the beneficiaries of the subject loan, which is presently pending before the Judicial Magistrate First Class, Dapoli, under Section 156(3) of the Code of Criminal Procedure, 1973, the custodial interrogation of the Applicants in Crime No. 162 of 2026 is not necessary, subject to the Applicants cooperating with the investigation.

15. Mr. Siddharth Mehta, Mr. Harshad Bhadbhade and Mr. Shreyas Butala, learned Advocates for the Applicants, state that the Applicants shall appear before the Investigating Officer in Crime No. 162 of 2026 as and when required by the Investigating Officer, cooperate with the investigation in

Crime No. 162 of 2026 and render all assistance to the Investigating Officer by submitting the documents/ information pertaining to the Patsanstha that the Investigating Officer may require for the purpose of the investigation of Crime No. 162 of 2026. Ms. S. N. Deshmukh, Mr. S. S. Chaudhari and Mr. N. B. Patil, learned APPs, submit that the statements made by the Advocates for the Applicants be taken on record and accepted by this Court. Mr. Siddharth Mehta, Mr. Harshad Bhadbhade and Mr. Shreyas Butala state that these statements are made on specific instructions from the Applicants and therefore, be taken on record. Statements made on behalf of the Applicants are accepted.

16. In view of the above, these Applications are allowed on the following terms:

a. In the event of the arrest of the Applicants in Crime No. 162 of 2026 registered with Dapoli Police Station, Ratnagiri, the Applicants shall be released on bail upon each Applicant furnishing a PR bond of Rs. 1,00,000/-, with two sureties in the like amount, to the satisfaction of the Investigating Officer, Dapoli Police Station, Ratnagiri.

b. The Applicants shall report to the Investigating Officer at Dapoli Police Station, Ratnagiri, on 12th, 13th, 14th, 15th and 16th October 2026, from 10.00 a.m. to 1.00 p.m. and thereafter as and when required by the

Investigating Officer. Applicants shall cooperate with the investigation in Crime No. 162 of 2026.

c. The Applicants shall not directly or indirectly make any inducement, threat or promise to any person/s acquainted with the facts of the case to dissuade such person/s from disclosing the facts to the Court or any police officer.

d. The Applicants shall not tamper with evidence in any manner.

e. The Applicants shall provide the Investigating Officer, Dapoli Police Station, Ratnagiri, with their residential addresses along with proof, their contact numbers, WhatsApp number and must inform the Investigating Officer of any changes to this information from time to time.

f. In the event of any default in complying with the conditions or misuse of the liberty granted to the Applicants, the prosecution shall be at liberty to seek the cancellation of this bail.

17. The observations made in this order are *prima facie* and are meant for the purpose of deciding the Bail Application and would not have any impact or effect on the trial

18. Criminal Anticipatory Bail Application No. 507 of 2026, Criminal

Anticipatory Bail Application No. 508 of 2026, Criminal Anticipatory Bail Application No. 515 of 2026, Criminal Anticipatory Bail Application No. 516 of 2026, Criminal Anticipatory Bail Application No. 517 of 2026 and Criminal Anticipatory Bail Application No. 523 of 2026 are disposed of.

VAIBHAV RAMESH JADHAV
Digitally signed by VAIBHAV RAMESH JADHAV
Date: 2026.10.08 10:32:31 +0530

(ASHWIN D. BHOBE, J.)