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

CRIMINAL BAIL APPLICATION NO. 3636 OF 2025

SHRIKRISHNA SAWANTA KABADE
VERSUS
THE STATE OF MAHARASHTRA
...
Advocate for Applicant : Mr. Aditya S. Raktade
Advocate for Respondent : Dr. Ms. A. A. Takalkar
...
WITH CRI-INTERIM APPLICATION NO. 95 OF 2026
IN CRIMINAL BAIL APPLICATION NO. 3636 OF 2025

PRASHANT MAHESH MOHNANI
IN THE MATTER BETWEEN
SHRIKRISHNA SAWANTA KABADE VS. THE STATE OF MAHARASHTRA
...
Advocate for Applicant/Informant : Mr. S. J. Goud
...

CORAM : SACHIN S. DESHMUKH, J.
DATE : 11-03-2026

PER COURT:-

1. The applicant has approached this Court seeking regular bail in connection with FIR dated 30.03.2024 bearing Crime No.157 of 2024 registered with Sangli City Police Station, District Sangli, for the offences punishable under Sections 420, 409, 406 read with Section 34 of the Indian Penal Code and Section 3 of the Maharashtra Protection of Interests of Depositors Act. In the said crime, the applicant is arrested on 22.12.2024.

2. The prosecution case is that between 01.07.2021 and 29.03.2024, accused Nos.1, 3, and the present Applicant incorporated “Infinity S.U. Ventures LLP” in Sangli, acting as its Partners and Directors. It is further alleged that the Accused induced the informant and other members of the public to invest substantial funds and property rights by promoting various attractive schemes with promises of high profits, interest, or dividends. To gain the investors' confidence, they purportedly issued blank cheques and promissory notes as security; however, they systematically misappropriated a total of Rs.2,53,24,980/-. The funds, received either in cash or via deposits into the personal and corporate accounts of the accused, led to the chargesheet against accused Nos. 1 to 7 for offences punishable under Sections 420, 409, 406, and 34 of the Indian Penal Code, alongside Section 3 of the MPID Act.

3. The learned counsel for the applicant submits that the applicant has already retired from the company during the alleged period of fraud. The co-accused are the real perpetrators and the applicant has no connection with the crime. It is further submitted that the applicant himself is defrauded by the co-accused and has received no benefit from the venture. Since the investigation is complete and the chargesheet is filed, further incarceration of the applicant is unwarranted.

4. The learned A.P.P. and the learned counsel for the informant have opposed the application and submitted that the offence is serious in nature and the accused have misappropriated huge amount of the informant as well as other depositors. The applicant with the co-accused have duped the informant as well as several other persons and siphoned off the huge money. The present applicant is one of the partners/directors of the said company having equal share. There is sufficient material to indicate common intention shared by these accused. Hence, the applicant is equally responsible and actively participated in commission of the crime. Hence, prayed for rejection of the application.

5. Having heard the submission from both the sides and upon perusal of the record including the chargesheet, prima facie, indicate that the applicant with co-accused have defrauded several investors including the informant for Rs.2,53,24,980/- collected on account of share market investments by promising unrealistic returns.

6. *Prima facie*, it indicates that the applicant is held responsible for the alleged offence. As such, the applicant is responsible as contemplated in Section 3 of the MPID Act. The present applicant has proactively participated in the commission of offence, while siphoning the amounts deposited by the investors.

7. The essential ingredients of the offence under Section 409 of the IPC are threefold, which reads thus;

i) There must be entrustment of property or dominion over property by the accused;

ii) The accused must be acting in the capacity of a banker, merchant, broker, attorney, or agent; and

iii) There must be dishonest misappropriation or conversion of such property for his own use, or disposal of it in violation of the law or the contract governing such entrustment.

8. The Hon'ble Apex Court, in the case of **Y.S. Jagan Mohan Reddy Vs. CBI [(2013) 7 SCC 439]**, has held that economic offences involving deep-rooted conspiracies and the massive diversion of public money stand on a different footing. Such offences seriously affect the national economy and erode the trust of the common man in financial systems.

9. *Prima facie*, the informant was approached by the applicant with co-accused and lured to invest in their venture. The record substantiates that the applicant was the designated partner of the said firm. There is nothing on record to indicate that if the applicant had opposed or made other attempts to safeguard the interest of the depositors.

10. The record also indicates that there are money trail those have occurred between the applicant and the co-accused. Thus, there is prima facie material to establish the common intention shared by the applicant. Moreover, the bail of the co-accused, Suhas Appasaheb Patil, is also rejected by this Court, in Criminal Bail Application No.3248 of 2025, vide order dated 11.02.2026. Since the applicant stands on the similar footing, is also not entitled to be admitted to bail.

11. In view of the aforesaid peculiar circumstances and considering the material on record, the evidence prima facie establishes the entrustment of money, its dishonest misappropriation, and fraudulent intention at the inception on the part of the applicant. Therefore, I am of the considered opinion that the prosecution has made out a strong prima facie case for the commission of an offence under Section 409 of the Indian Penal Code which has potential punishment for 10 years or life, along with the fine.

12. Accordingly, the bail application stands **rejected**.

13. Criminal Interim Application No.95 of 2026 is disposed of.

[SACHIN S. DESHMUKH]
JUDGE

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