IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CRIMINAL APPELLATE JURISDICTION
CRIMINAL APPEAL NO. 571 OF 2025

Shardaben Ramniklal Muni .. Appellant

Versus

State of Maharashtra & Anr .. Respondents

…

Mr. P.K. Sanghrajka with Swati Singh i/b Rajeev Sawant & Associates for the appellant.
Mr.S.R. Agarkar, APP for the State.

CORAM : BHARATI DANGRE &
SHYAM C. CHANDAK, JJ
DATED : 9th DECEMBER, 2025

P.C:-

1 The Appeal raise a challenge to the order dated 9/4/2025 passed by the Designated Court under The Maharashtra Protection of Interest of Depositors (in Financial Establishments) Act, 1999 (for short 'MPID Act') in MPID Special Case No.16/2013 below Exhibit-84.

The aforesaid order is passed on an application filed by the appellant/applicant under Section 7(3) of the MPID Act for releasing the property with the following description :-

> "Block no.103, first floor admeasuring 225 sq.ft (carpet area), in Jaihar Co-op Housing Society Limited, 22-B, Vasantrao Naik Marg, Mumbai 400036."

2 In the wake of the summary procedure being adopted under Section 27 of the Code of Criminal Procedure, for deciding the objection under Section 7(3), the competent Authority-cum-Deputy Collector adduced evidence affidavit and the applicant also filed his affidavit in lieu of examination-in-chief by relying upon his deed of transfer as well as the certified copy of the agreement of Sale.

On this evidence being brought on record, the Special Judge proceeded to determine whether the attachment of the subject property by the competent authority is legal and arrived at a conclusion in the affirmative. He also determined as to whether the transaction of the sale of the aforesaid property is malafide and once again, the conclusion is in the positive.

With reference to the notification issued by the State Government under Section 4 of the MPID Act which cover the said property, the competent authority, considered the contention that the applicant was a bonafide purchaser and also the submission that the property is not acquired by the accused on account of the money of the depositors and hence, it would not be covered within first aspect of Section 4. However, on facts, it is recorded that the property is owned by accused Ramesh Pardeshi, who was indulging himself in running bhishi schemes and collecting money from depositors.

3 According to the prosecution, the transaction of sale of the aforesaid property by the accused to the applicant is malafide and therefore, hit by Section 8.

It is that the FIR in regards to the offence registered on 19/10/2011 and the FIR record to the period of offence between 2006 to 2009.

It is the contention of the appellant that he purchased the said property through a registered sale deed in the month of May 2010, and she had no reason to suspect that the property is tented and therefore, she is a bonafide purchaser.

4 In wake of Section 8 of the MPID Act which reads to the following effect :-

> 8. **Attachment of property of malafide transferees.**— (1) Where the assets available for attachment of a Financial Establishment or other person referred to in section 4 are found to be less than the amount or value which such Financial Establishment is required to re-pay to the depositors and where the Designated Court is satisfied, by affidavit or otherwise, that there is reasonable cause for believing that the said Financial Establishment has transferred (whether before or after the commencement of this Act) any of the property otherwise than in good faith and for consideration, the Designated Court may, by notice, require any transferee of such property (whether or not he received the property directly from the said Financial Establishment) to appear on a date to be specified in the notice and show cause why so much of the transferee's property as is equivalent to the proper value of the property transferred should not be attached.
>
> (2) Where the said transferee does not appear and show cause on the specified date, or where after investigation in the manner provided in sub-section (5) of section 7, the Designated Court is satisfied that the transfer of the property to the said transferee was not in good faith and for consideration, the Designated Court shall order the attachment of so much of the said transferee's property as is in the opinion of the Designated Court equivalent to the proper value of the property transferred."

The Special Judge specifically recorded that the transaction entered into by the accused is not bonafide and the question is not that the appellant is a bonafide purchaser, but at the hands of the accused, it is a malafide transaction and relying upon the cross-examination of the applicant, who had admitted that she had not received the share certificate of execution of the agreement on 3/5/2018 and therefore, she approached the Deputy Registrar, Co-operative Societies, who directed to issue the share certificate subject to final decision of the MPID Special Case.

The learned Judge, therefore, derived an inference that the applicant was very much aware that the property is involved in the present crime, and it can be subjected to attachment under Section 4 of the MPID Act.

5 Since the rejection of the objection is based on Section 8, as the property may be bonafidely purchased at the hands of the appellant, but it is malafide transfer to avoid the liability and therefore hit by Section 8 and we do not find any reason to interfere with the impugned order which has rightly rejected the objection.

Upholding the impugned order, Appeal is dismissed.

(SHYAM C. CHANDAK,J) (BHARATI DANGRE, J.)

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