rajshree

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CRIMINAL APPELLATE JURISDICTION

CRIMINAL APPEAL(ST) NO.22128 OF 2025
ALONGWITH
INTERIM APPLICATION NO.4098 OF 2025
IN
CRIMINAL APPEAL (ST) NO.22128 OF 2025

Prabha Madhavan Agateparambil ....Appellant
V/S
State of Maharashtra & Ors. ....Respondents

ALONGWITH

CRIMINAL APPEAL (ST) NO.22139 OF 2025
ALONGWITH
INTERIM APPLICATION NO.4100 OF 2025
IN
CRIMINAL APPEAL (ST) NO.22139 OF 2025

Yashodharan Kunjukunju Manakkttu ....Appellant
V/S
State of Maharashtra & Ors. ....Respondents

Mr.Ahmed Padela i/b The Law Point for Appellant.
Mr.Tanveer Khan, APP for the State.
PI Nitin Gije, Unit VI (GC4) EOW Mumbai, present.

CORAM : BHARATI DANGRE &
SHYAM C. CHANDAK, JJ.

DATE : 1st DECEMBER, 2025.

P.C.

1 In the wake of an amount of Rs.21,91,00,000/- being payable to 1450 investors, the two Appeals before us revolve around two distinct properties mentioned in Section 4 Notification issued by the Government under Section 4 of the Maharashtra Protection of Interest of Depositors (in Financial Establishments) Act, 1999 (for short 'MPID Act').

The properties being directed to be attached as the properties of the Financial Establishment and the properties in the name of the Chairman/Director specified in the Schedule which include two properties at Village Bhandivali, Taluka - Mangaon, District-Raigad, which stood in the name of Sunil Pandurang Kumbete, accused No.3/Director in the Financial Establishment.

2 An objection came to be raised by the two Appellants before the MPID Court upon the Notification being issued by stating that they are the bonafide purchasers of the property from

Respondent No.3 and unaware of the fact that the properties are purchased from the proceeds of crime or from the money received from the depositors, when he was a Director of the Company.

What was placed into service was a registered Sale Deed, by which respective properties were purchased from Respondent No.3 in good faith and and it is in light of these facts an objection was raised before the Special Court, by placing on record the copy of the Sale Deed reflecting the consideration that was paid to the seller and also the fact that the Sale Deed was registered.

By the impugned orders dated 09/01/2025, the Applications came to be rejected and we have perused the impugned order passed by the designated Court.

3 The order record that the EOW had registered an offence by invoking Section 409, 420, 120-B of the Indian Penal Code against the Financial Establishments viz. Shraddha Finholding Services Ltd. (accused No.5) and Ratnagiri Nagrik Vikas Sahakari Credit Society Ltd. (Accused No.4) as well as Maharashtra Co-operative Credit Society (Accused No.6) and Shraddha Enterprises (Accused No.7), by alleging that they had represented to various depositors about the scheme of investment

and assured to give lucrative benefits by way interest. It is by this mechanism it is alleged that Accused Nos.1 to 3, the Directors collected the total investment of Rs.27,75,00,000/- from the year 2010 and though money of some of investors was returned at the time of filing of charge sheet an invested amount of Rs.21,91,00,000/- is payable to 1450 investors.

Accused No.3 is the owner of the said property from whom the Appellants purchased the same by registered Sale Deed, was shown as Chairman of the Accused/Co-operative Society from November, 2011 to August 2012 when he issued various fix deposit receipts to the depositors, who had received the invested money with a promise of hefty returns.

4 The learned counsel for the Appellant would argue before us that the transaction is a bonafide transaction through a registered Sale Deed, but in the wake of the arguments advanced before us that Accused No.3 acquired the property by using the crime proceeds, a conclusion was drawn by the learned Judge that the property was purchased by Accused No.3 in December 2012, by using money of Rs.11 Lakh received by three bank entries in his bank account of Rajyog Infraproject Pvt. Ltd. from

the bank account of Accused No.5.

Reliance was placed upon the bank statement of Rajyog Infraproject Pvt. Ltd. which reflect that amount of RS.11 Lakh was transmitted to Accused No.3 in three installments and he transferred this amount through various bank entries between 10/08/2012 to 15/09/2012 and thereafter three credit entries also reflect. This led to an inference that amount of Rs.11 Lakh was paid by payment through other persons prior to September 2012, and Accused No.3 purchased the property on 19/12/2012 by issuing cheques to the vendors Santosh Bhagwan Sawant and Pravin Shridhar Sawant and these cheques were cleared leaving the balance of Rs.3,449 to the credit of Rajyog Infraproject Pvt. Ltd.

5 On the basis of the material placed before the Special Judge he concluded that the consideration of 1,13,500/- for purchase of agricultural land, Gut No.165 and consideration of Rs.81,000/- for purchase of Gut No.163 and 169 is not paid by using money of depositors and rejected the contention of the prosecution that the property is purchased from the proceeds of the money collected from the investors. However, the Special Judge

observed that the said properties are the personal properties of Accused No.3 and as per Section 4, if the properties acquired by the Financial Establishments are not sufficient to satisfy the claim of the depositors, the properties acquired in the name of other person by a Financial Establishment shall be liable to be attached. However, in the instant case, finding that accused No.3 sold the property to the Appellants on 10/09/2025 though the FIR came to be registered on 09/01/2016, it is evidently clear that in order to defeat any claim to be staked, Respondent No.3 entered into a malafide transaction and, therefore, it is hit by Section 8 of the MPID Act, which provide that the properties of Financial Establishment or the person referred to in Section 4 is found to be less than the amount of value required to be paid and the Court is satisfied that the Financial Establishment had transferred any property otherwise than in good faith and through for consideration, such transaction is malafide.

It is in the wake of this, the learned Judge observed thus :

"15. In the instant case, total amount of Rs.21.91 Crores is payable to 1418 investors. From the say of EOW and Competent Authority, other properties of F.E. attached by the competent authority are not sufficient to satisfy the aforesaid claim of the huge amount of 1418 investors. Hence, other properties of the F.E. or the persons responsible for management of the F.E., which are transferred by F.E. or the person responsible for business or management of F.E. which were transferred after commencement of this Act, can be attached u/s.8 of MPID Act. The period of crime is 2010 to 2014. The aforesaid property was

> *personal property of accused no.3 and he sold the said property for consideration only to defraud the creditors and to avoid attachment. Hence, in my view, this is malafide transfer u/s. 8 of MPID Act. Therefore, it is necessary to keep the attachment of the said property as-it-is for auction and to disburse the sale proceeds to the depositors. In this view of the matter, I hold that, the application/objection filed by the applicant/objector u/s.7(3) of MPID Act is devoid of merits and liable to be rejected."*

6. On going through the reasoning adopted in the impugned orders, we do not find any legal infirmity as the learned MPID Court was fair enough in accepting that the property is not purchased from the money received from the depositors, but definitely the property came to be sold, so as to avoid the attachment of the said property and, therefore, it is a malafide transfer and Appellants are the malafide transferee.

It may be true that in the hands of the Appellant, the property is claimed to be a bonafide transaction, but in the light of the Scheme of the MPID Act, 1999, and in the light of the sequence of dates and events placed before us, it is rightly observed to be the malafide transfer of the property .

In the wake of the aforesaid, by upholding the impugned orders , the Appeals are dismissed.

Interim Applications also stand disposed off.

[SHYAM C. CHANDAK, J] **[BHARATI DANGRE, J]**