

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CRIMINAL APPELLATE JURISDICTION
CRIMINAL APPEAL NO.1157 OF 2024**

Golden Peace Hospitality Pvt. Ltd.	]	
A company incorporated under the	]	
Companies Act, 2013 having its registered	]	
office at Hotel Neo Majestic,	]	
Plot No.104/1A, Opposite Azad Bhavan,	]	
Porvorim, Bardez, Goa — 403521,	]	
Represented herein by its AUTHORISED	]	
REPRESENTATIVE MR. SHRINIVAS P	]	
NAYAK	]	... Appellant

V/s.

- | | | | |
|----|--|---|------------------|
| 1. | The State of Maharashtra |] | |
| | (Through EOW, Mumbai) |] | |
| 2. | The Competent Authority |] | |
| | office of the Deputy Collector |] | |
| | (Encroachment Removal) |] | |
| | Having his office at Bhandup, |] | |
| | Mumbai- 400 0078 |] | |
| 3. | Maberest Hotels Pvt. Ltd. |] | |
| | having its office at Hotel Fidalgo |] | |
| | 18 th June Road, Goa- 403001 |] | |
| | also having its corporate office at 702, |] | |
| | Advent Atria, Chincholi Bandar Road |] | |
| | Opposite Keston Heights, opposite |] | |
| | Vivantato Hospital, Malad W- 400064 |] | |
| 4. | Shree Ramanjaneya Leasing and Finance |] | |
| | Pvt Ltd. Having its office at 11, |] | |
| | Gowind Bhawan, Chincholi Naka, |] | |
| | Malad (W) S.V. Road, Mumbai- 400064 |] | ... Respondents. |

**WITH
INTERIM APPLICATION NO. 4483 OF 2024
WITH**

**INTERIM APPLICATION NO. 5207 OF 2024
WITH
INTERIM APPLICATION NO. 4463 OF 2025
WITH
INTERIM APPLICATION NO. 4829 OF 2024**

Mr. Parag Rao a/w. Mr. Jay Suryavanshi, Ms. Nikita Gawai i/by Mr. Rahul Arote for the Appellant.

Mr. J. P. Yagnik, APP, for the Respondent-State.

Mr. Manan Sanghai a/w. Ms. Paavani Chacha, Mr. Paarth Singh for the Respondent Nos.3 and 4.

Mr. Vishal N. Nevshe a/w. Mr. Ravi Kotian i/by Ms. Mallika R. Pujari for the Applicant in IA/5207/2024.

Mr. Nikhil Daga a/w. Mr. Aditya Sharma, Ms. Priya Maurya for the Applicant in IA/4463/2025.

Mr. Mutahar Khan a/w. Mr. Sachin Mhatre, Ms. Ishita Kamath, Ms. Rishika Mehra i/by Mhatre Law Associates for the Intervenor in IA/4829/2024.

**CORAM : A. S. GADKARI AND
KAMAL KHATA, JJ.**

RESERVED ON : 25th March, 2026.

PRONOUNCED ON : 2nd April, 2026.

Judgment (Per : Kamal Khata, J) :-

1) By this Appeal, the Appellant seeks to challenge the impugned Order dated 26th September 2024, whereby the MPID Court rejected the contention of the Appellant that it had any legal right to claim title or possession over the property known as Hotel Fidalgo.

2) The Appellant asserts that, it has a monetary lien over the said property on account of payment of a sum of Rs.49,49,10,916/-, allegedly towards discharge of the Bank loan, thereby freeing the property from mortgage. It is further claimed that the Appellant is in possession of the property on the basis of two Memorandum of Understandings dated 19th

September 2019 and 23rd November 2020. The MPID Court, however, rejected these contentions, holding that no title had passed to the Appellant on the basis of the said MOUs.

3) We have heard Mr. Rao, learned counsel appearing on behalf of the Appellant and have carefully perused the record.

4) The short question which arises for consideration is whether the Appellant can claim any right, title, or interest in respect of Hotel Fidalgo merely on the basis of alleged possession and two unregistered MOUs. The answer is in our view, is an unequivocal no.

5) In our view, the Appellant has no locus to maintain the present Appeal. Mere possession of the property, or even the alleged payment of substantial amounts towards discharge of the mortgage, would not, by itself, confer any right, title, or interest in the property. At best, such a claim would give rise to a contractual or monetary claim against the owner, i.e. Respondent No.3. It is only upon crystallization of such rights, for instance through a decree of specific performance, that the Appellant could assert any enforceable interest in the property. In the absence thereof, the Appellant cannot maintain the present Appeal. In view of this core issue, we have declined to entertain the other grounds urged in the Appeal by Mr. Rao.

6) Even otherwise, a closer scrutiny of the two MOUs dated 19th September 2019 and 23rd November 2020, as brought to our attention by

the learned APP Mr. Yagnik, militates against the case of the Appellant. The MOU dated 19th September 2019 executed between Mr. Jayant Shetty in his capacity as the Managing Director of Maberest Hotels Private Limited and Mr. K. C. Veerendra in his personal capacity, stipulated that the entire consideration of Rs.70 Crores was to be paid and the sale completed within six months, i.e. on or before 18th March 2020.

7) Significantly, an FIR came to be registered on 6th January 2020 against the company and its directors, including Mr. Jayant Shetty, under Sections 3 and 4 of the MPID Act and Sections 120B, 406, 409 and 420 of the IPC.

8) The Supplemental MOU dated 23rd November 2020, executed thereafter, between the same parties, clearly indicates that the purchaser was fully aware of the said FIR and the ongoing proceedings before the Economic Offences Wing. Clause 1(b) thereof stipulates that payment of Rs.5 Crores was conditional upon obtaining permission from the competent authority and the concerned Court. Clause 5(b) further required completion of the transaction within six months, i.e. by 22nd May 2021.

9) A cumulative reading of the aforesaid documents reveals that, apart from a token amount of Rs.1,11,000/- paid on 19th September 2019, no substantive payment was made by the Appellant towards the agreed consideration of Rs.70 Crores.

10) Furthermore, the Deed of Cancellation dated 22nd September

2021, executed between Mr. Jayant Shetty in his capacity as the Managing Director of Maberest Hotels Private Limited and Mr. Veerendra Channabasappa Kondlahalli son of late K. C. Veerendra in his personal capacity, records that both MOUs stood terminated and that the token amount was refunded. This conclusively demolishes the claim of the Appellant.

11) It is also brought on record, through the bail application of Mr. Jayant Shetty dated 29th June 2024, as brought to our attention by Mr. Khan for the intervenor, that the MOU dated 19th September 2019 was allegedly backdated. Reference is also made to an email dated 9th June 2020 attaching a Letter of Interest (LOI) addressed by K.C.Veerendra to Shobit Shetty of Hotel Fidalgo. We find substance in the arguments of Mr. Khan.

12) These circumstances prima facie indicate that, the Appellant has wrongfully and by sheer deceit taken possession of the hotel and appropriated the income therefrom without paying any consideration to the lawful owners. In our view, the alleged transaction is nothing but a sham and it is detrimental to the interest of the victims of Crime.

13) Be that as it may, even independently of these allegations, the Appellant has failed to establish any legal right to maintain the present Appeal.

14) The present case involves 1841 investors who, according to the

chargesheet filed by the EOW, were defrauded by M/s Ramanjaneya Leasing and Finance Pvt. Ltd., acting through its directors, of an aggregate amount of ₹ 203,41,56,034/-.

15) We may also note that, in the larger interest of investors/ victims and also in the interest of justice, an opportunity was extended to the Appellant to purchase the property at the prevailing market value, stated to be in excess of Rs.300 Crores. The Appellant straightly/outrightly declined the said offer. This conduct further reinforces the conclusion that, the present proceedings are an attempt to obstruct the statutory process of attachment and sale of the property.

16) In the circumstances, we find that, the Appeal is wholly devoid of merits. The Appeal is accordingly dismissed with costs quantified at Rs.5,00,000/-. The said costs shall be deposited in the Registry of this Court for the benefit of the investors/ victims.

17) The Registry shall place the money in a fixed deposit until the final outcome of the matter.

18) In view of the disposal of the Appeal, nothing survives in the Interim Applications and the same are also disposed off.

(KAMAL KHATA, J.)

(A.S. GADKARI, J.).