

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

CRIMINAL APPELLATE JURISDICTION

CRIMINAL APPEAL NO.1350 OF 2024

Ramesh Satpal Nagpal	]	
Age : 61 Years, Occ. : Business	]	
Proprietor of Shree Radhhey Trading Co.	]	
Having office at 4/624, Jaffar Nawaz	]	
Pulsejet Mandi, Saharanpur,	]	
Uttar Pradesh : 247 001	]	...Appellant

V/s.

- | | | | |
|----|--|---|-----------------|
| 1. | State of Maharashtra |] | |
| | (Vide EOW, Unit-V, Mumbai) |] | |
| 2. | Competent Authority |] | |
| | (Appointed under MPID Act, 1999) |] | |
| 3. | Directorate of Enforcement |] | |
| | having office 4 th Floor, Kaiser-I-Hind |] | |
| | Building, Opp. Grand Hotel, Currimbhoy |] | |
| | Road, Ballard Pier, Zone-1, Mumbai – 01 |] | |
| 4. | National Spot Exchange Ltd. |] | |
| | Having office at Malkani Chambers |] | |
| | 1 st Floor, Off Nehru Road, Near Hotel |] | |
| | Orchid, Vile Parle (East), Mumbai – 99 |] | ... Respondents |

Mr. Pradeep Yadav, Advocate for the Appellant.

Ms. Leena Patil, SPP for Respondent Nos.1 and 2-State.

Mr. Prashant Mishra a/w Mr. Bharat Jadhav, Ms. Chahat Modi,

Ms. Purva Birla, Ms. Ishita Bhaiya, Ms. Krish Kariya, Advocate for Respondent No.3-ED.

Mr. Arvind Lakhawat a/w Mr. Vinit Vaidya i/by MZM Legal for Respondent No.4.

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

RESERVED ON : 16th April, 2026.

PRONOUNCED ON : 29th April, 2026.

JUDGMENT (PER : KAMAL KHATA, J.) :

- 1) By this Appeal, the Appellant seeks to set aside the impugned Order dated 16th October, 2024 passed by the learned Special Judge, MPID in Misc. Application No.1444 of 2023 in Spl. Case No.1 of 2014.
- 2) Mr. Yadav, learned Advocate for Appellant, submits that, the Appellant is the proprietor of the Shree Radhey Trading Company, engaged in the business of trading and manufacturing of spices for over 30 years. The Appellant company became member of NSEL in September, 2011 and continued until 31st July, 2013, when its membership was cancelled / suspended. The Appellant is arraigned as an accused No.59 in Special MPID Case No.1 of 2014 arising from C.R. No.89 of 2013.
- 3) A crime was registered on 30th September, 2013 at M.R.A. Marg Police Station, Mumbai, at the instance of one Pankaj R. Saraf, for offences punishable under Sections 120(B), 409, 465, 467, 468, 471, 474, 477(A) of Indian Penal Code against the Directors and key management persons of NSEL, FTIL and 25 Borrowers/Trading Members of NSEL, along with certain brokers of NSEL and others. The said investigation was subsequently transferred to the E.O.W, Unit-5, Mumbai vide C.R. No.89 of 2013 whereupon Sections 3 and 4 of MPID came to be applied by the E.O.W.

3.1) Learned Advocate for the Appellant submitted that, several accused were arrested and thereafter, released on bail by the Special MPID Court as well as by this Court on regular Bail as well as on Anticipatory Bail. During the course of investigation, various properties were attached by the investigation agencies under the provisions of the MPID Act and PML Act.

3.2) He submitted that, during the hearing of the bail Application, the Appellant had made an oral proposal to deposit an amount of Rs.25 lakhs quarterly, upon which the Respondent No.2 was to hand over the goods, without admitting any liability. Pursuant thereto, the Appellant deposited an amount of Rs.29 lakhs with the Respondent No.2 on 13th April, 2016. It is submitted that, they are not aware about what is the present status of the said fixed deposit.

3.3) He submitted that, the Appellant was arrested on 26th February, 2016 and released on bail by the Special MPID Court on 30th March, 2016 subject to certain conditions.

3.4) Despite having deposited Rs.29 lakhs and having addressed various mails to Respondent No.2, calling upon them to handover the goods, the same was entirely ignored. Learned Advocate submitted that, in this backdrop, the Appellant filed objections in respect of the property notified at serial No.1 in Exhibit 74 being made absolute under the MPID Act. The said objections are pending before the Trial Court.

3.5) He further submitted that, pursuant to the attachment of property being made absolute by the Special MPID Court Order, as well as, by an Order of the Supreme Court Committee, the said property put up for auction thrice by publishing advertisements in newspapers. The Bid Price and Reserve Price was shown as 48 lakhs. However, despite having put up for auction thrice, not a single buyer had come forward to bid for the said property.

3.6) Learned Advocate for the Appellant submits that, the Appellant is willing to deposit the differential amount before this Hon'ble Court for release of the property. However, the said application for release was rejected by the impugned Order. In these circumstances, the Appellant has preferred the present Appeal.

4) Mr. Arvind Lakhawat, learned Advocate for Respondent No.4 opposed the Appeal. He drew our attention to paragraph No.12 of the impugned Order and submitted that the valuation given by HDFC Quicker Realty was incorrect, as it was based on the property being an agricultural land. However, from the valuation carried out by Notiyal and Associates, is vastly different as the said property is stated to be a commercial land.

4.1) He submitted that, while the valuation by HDFC Quicker Realty was Rs.48 lakhs, the valuation by Notiyal and Associates was Rs.12,55,56,352/-. He accordingly submitted that, the Appeal deserves to be rejected.

- 5) We have heard Mr. Yadav, Advocate for the Appellant, Ms. Patil, SPP for Respondent Nos.1 and 2-State, Mr. Mishra for Respondent No.3 and Mr. Lakhawat for Respondent No.4. Perused record.
- 6) We find merit in the arguments of Mr. Lakhawat. On the other hand, we do not find any merit in the contention of the Appellant that, the Trial Court's Order is without any reasons. It is undisputed that the Appellant was arrested in connection with MPID Special Case No. 1 of 2014. The subject property was one amongst nine other properties of which auction was permitted. It is also not in dispute that the MPID Act has no provision regarding release of property in favour of the owner, after an order is passed permitting auction. We find no reason to permit the Appellant to bid for the said property merely because the said property remained unsold though put up for auction for three times. We find no reason to disbelieve the valuation given by Notiyal and Associates and consideration of the same by the Trial Court. Accordingly, the Trial Court was right in rejecting the Application upon the Appellant securing an amount of Rs 48 lakhs when the value was Rs.12,55,56,352/- as per the other valuation report.
- 7) Accordingly, we find no merits in the Appeal.
- 8) In view of the aforesaid, the Appeal is dismissed.

(KAMAL KHATA, J.)

(A.S. GADKARI, J.).