

BEFORE DESIGNATED COURT UNDER M.P.I.D. ACT AT
BOMBAY CITY CIVIL & SESSIONS COURT, AT MUMBAI.

MISCELLANEOUS APPLICATION NO.50 OF 2016
IN
M.P.I.D. SPECIAL CASE NO.1 OF 2014

[Signature]
Asst. Commissioner
City Civil and Sessions Court
M. Bombay

National Spot Exchange Ltd.,
The Company registered under the
Companies Act, 1956 and Having
office at 4th Floor, FT Tower,
CTS No.256 & 257, Suren Road,
Chakala, Andheri (E),
Mumbai 400 093.
(Through Santosh Dhuri, Authorized
Representative of NSEL).

...Applicant.

V/s.

V-2848
Certified copy supplied on
Payment of usual charges
vide Receipt No. 0263360
Dated 26/2/16

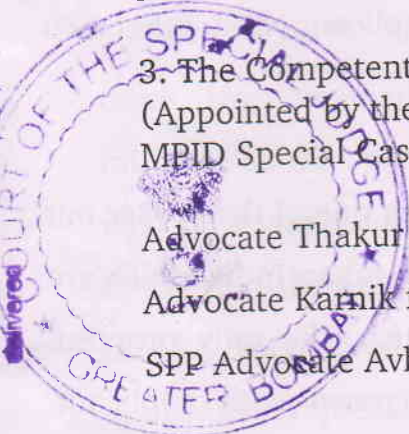
1. The State of Maharashtra
(GB CB CID, EOW, Unit-V, Mumbai
C.R. No.89 of 2013).

2. Senior Inspector of Police,
(Through Arvind Wadhankar
Having Office at EOW, Crime Branch,
CID, 1st Floor, STF Building, Azad
Maidan Police Station Compound,
Mumbai 400 001.

3. The Competent Authority,
(Appointed by the Government in
MPID Special Case No.1 of 2014)

...Respondents.

Copy applied on 26/2/16
Probable date
Copy ready on 01/3/16
Copy despatched on 01/3/16



Advocate Thakur for the Applicant NSEL.

Advocate Karnik for the Informant / Investors.

SPP Advocate Avhad for the Respondent/State absent.

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CORAM : SPECIAL JUDGE, MPID ACT.

D. P. SURANA (C. R. No.36)

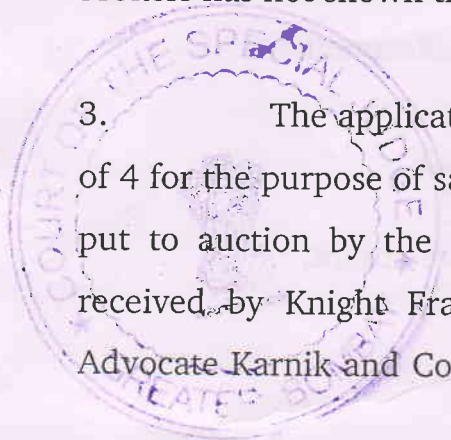
DATED : 25th February, 2016.

ORDER:

1. Heard Advocate Thakur for applicant NSEL. Also heard Advocate Karnik for informant / investors. SPP Advocate Avhad for State called absent. IO Sr. PI Wadhankar seeks time to file reply. Whereas, I do not find that for passing order the say / reply of investigating agency is necessary. Heard Competent Authority in person – Mr. Sakhare, Deputy Collector Land Acquisition, Mumbai City.

2. Perused application, the documents filed by applicant alongwith application and the proposal in writing received from one of the proposed off line broker – Knight Frank India Pvt. Ltd. In pursuance to the persuasion made by applicant NSEL, authorized representative of another off line – Jones Lang Lasalle Property Consultants India Pvt. Ltd. (JLL) was also present. Whereas, his proposal of brokerage of 2% with fees of Rs.25 lakhs was not viable hence, cannot be taken into consideration. The proposal given by authorized representative of another off line broker Knight Frank India Pvt. Ltd. is on record. As per applicant NSEL other two brokers has not shown their interest.

3. The application is filed by NSEL to select one of the broker out of 4 for the purpose of sale of the two properties of Mohan India which are put to auction by the competent authority. As such, the only proposal received by Knight Frank India Pvt. Ltd. is discussed with applicant, Advocate Karnik and Competent Authority. IO Sr. PI- Wadhankar, without



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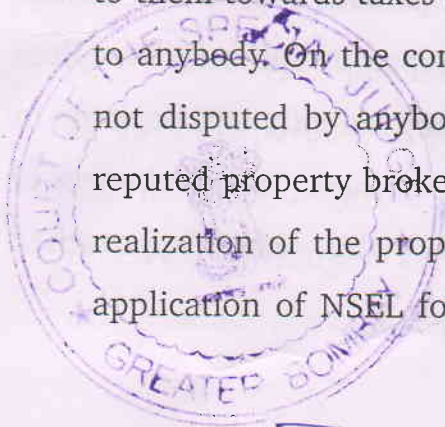
intimation to his seniors was not in position to make statement. On confrontation and consultation with the authorized representative of Knight Frank India Pvt. Ltd. Mahesh Patil, Associate Director of Knight Frank India Pvt. Ltd., he shown his readiness to relax with some of the condition subject to the orders of this designated court. As such, there is flexibility in the proposal given by Knight Frank India Pvt. Ltd. The authorized representative of Knight Frank India Pvt. Ltd. is ready to participate in the auction. Other private parties are also authorized to participate independently in the auction process, as it is published in widely circulated newspaper and also on the web site of Collector Mumbai City. As such, being an individual entity Knight Frank India Pvt. Ltd. - bid independently. Whereas, as a broker and dealing in the same business they want to bring their clients through them for the purpose of purchased of the property. Being dealing in the business of property brokerage, they wants commission of 1% to be paid to them plus the taxes which are payable at the time of their brokerage. The authorized representative of Knight Frank India Pvt. Ltd. made it clear that each client will deposit the earnest money deposit with the competent authority in the case they want to bid. He further made it clear that they will intimate the competent authority that the said client is brought by them or his represent through them. He also made it clear that before the bidding process they will intimate to the competent authority about the persons / proposed bidder who have approached through them to the competent authority. Needless to say that the other bidders who will come independently will be come in the knowledge of competent authority hence, there is no chance of applicant representing the same bidder who has approached independently.



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4. As regards the payment of brokerage is concerned, Advocate Karnik submitted that except with the condition of payment of interest clause and payment of fees within time frame. The proposal given by Knight Frank India Pvt. Ltd. can be considered. He submitted that possibility of fetching more value in the bid by allowing Knight Frank India Pvt. Ltd. as a broker cannot be ruled out. As per the auction condition broker or his client should be allowed to participate in the auction process.

5. After the lengthy discussion, I am also of the view that allowing private broker Knight Frank India Pvt. Ltd. to bring their clients or proposed buyer and to allow them to participate in the auction process will not cause any hurdle in the auction process. On the contrary, I am of the view that it will facilitate in realizing maximum amount of the properties subject to liquidation. During the discussion Mr. Mahesh Patil, authorized representative of Knight Frank India Pvt. Ltd. agreed to give the exact amount of the taxes before accepting of the bid, in the case their clients bid is highest. As such, on the day of confirmation of bid of the highest bidder, the amount which is payable to Knight Frank India Pvt. Ltd., of the highest bid, if any, of their clients, will be before the competent authority. In the case their clients bid is over and above the highest bid by any other person including their brokerage or whatever amount is payable to them towards taxes then I do not find that any prejudice will be caused to anybody. On the contrary, it will be in the interest of everybody. It was not disputed by anybody that Knight Frank India Pvt. Ltd. is one of the reputed property broker in India. Hence, with an intent to fetch maximum realization of the properties subject to liquidation, I am of the view that application of NSEL for allowing and selecting one broker to allow their

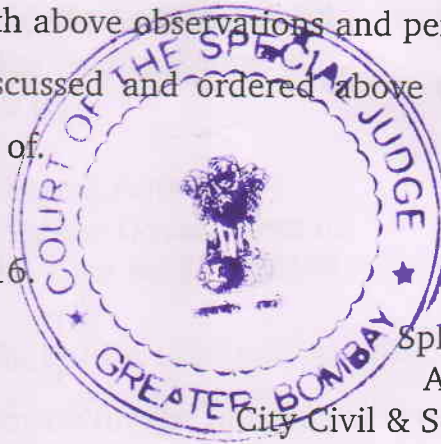


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clients through them to participate in the auction process conducted by competent authority can be allowed. It is made clear that before or at the time of finalizing highest bid, the Knight Frank India Pvt. Ltd. should give amount of their bill i.e. amount which is payable to them including their brokerage plus taxes, so that before accepting the final and highest bid it can be seen as to who is really the highest bidder. It is also made clear that only after handing over of the possession of the properties to the highest bidder and after the execution of sale certificates by the competent authority, in the case the client of Knight Frank India Pvt. Ltd. is found to be highest bidder, their payment of brokerage plus taxes, as per bill raised and approved, will be made within 30 days. It is made clear that competent authority, shall release the payment within time frame after execution of the sale in the case of client of Knight Frank India Pvt. Ltd. succeeds at the highest bidder, but only after execution of the sale certificate and handing over possession of the properties to the highest bidder.

6. With above observations and permission to Knight Frank India Pvt. Ltd. as discussed and ordered above the miscellaneous application stands disposed of.

Date 25/02/2016.



(D.P. Surana)

Spl. Judge, MPID Act &
Addl. Sessions Judge,
City Civil & Sessions Court, Gr. Mumbai.

Order Dictated on : 25/02/2016
Transcribed on : 26/02/2016
Signed on : 29.02.2016

Certified True Copy

Dated this 01st day of March 2016.

Sachindranth
21-03-16