

UPON hearing counsel the Court made the following

ORDER

Heard all parties.

All Petitioners in Transferred Petitions to make copies of their Petition and all relevant papers. Enough sets must be prepared for use by the Court and for handing over to SEBI, RBI and other parties to those Petitions. This is to be done within a month from today.

In furtherance of our earlier Order, we direct that the Company, its Directors, Officers, Employees, Agents and/or Power of Attorney holders are restrained from alienating, encumbering, creating and third party right or transferring in any manner whatsoever any of the assets of the Company and/or their personal assets. They are also restrained from making any withdrawal from any of the accounts wherever the accounts may be.

This Court proposes to appoint a Committee for the purposes of taking charge of all the assets of the Company and for scrutinizing the various claims by the various claimants against the Company. Till such Committee is appointed, the Provisional Liquidator appointed by the Punjab & Haryana High Court and the Receiver appointed by the Bombay High Court shall continue to operate save and except that they shall also not transfer or dispose of any asset of the Company. However, they may proceed to take charge of the assets and take follow up action including legal action which they deem necessary. The District Magistrate and Police to give all assistance to these two

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persons for the purposes of the recovery of the assets of the Company, wherever those assets may be.

In our view, none of the depositors and investors are necessary or proper parties in these Petitions. All Applications for intervention/impleadment filed by the depositors/investors stand dismissed. The depositors/investors must submit their claims before the Committee which will be appointed by the Court who will consider their claims. This Court will then decide how the assets of the Company should be distributed.

By Order dated 12<sup>th</sup> September, 2003 we directed that no other Court except this Court shall entertain any winding up proceedings relating to the Respondent-Company. We now direct that no other Court or Forum or Tribunal will entertain any claim or application by depositors/investors for return of monies or payment of interest as these aspects will be dealt with by this Court after realization of all the assets. If any such claim is filed by any party before any Court or Tribunal the same shall stand stayed. We clarify that criminal cases are not covered by this Order and can proceed.

I.A.Nos. 1, 5, 9, 6, 30, 7, 14, 15, 32 in T.C.(C) No.2/2004

Learned counsel appearing for the Applicants are not pressing these I.As. These I.As. are dismissed as not pressed.

I.A. No. 25 in T.C. (C) No.2/2004

Learned counsel for the Applicants seeks leave of the Court to withdraw this I.A. I.A. is accordingly dismissed as withdrawn.

I.A. No.11 in T.C. (C) No.2/2004

Learned counsel for the Applicants states that this I.A. has become infructuous. It is dismissed as such.

I.A. No.28 in T.C. (C) No.2/2004

Time to deposit the amount is extended by four weeks from today. It is clarified that if the entire amount is not deposited within four weeks from today the earlier order will stand vacated.

List these matters on 19<sup>th</sup> August, 2004.

Anita

(Jasbir Singh)

Court Master

//TRUE TYPED COPY//

ITEM No.2

Court No. 3

SECTION XVIA

SUPREME COURT OF INDIA

RECORD OF PROCEEDINGS

T.C. (Civil) No. 2/2004

THE SECURITIES & EXCHANGE BD. OF INDIA

Petitioner (s)

VERSUS

THE GOLDEN FORESTS (I) LTD.

Respondent (s)

( With Office Report )

With

T.C. (Civil) No. 68 of 2003

( With appln. for directions )

W.P. (C) 188 of 2004

Date : 19/08/2004

These Petitions were called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE S.N. VARIAVA

HON'BLE MR. JUSTICE G.P. MATHUR

For Petitioner(s)

Mr. Bhargava V.Desai, Adv.

Mr. Sanjeev Kumar Singh, Adv.

Mr. Pradeep Kumar Malik, Adv

Ms. Naresh Bakshi, Adv

Mr. Ranjan Mukherjee, Adv.

For Respondent(s)

Ms. Naresh Bakshi, Adv

Mr. K.C. Dua, Adv.

Mr. Parthapratim Chaudhuri, Adv

Mr. K.S. Rana, Adv.

Ms. Kiran Suri, Adv

Mr. Himanshu Bhuttan, Adv.

Ms. Amrita Swarup, Adv.

Mr. Vikas Jain, Adv.

Mr. Neeraj Sharma, Adv.

Mr. Raja Bahadur Singh, Adv.

Mr. Gaurav Dhingra, Adv.

Mr. M.C. Dhingra, Adv

Mr. Ranjan Mukherjee, Adv.

Mr. Aditya Kumar Chaudhary, Adv.

Mr. Neeraj Kumar Jain, Adv.

Mr. Bharat Singh, Adv.

Mr. Sanjay Singh, Adv.

Mr. Ugra Shankar Prasad, Adv

Mr. N.R. Choudhury, Adv.

Mr. Somnath Mukherjee, Adv

Ms. Minakshi Vij, Adv

Mr. Rabi N. Raut, Adv.

Ms. V.D.Khanna, Adv

Ms. Nirmala Gupta, Adv for

M/S I.M. Nanavati Associates

Mr. Kh. Nobin Singh, Adv

Mr. Gireesh Kumar, Adv

Ms. Suruchii Aggarwal, Adv

Mr. Ashim Aggarwal, Adv

Mr. Subramonium Prasad, Adv

Mr. Abhijit Sengupta, Adv

Mr. Pijush K. Roy, Adv

Mr. G. Ramakrishna Prasad, Adv

Mr. Alok Gupta, Adv

Mr. Tara Chandra Sharma, Adv

Ms. Neelam Sharma, Adv

Mr. S. Wasim A. Qadri, Adv

Mr. Mohd. Saud, Adv

Mr. L.R. Singh, Adv

UPON hearing counsel the Court made the following

#### ORDER

The Court appointed a Committee consisting of Justice K.T.Thomas, Retired Judge of the Supreme Court of India; an officer nominated by the Reserve Bank of India (RBI) and an officer nominated by the Securities & Exchange Board of India (SEBI) and passed certain directions in terms of the signed order.

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Office to forward a copy of this Order to the Chairman of the  
Committee.

All the Transfer Petitions to be listed after one month

Anita

(Radha R. Bhatia)  
Court Master  
(Signed Order is placed on the file.)

TRUE COPY

IN THE SUPREME COURT OF INDIA  
CIVIL ORIGINAL JURISDICTION

TRANSFERRED CASE (CIVIL) NO. 2 OF 2004

THE SECURITIES & EXCHANGE BOARD OF INDIA Petitioner (s)

Versus

THE GOLDEN FORESTS (I) LTD.

Respondent(s)

WITH

TRANSFERRED CASE (CIVIL) NO. 68 OF 2003

AND

WRIT PETITION (CIVIL) NO. 188 OF 2004

ORDER

We hereby appoint a Committee consisting of Justice K T Thomas, Retired Judge of the Supreme Court of India; an officer nominated by the Reserve Bank of India (RBI) and an officer nominated by the Securities & Exchange Board of India (SEBI). The Committee will be headed by Justice K.T.Thomas. The officers of RBI and SEBI must be deputed full time for the purpose of functioning of this Committee. The salary and other perks which they are entitled must be continued to be paid to them by RBI and SEBI. SEBI to provide to the Committee secretarial staff and an office at Mumbai.

The Chairman of the Committee is at liberty to appoint a Chartered Accountant of repute to assist the Committee in its functioning.

The Committee shall take into its custody all assets of the Company, wherever they may be. For the purpose of enabling the Committee to take charge of the assets all authorities including the Police, District Magistrates etc. are directed to give all necessary assistance.

The Committee to issue advertisements in such newspapers as they consider fit calling upon all creditors of the Company to submit their claim/s before the Committee at the address to be specified in the advertisement. In selecting the newspapers, we are sure that the Committee will keep in mind the fact that creditors are from all over India and many are from remote areas.

After realisation of the assets and scrutinisation of the claims, the Committee to put up a Report before this Court. As far as possible such Report to be put up within six months from today.

The Provisional Liquidator appointed by the Punjab & Haryana High Court and the Receiver appointed by the Bombay High Court or any other person appointed by any other Court shall stand discharged at the end of this month. They are requested to hand over to the Committee all books, papers and assets of the Company in their possession as expeditiously as possible and in any event before the end of this month.

The Committee may have to visit and function in many different places. Where the Company has a office, the Committee will be entitled to use those offices for the purposes of its work

We are told that a large number of Fixed Deposits are standing in the name of the Provisional Liquidator appointed by the Punjab and Haryana High Court. We are informed that they are maturing in future. The Deposit Receipts to be handed over to this Committee however they may continue to remain in the name of the Provisional Liquidator till the date of their maturity. As and when the deposits mature the Provisional Liquidator to cooperate in getting them transferred into the joint names of the Committee members. In the meantime, Provisional Liquidator not to alienate or encumber the receipts in any manner.

The Provisional Liquidator will be entitled to draw remuneration as per the Order of the Punjab & Haryana High Court till the end of this month.

The Chairman of the Committee will be entitled to receive from the bank account of the Company a per month remuneration equal to his last drawn salary. The Chairman will also be entitled to travelling and other expenses.

The Committee will be entitled to appoint staff as required by it and also for safeguarding assets which may be taken possession of.

Liberty to the Committee to approach this Court.

As the Provisional Liquidator has gained knowledge by now the Committee may consult with him prior to his discharge. The

Committee is requested to hold its first meeting at the office of the Company in Chandigarh on or before 30th August, 2004.

Intimation of date and time of the meeting to be given to the Provisional Liquidator who is requested to remain present at the meeting. The Provisional Liquidator is requested to ensure that possession of the office at Chandigarh is taken before 30th August, 2004 if necessary with police help. Police is directed to give assistance in this behalf. The Provisional Liquidator is requested to ensure that at least one room is usable in the office premises before the date of the 1st meeting.

The representative of SEBI and RBI to contact the Chairman, forthwith by obtaining his address and telephone number from the Registry of this Court. Office to forward a copy of this Order to the Chairman of the Committee.

All the Transfer Petitions to be listed after one month.

.....J

(S.N. Varlaya)

.....J.

(G.P. Mathur)

New Delhi,

August 19, 2004.

TRUE COPY

SUPREME COURT OF INDIA  
RECORD OF PROCEEDINGS

IA No. 3 in Writ Petition (Civil) No.188 of 2004

M/s. Raiganj Consumers' Forum

Petitioner (s)

VERSUS

Union of India & Ors.  
(For directions )

Respondent (s)

Date : 20/01/2005 This Petition was called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE S.N. VARIAVA

HON'BLE MR. JUSTICE H.K. SEMA

For Applicant (s) Mr. Ranjan Mukherjee, Adv.

Mr. Somnath Mukherjee, Adv.

For Respondent (s)

UPON hearing counsel the Court made the following

## O R D E R

It is clarified that, for the present, there will be no sale  
or distribution of the assets by the Committee.

Anita

(Jasbir Singh)  
Court Master

TRUE COPY

S U P R E M E C O U R T O F I N D I A  
R E C O R D O F P R O C E E D I N G S

I.A. No. 5-6,7-11 and 13 in Transfer Case(Civil) No.68/2003

NATIONAL INVESTORS FORUM

Petitioner (s)

VERSUS

GOLDEN FORESTS (I) LTD.  
( For directions )

Respondent s

With

I.A. No. 28, 33, 36 in T.C.(C) No. 2/2004  
( For directions)

Date:01/04/2005 These Petitions were called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE S.N. VARIAVA  
HON'BLE MR. JUSTICE H.K. SEMA

For Applicant-  
Committee

Ms. Suruchi Aggarwal, Adv.

For Respondent-GFIL

Mr. Swaraj Kaushal, Sr.Adv.  
Mr. Sanjeev K.Pabbi, Adv.  
Ms. Naresh Bakshi, Adv.

For Applicants in  
IA 33/04

Mr. Bhargava V.Desai, Adv.  
Mr. Sanjeev Kumar Singh, Adv.  
Mr. Pradeep Kumar Malik, Adv.  
Ms. Sheenam Parwanda, Adv.

For Respondent-SEBI

Mr. Bhargava V.Desai, Adv.  
Mr. Sanjeev Kumar Singh, Adv.  
Mr. Pradeep Kumar Malik, Adv.  
Ms. Sheenam Parwanda, Adv.

Ms. Sunita Sharma, Adv.

For Applicant in  
I.As. 7-11

Mr. Rajiv Dutta, Sr.Adv.  
Mr. Shikha Ray, Adv.  
Mr. S.K. Sabbarwal, Adv.

For State of Punjab

Mr. R.K.Rathore, Addl.A.G.Punjab, Adv.  
Mr. Arun K. Sinha, Adv.

For State of  
Uttaranchal

Mr. Avatar Singh Rawat, AAG  
Mr. Jitinder Kumar Bhatia, Adv.

For State of West  
Bengal

Mr. Tara Chandra Sharma, Adv.  
Ms. Neelam Sharma, Adv.  
Mr. Tarun Sharma, Adv.

Mr. N.R.Choudhury, Adv.  
Mr. Somnath Mukherjee, Adv.

Mr. Pijush K.Roy, Adv.  
Mr. G.Ramakrishna Prasad, Adv.

Mr. S.Wasim A.Qadri, Adv.  
Mr. Mohd. Saud, Adv.  
Mr. L.R.Singh, Adv.

Mr. Alok Gupta, Adv.

Mr. Ranjan Mukherjee, Adv.

Ms. Kiran Suri, Adv.

Ms. Minakshi Vij, Adv.

Mr. Ugra Shankar Prasad, Adv.

Mr. Abhijit Sengupta, Adv.

Mr. K.C.Dua, Adv.

Mr. Subramonium Prasad, Adv.

Mr. Khwairakpam Nobin Singh, Adv.

Mr. M.C.Dhingra, Adv.

Mr. Rabi N.Raut, Adv. for  
M/s. I.M.Nanavari Associates

Mr. K.S.Rana, Adv.

Ms. Varuna Bhandari Gugnani, Adv.  
Mr. Madhukar Agarwal, Adv.

UPON hearing counsel the Court made the following

#### O R D E R

Learned counsel appearing for the Applicants in I.A. No.33 states that he is not pressing this I.A. I.A. No.33 is dismissed as not pressed.

Various applicants who claimed that they were having independent companies were directed to file particulars and details by order dated 20th January, 2005. Those companies who sought inspection of records were also permitted to take inspection. Without going into the question as to whether or not any real effort has been made to take inspection, we direct that if any of the applicant is serious in taking inspection of the records, he may do so on a day to day basis for five hours daily starting from tomorrow. For inspection, they will be entitled to take help of employees of the respective companies and/or a chartered account.

Clarified that till the details and particulars are supplied by the applicants, the applicants or any of their employee will not

use any of the properties or any asset of the properties. This is in addition to the restraint Order passed earlier.

Further clarified that this includes Drive In Tourist Resorts Private Limited.

The Committee would be entitled to lock up all the assets and take possession of the assets temporarily. Symbolic possession of the School will also be taken up but the School is permitted to run.

Learned counsel appearing on behalf of the State of Uttaranchal states that he will file the counter affidavit during the course of the day.

(K.K.Chawla)  
Court Master

(Jasbir Singh)  
Court Master

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ITEM NO.1

COURT NO.4

SECTION XVIA

SUPREME COURT OF INDIA  
RECORD OF PROCEEDINGS

I.A. NOS.28, 36, 41, 42, 43, 44, 45, 46 & 47-49 and IA No. 50 in IA  
No. 33 IN TRANSFER CASE (CIVIL.) NO. 2 OF 2004

THE SECURITIES &amp;

Petitioner(s)

EXCHANGE BD. OF INDIA

VERSUS

THE GOLDEN FORESTS (I) LTD.

Respondent(s)

(For directions, intervention, stay, clarification and/or  
modification of the order dated 19.8.2004, impleadment,  
modification of Court's order dated 17.8.2004, filing of  
summary of records and office report)

[For urgent direction]

WITH I.A. Nos.5, 6, 7-11, 13, 14-15, 16-18, 19-22 and 23-24

in T.C.(C) NO.68/2003

(For directions by the Committee appointed by this Hon'ble Court,  
directions, impleadment, exemption from filing O.T. and impleading  
party and office report)

With

IA No. 4 in WP(C) No. 188/2004 (for urgent directions and office  
report)

Date: 05/09/2006 This Matter was called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE ASHOK BHAN

HON'BLE MR. JUSTICE MARKANDEY KATIJU

For Petitioner(s)

Mr. Altaf Ahmed, Sr. Adv.

Mr. Bhargava V. Desai, Adv.

Mr. Rahul Gupta, Adv.

Ms. Varuna Bhandari Gugnani, Adv.

Mr. Rameshwar Prasad Goyal, Adv.

In IA 23

Mr. Harpal Singh, in person.

For the Committee

Ms. Suruchii Aggarwal, Adv.

Mr. Prashant Chouhan, Adv.

For Respondent(s)

Mr. S.K. Passi, adv.

Ms. Naresh Bakshi, Adv.

For Drive-in Tourist

Resorts Pvt. Ltd.

Mr. Alok Gupta, Adv.

Mr. Ranjan Mukherjee, Adv.

Mr. N.R. Choudhury, Adv.

Mr. Somnath Mukherjee, Adv.

Ms. Kiran Suri, Adv.

Ms. Minakshi Vij, Adv.

Mr. Ugra Shankar Prasad, Adv.

Mr. Abhijit Sengupta, Adv.

Mr. K.C. Dua, Adv.

Mr. Subramonium Prasad, Adv.

Mr. G. Ramakrishna Prasad, Adv.

Mr. Khwairakpam Nobin Singh, Adv.

For intervenor(s)

Mr. M.C. Dhingra, Adv

Mrs. V.D. Khanna, Adv. for

M/S I.M. Nanavati Associates, Adv

Mr. Aditya Sharma, Adv.

Mr. K.S. Rana, Adv

Ms. Chitra Markandaya, Adv

Mr. B. Sridhar, Adv.

M/S. K. Ramkumar & Associates, Adv

Mr. Makarand D. Adkar, Adv.

.Mr. Vijay Kumar, Adv.

Mr. Vishwajit Singh, Adv

Mr. Bimal Chakraborty, Adv.

Mr. B.K. Pal, Adv.

Ms. Sunita Sharma, Adv.

Mr. S.K. Sabharwal, Adv.

State of Punjab

Mr. R.K. Rathore, AAG PB

Mr. Arun K. Sinha, Adv.

State of Uttaranchal

Mr. Avatar Singh Rawat, AAG

Mr. Jatinder Kumar Bhatia, Adv.

For Golden Forest

Mr. R.K. Jain, Sr. Adv.

Mr. Ashok Kumar Singh, Adv.

Mr. S.B. Meitei, Adv.

Mr. Deepak Jain, Adv.

Mr. Arjun Singh, Adv.

Mr. Naresh Kumar Adv

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Mr. Surender Sharma, Adv.

Mr. S.N. Pandey, Adv.

For M.A. Shah

Mr. D.K. Garg, Adv.

For State of W.B.

Mr. T.C. Sharma, Ms. Neelam Sharma, Adv.

UPON hearing counsel the Court made the following

#### ORDER

1. On our direction the counsel appearing for the Securities & Exchange Board of India [SEBI] has filed the Note dated 4th of September, 2006 containing the factual history of the case along with the directions sought for by the Committee. There is no dispute on the facts stated to us by the SEBI in the aforesaid Note submitted by the SEBI, which are as follows:
2. M/s. Golden Forest (India) Limited, Chandigarh [for short "GFIL"], the respondent herein, was incorporated on 23rd February, 1987 and was granted certificate of commencement of business on 6th March, 1987. The main objects of the GFIL were, inter alia, development of agricultural land, social forestry farms, etc. From the commencement of the business, the GFIL had come out with several schemes for raising funds from the investors. The GFIL had mobilized approximately Rs. 16 lakhs in 1987, Rs. 3 crores by 1990 and by the year 1997 it had mobilized about Rs.311 crores. It had also acquired about 7750 acres of land. It had mobilised an amount of Rs.1037

crores as on 31<sup>st</sup> December, 1997 on a capital base of Rs. 10 lakhs only.

3. On the basis of investors' complaint, the Department of Company Affairs had found the GFIL violating various provisions of The Companies Act as well as accounting and auditing procedures.

4. On 26th November, 1997 by a press release as also public notice dated 18th December, 1997, SEBI had called upon the existing "Collective Investment Schemes" to submit information to SEBI and further informed that the Regulations are under preparation and till that time no further schemes are to be sponsored.

5. Thereafter SEBI conducted survey on various collective investment schemes floated by different persons including the respondents. On the basis of the survey reports, SEBI issued order dated 9th January, 1998 to the GFIL under Section 11B read with Section 11 of The Securities & Exchange Board of India Act [for short "the SEBI Act"] directing it not to mobilise any further funds from the investors and restrained it from selling, assigning or alienating any of the assets out of the corpus of the scheme. The GFIL however questioned the power of the SEBI to issue such directions.

6. Having received further complaints of misappropriation of funds and transfer of funds by GFIL, SEBI requested the Government to take action against the company-GFIL.

7. Due to non compliance of the aforesaid order dated 9th January, 1998 and to protect the interest of investors, SEBI filed a Writ

Petition in public interest (PIL) being Writ Petition No. 344 of 1998 before the High Court of Judicature at Bombay, seeking certain restraint orders against the GFIL and its promoters/directors. SEBI, being the statutory administrative body to monitor the stock market, filed the aforesaid Writ Petition - WP No. 344/98 to protect the interest of various investors in GFIL since the GFIL failed and neglected to get itself registered under the SEBI (Collective Investment Scheme) Regulations, 1999 and to subject itself to regulating mechanism of SEBI under the powers conferred upon it under the SEBI Act.

8. The following directions were sought in the aforesaid writ petition before the High Court of Bombay:

- "a) that this Hon'ble Court issue a writ of Mandamus or a writ in the nature of mandamus or any other writ, direction or order under Article 226 of the Constitution of India, directing Respondent No. 2 to issue orders against all the Commercial Banks and/or Cooperative banks where Respondent No. 1 has an account directing the Commercial Banks and/or the Cooperative Banks to restrain Respondent No. 1 from withdrawing any funds from any of its accounts with the said commercial banks and/or Cooperative banks and /or any of their respective branches whether in India or abroad.
- b) that pending the hearing and final disposal of this Petition this Hon'ble Court may be pleased to appoint any fit or proper person as a Special Officer or may appoint any agency as this Hon'ble Court may deem fit to operate the Bank

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accounts of Respondent No.1 to pay off those investors whose investments have matured or are likely to mature shortly.

- c) that pending the hearing and final disposal of this Petition the Special Officer or agency as the case may be directed by an order of this Hon'ble Court to act in accordance with the directions given from time to time by this Hon'ble Court if this Hon'ble Court deems fit and proper;
- d) that pending the hearing and final disposal of this Petition. Respondent No.2 be ordered and directed to issue orders against all the Commercial Banks and or Cooperative Banks where Respondent No.1 has an account directing the Commercial Banks and/or the Cooperative Banks to restrain Respondent No.1 from withdrawing any funds from any of its accounts with the said Commercial Banks and/or Cooperative banks and/or any of their respective branches whether in India or abroad;
- e) that pending the hearing and final disposal of this Petition. Respondent No.1 by itself or by its servants and agents be restrained by an order of this Hon'ble Court from receiving any monies from any investor under a new scheme or existing schemes, from operating any of its Bank accounts by withdrawing any monies from any of its bank accounts or from transferring, selling, assigning or alienating in any way the assets created out of the corpus of the Schemes of Respondent No.1 or from in any manner dealing with or disposing off any of its assets whether moveable or

immovable tangible or intangible without the prior written permission of the Petitioner.

f) that pending the hearing and final disposal of this Petition.

this Hon'ble Court be pleased to direct Respondent No.1 to render its full and complete accounts in respect of the funds mobilized by Respondent No.1 under all its schemes.

payments, if any, made to its investors, source of such payment and details of monies to be immediately repaid to the investors under all its schemes, and to hand over true copies of all books of accounts, bank statements and all banking documents, papers, vouchers, records, registers and all other documents containing details of the land. documents supporting the purchase or lease of various land including lien agreements entered into with the various unit holders from inception till date, in its custody possession and power to the Special Officer or Agency as the case may be.

g) for interim and ad interim reliefs in terms of prayer (b) to (f) above;

h) for costs of this Petition; and

i) for such further and other reliefs as the nature and circumstances of the case may require or as this Hon'ble Court may deem fit and proper."

9. The High Court of Bombay passed various orders from time to time protecting the investors' interest by way of injunction, restraint orders and also directed the SEBI and Reserve

Bank of India [RBI] to constitute a Committee for taking stock of the situation. The Committee was constituted and report was submitted which affirmed various violations and manipulations and non-genuineness of the schemes of the GFIL. On an order passed by the Bombay High Court, Credit Rating Information Services of India Ltd. [CRISIL] gave a high risk rating to the GFIL as Grade-V.

10. GFIL through the constituted attorney filed an affidavit dated 14th July, 1998 and informed that the GFIL and its subsidiaries had total assets worth Rs.1395.41 crores as on 31st March, 1998; that its investment mobilised and outstanding are at Rs.735 crores as on 7th of March, 1998 and that they were confident of meeting all the liabilities and have also formulated a scheme of premature repayment.

11. The High Court of Bombay by its order dated 23rd of November, 1998, approved the scheme of premature repayment as proposed by the GFIL, with interim directions. The said order is extracted in extenso:

" Heard the learned counsel for the parties.

2. It has been pointed out by the learned Counsel for the company that the company is at present holding land worth about Rs.1,350 crores and is in a position to repay the amount of all the investors.

3. He, therefore, states that the company and its Directors shall give an undertaking to this Court on or before 30th November 1998 to the effect that the company is prepared to refund the amounts of the shareholders as well

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as the investors if they so demand and the demand application is received by the company and/or its Directors on or before 31<sup>st</sup> January 1999. He further states that public advertisements would be issued in leading newspapers all over the country on or before 15th December, 1998 for the said purpose. He further submits that genuineness of the demands/applications would be processed by the company or its Directors on or before 31st March 1999. Wherever the applications are found to be of genuine shareholder or investor, the amount invested by them would be refunded on or before 31st December 1999 with interest thereon @ 10% per annum.

4. In view of the aforesaid statements, the company and its Directors are directed to file necessary undertaking on or before 30th November 1998. It would be open to the respondent-company to apply to concerned authorities as also to this Court, after 31st March 1999, for sale of some part of the land for realizing the amount and paying it over to the investors who have demanded refund of amount/and or deposits.

5. The respondent-company and its subsidiaries as well as the Directors are directed not to dispose of any property of the respondent-company or its subsidiaries or its Directors till further orders.

6. Stand over to 1st April 1999.

7. Issuance of certified copy of this order is expedited."

[Emphasis supplied]

12. The GFIL assured the High Court that it was complying with the scheme of repayment as approved by the High Court and prayed for removal of restraint orders so as to withdraw the funds and make repayment. The High Court permitted the GFIL to negotiate sale of assets with a view to generate liquidity to pay off the liabilities but not to create any interest in the assets in favour of the proposed purchasers and should not enter into any agreement. The GFIL initially sought permission of the High Court of Bombay to sell off 19 properties but could not sell or negotiate and moved the High Court. Thereupon, the High Court Bombay appointed Hon'ble Mr. Justice M.L. Pendse (retired Chief Justice) as private receiver vide its order dated 16th February, 2000 to sell the 19 properties as given in Annexure to the affidavit filed by GFIL.

13. After the appointment of Justice Pendse as private receiver for disposing of 19 properties of the GFIL to repay to the investors, a number of writ petitions came to be filed in various High Courts along with applications for restraint against the sale of properties and other similar relief so as to frustrate the working of the private receiver appointed by the High Court of Bombay.

14. The SEBI, apprehending that the various writ petitions filed in the various High Courts may result in passing of conflicting orders, thus frustrating the payment to the investors, filed a petition in this Court, seeking transfer of writ Petition No. 344/98 from the High Court of Bombay to its own board and stay of the proceedings in other High Courts in relation to the writ petitions. This

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Court vide its order dated 12th September, 2003, while allowing the transfer Petition, transferred to this Court:

- i. W.P. No. 344/1998;
- ii. all proceedings referred to in Annexure P-3 to the Transfer Petition;
- iii. all winding up Petitions (other than listed in Annexure P-3), if pending in any High Court; and directed
- iv. that no other Court except this Court to entertain any winding up proceedings relating to the GFIL; and
- v. the order to be communicated to all Courts.

15. The writ petition so transferred (being WP No. 344/98) from the High Court of Bombay was renumbered as Transferred Case No. No.2/2004.

16. In the High Court of Punjab and Haryana at Chandigarh a winding up petition being Company Petition No.60/2001 was filed in which Mr. Justice R.N. Agarwal (retired Chief Justice of the High Court of Delhi, now heading the Committee appointed by this Court) was appointed as the provisional official liquidator. The said Company Petition was also transferred to this Court and numbered as T.C. No. 68/2003. Similarly, other cases which were pending in various other High Courts were also transferred to this Court.

17. On 27th July, 2004 this Court passed a detailed order and dealt with IA Nos. 1, 9 and 28 of 2004 and passed certain interim directions and put forward a proposal for appointment of a Committee. The gist of the said order is as under:

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The Private Receiver appointed by Bombay High Court Justice (Retd) M.L. Pendse to submit status report to apprise the Hon'ble Court on the stage of proceedings. RBI, SEBI and other investors were granted two weeks time to make suggestions on the appointment of Central Committee to be nominated by this Court which should be entrusted with the responsibility of realising the assets, distributing the receipts amongst the claimants after identifying their claims and investigating into siphoning off the funds by GFIL.

All pending applications directed to be listed for hearing on the next date.

IA No.1/2004 in TC No. 68/2003: The sale of 15 properties for which tenders were issued by Provisional Liquidator not to be finalized but continue to receive the tenders.

IA No. 9 in TC No. 2/2004: All accounts of GFIL, its subsidiaries and associate companies as per list in IA No.1 were directed not to be operated either by themselves, their officers/agents unless permitted by this Court. RBI to issue circulars to all banks in the country.

IA No.28/2004 in TC No. 2/2004 by Drive-in-Tourist Resorts Pvt. Ltd.: The Resort-Applicant undertakes to make payment of rent @ Rs. 1 lakh per month for the period 1st August, 2003 till date to Provisional

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Liquidator within two weeks. Thereupon the PSEB to be informed for restoring Electricity to the Resort. And further payment by the applicant to Provisional Liquidator to continue on month to month basis by 15th of each month. This is in interim arrangement IA not disposed off.

18. Thereafter the matter came up before this Court on 17th August, 2004 and again this Court passed an order for appointment of a Committee and dismissed the applications of various parties to be impleaded as parties. Certain restraint orders were passed against the GFIL, its Directors, Officers, employees, agents and/or power of attorney holders from creating any third party rights on any of the assets. The gist of the said order is as under:

All petitioners in Transfer Petitions to file their copies of writ petitions and copies be given to SEBI & RBI and other parties within a month.

The Company, its Directors, Officers, Employees, agents and/or power of attorney holders are restrained from alienating, encumbering, creating any third party rights or transferring in any manner whatsoever any of the assets of the Company and/or their personal assets and restrained from making any withdrawals from any of the accounts.

Proposal for appointment of committee recorded.

All applications for intervention/impleadment filed by the depositors / investors stand dismissed.

The depositors/investors must submit their claims before the Committee which will be appointed by the Court who will

consider their claims. This Court will then decide how the assets of the Company should be distributed.

- No other Court or Forum or Tribunal any claim or application for return of monies or interest as this Court will deal with the same after realization of all assets. If any claims already filed, the same shall remain stayed.
- It was further clarified that criminal cases are not covered by this Order and can proceed.
- IA Nos. 1,5,9,6,30,7,14,15,32 in TC No.2/2004 dismissed as not pressed.
- IA No. 25 in TC No.2/2004 dismissed as withdrawn.
- IA No. 11 in TC No.2/2004 dismissed as infructuous.
- IA No. 28 in TC No.2/2004: Time to deposit extended by four weeks. If not deposited within four weeks, the earlier order to stand vacated.
- Matters directed to be listed on 19<sup>th</sup> August, 2004.

19. On 19th of August, 2004, this Court had appointed Hon'ble Mr. Justice K.T. Thomas, a retired Judge of this Court, with an officer nominated by RBI and SEBI both as a Committee, with various directions which are summarized as under:

(i) The Chairman of the Committee at liberty to appoint CA to assist.

(ii) Committee to take in custody all assets of the company [GFIL] with the help of Police/DM, if required.

(iii) Committee to issue advertisements calling upon all creditors to submit their claims before the Committee.

(iv) After realization of the assets and scrutinization of the claims the Committee to put up a report to this Court [in 6 months]

(v) The Provisional Liquidator and the Bombay High Court receiver discharged and directed to handover all books, assets etc. to the Committee.

(vi) Committee may have to visit and function at different places.

(vii) FDR's to remain in the name of Provisional Liquidator till maturity and thereafter in the joint names of Committee members.

(viii) Provisional Liquidator not to alienate or encumber the receipts in any manner.

(ix) Committee granted liberty to approach this Court.

20. On the inability expressed by Hon'ble Mr. Justice K.T. Thomas to head the Committee, this Court on 10th of September, 2004 appointed Mr. Justice R.N. Agarwal, who had been appointed as Provisional Liquidator by the Punjab and Haryana High Court in Company Petition No. 60/2001 as Chairman of the Committee along with an official each of the SEBI and RBI as members.

21. Thereafter the matter has been coming up before this Court from time to time and the Court has been passing certain directions.

22. The Committee headed by Justice R.N. Agarwal has, inter alia, filed a status report dated 10th of August, 2006 supplemented by the report dated 2nd of September, 2006 seeking certain directions.

23. We have taken into consideration these status reports. As per these reports, the directions are sought by the Committee on the following points :

- A. Reconstitution of the Committee:
- B. Immovable properties identification, taking possession and removal of encroachments:
- C. Directions regarding sale of properties:
- D. Setting aside sale of immovable properties:
- E. Various settlements by or on behalf of the respondent-company
- F. Directions regarding claims made by investors on their investments:
- G. Properties of Golden Group:
- H. Action against Manzoor Ahmad Shah:

24. We would take up these points one by one and pass appropriate orders on each of them separately.

- A. Reconstitution of the Committee:

25. Reconstitution of the Committee for faster results has been sought with the Chairman and other members who have experience and interest in the field work and also sale of properties. Also a small police force including an officer with the rank of Deputy Superintendent of Police [DSP] is sought to be attached with the Committee. It was stated that the officials appointed by the SEBI and RBI as members of the Committee had little to contribute in matters of realization of properties. The Committee has suggested some names for induction in the Committee and also obtained telephonic consent from one of them.

26. Justice R.N. Agarwal shall continue to be the Chairman of the Committee.

27. Counsel appearing for the SEBI and Mr. R.K. Jain, learned senior counsel appearing for the GFIL have no objection to such reconstitution of the Committee and the officials of the SEBI being relieved. RBI is not a party before us. Accordingly, we relieve the officials of SEBI as well RBI from being members of the Committee and in their places S/Shri H.L. Randev and B.S. Bedi, former District and Sessions Judges in the State of Punjab, are appointed as members of the Committee.

28. It is submitted by Shri R.K. Jain, learned senior counsel appearing for the Company, that an officer of the GFIL should also be taken as a member of the Committee which prayer is rejected. However it would be open to the Committee, if it deems fit, to take assistance of any officer of the company to identify the companies and their assets.

29. The Committee has not suggested the names of any officer from the revenue or the police whom it seeks to associate with itself in discharging its work effectively. We leave it to the Committee to appoint one retired revenue officer as well as a police officer who it thinks to be of assistance.

30. The Chairman of the Committee shall determine the remuneration which is to be paid to the other members of the Committee as well as the officers so appointed. The Chairman of the Committee shall also be at liberty to requisition the services of a revenue official and a police officer from the Chief Secretaries of Punjab / Haryana who are directed to release the officers, so

requisitioned, to assist the Committee to effectively discharge the work entrusted to it.

B. Immovable properties identification, taking possession and removal of encroachments:

31. Directions are sought to be given to the Deputy Commissioners and other Civil and Revenue authorities of the States of Punjab and Uttaranchal to help in ascertaining the details of the properties owned by the GFIL and to extend all help and cooperation to recover the possession of such properties with the help of police, if and wherever required and to demarcate the lands belonging to the companies in accordance with the revenue entries relating to the year 2000 and onwards.

32. The GFIL or any of the other lawyers representing various other claimants have no objection to issuance of the directions sought for by the Committee under this point.

33. Accordingly, the Deputy Commissioner and other revenue authorities in the States of Punjab / Haryana and Uttaranchal are directed to help the Committee in ascertaining the details of properties owned by GFIL and to extend all help and cooperation to recover the possession of such properties even with the help of police, if and when required, and to demarcate the lands belonging to the companies in accordance with the revenue entries relating to the year 1998 and onwards.

34. Chief Secretaries and the DGPs./IGPs. are directed to issue suitable directions to all the Deputy Commissioners, police officers and civil servants to render such help.

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35. The civil as well as police authorities are also directed to take action against the illegal encroachments and construction adjoining the Resort at Billa. Revenue authorities of the respective States are also directed to help in removal of such illegal encroachments.

C. Directions regarding sale of properties:

36. Directions for sale are sought in respect of the properties at Jharmari, lands at Village Kot Billa, Jaswant Garh and other adjoining villages and a Resort at Nalagarh, and the mode and procedure for the sale of the properties of GFIL, possession of which has been taken.

37. The Committee is put at liberty to put to sale the properties at Village Jharmari, lands at Village Kot Billa, Jaswant Garh and other adjoining villages and a Resort at Nalagarh and other properties of GFIL, possession of which has already been taken by the Committee, by auction after due publicity. The sale shall be subject to the confirmation by this Court. After the properties are put to sale, the Committee shall report to this Court about the auction sale effected which shall be subject to the final orders of this Court.

D. Setting aside sale of immovable properties:

38. The Committee has sought the following directions :

- (a) to issue directions for setting aside the illegal sales of properties of GFIL and its subsidiary and associate companies for the following periods contrary to the orders passed by this Court from time to time and to bring back the status quo ante as of the date of appointment of the Provisional Liquidator:

1. Period prior to the appointment of provisional liquidator in the winding up petition in Punjab High Court / Delhi High Court and their respective restraint orders
2. Period between the appointment of provisional liquidator and the date of restraint order dated 17th August, 2004 passed by this Court and the appointment of the present Committee; and
3. From 17th August, 2004 till date

39. Insofar as the period prior to the appointment of provisional liquidator in the winding up petition in the Punjab and Haryana High Court and Delhi High Court is concerned, the Bombay High Court in its order dated 23rd November, 1998 had restrained the company, its subsidiary as well as directors not to dispose of the properties of the respondent company or its subsidiaries or its directors till further orders. It would be to the Committee to make appropriate recommendations to this Court regarding the status of sales made after the restraint order passed by the Bombay High Court on 23rd November, 1998. Any application putting a claim for settlement of properties after the restraint order passed by the Bombay High Court should be made to the Committee which shall be at liberty to make appropriate recommendations to this Court for its consideration.

40. Insofar as the settlement/sales of immovable properties for the period between the appointment of provisional liquidator passed by the High Court of Punjab and Haryana and the restraint order dated 17th August, 2004 passed by this Court are concerned, any sales/settlement made contrary to the orders passed after the

appointment of Provisional Liquidator by the High Court of Punjab and Haryana on 20th January, 2003 and the restraint order passed on 17th August, 2004 by this Court shall be ignored and the Committee would be at liberty to get hold of those properties by taking vacant possession thereof with the help of civil and police authorities and deal with them in accordance with the directions already given.

E. Various settlements by or on behalf of the respondent-company:

41. The following directions are sought by the Committee:

(i) decide the legality and validity of thousands of settlements alleged to have been entered into with the Respondent Company under the Resolution dated 5th December, 2000.

(ii) deal with the surplus land declared by the Punjab government under the Urban Land Ceiling Act or otherwise; and

(iii) issue appropriate orders and directions regarding properties of the subsidiary and associate companies including Golden Projects Ltd.

42. The directions issued in clause (a)(i) of point D regarding setting aside of immovable properties would ipso facto be applicable to the directions sought in clause (i) of Point E.

(ii) The Committee shall be at liberty to take appropriate steps by file revisions, appeals, representation or avail of any other alternate remedy to deal with the surplus land declared by the Punjab Govt. under the Urban Land Ceiling Act or otherwise.

(iii) Mr. Jain has filed a list of 110 companies which formed the group companies of GFIL dividing them into three categories (a) GFIL and its assets mentioned at serial Nos. 1-90

(b) Golden project and its associate companies mentioned at

Serial Nos. 91-104, which do not form part of the GFIL and (c) Societies and Trusts mentioned at Serial Nos. 105-110, which would also be outside the GFIL.

43. Mr. Jain, learned senior counsel for the Company, has no objection to the Committee taking over the properties and assets of the companies mentioned at serial nos. 1-90. The Committee would be at liberty to take hold of the properties of the companies mentioned at Sl. Nos. 1-90 as well and deal with them as a part of the properties of GFIL.

44. Insofar as the properties of the companies mentioned at Sl. Nos. 91-104 belonging to Golden Project and its associates and the properties of societies and trusts mentioned at Sl. Nos. 105-110 are concerned, Mr. Jain states that he would seek instructions and file an affidavit if they can be taken as the properties of GFIL, within two weeks from today.

F. Directions regarding claims made by investors on their investments:

45. The following directions are sought

- (a) to decide upon the cut off date for entertaining claims
- (b) to accept claims for consideration of only those claimants who have original authenticated receipts issued by the respondent company;
- (c) to categorise the range of investment by depositors and treat the small, medium and big investors in separate categories;
- (d) not to permit entertainment of claims based on alleged deposit accepted by the Companies agents in the year 2001

till date, even after the closure of the business of the Company. No claim without clear proof of deposit of money with the company be directed to be considered:

(e) to reject the claims of investors of Golden Projects Ltd.

Since the investors were and are claiming to be under the impression that all the companies known as Golden Group of Companies belong to GFIL and are owned and managed by the Sayal family.

46. By an order dated 20th January, 2005 this Court had directed the Committee to issue advertisement fixing the cut off date which was extended by three months. The committee issued advertisement in 25 newspapers on 19th and 20th February 2005 inviting applications within three months of the said date.

47. Counsel appearing for the Committee has stated before us that the claims have been received even after 20th May, 2005 and the Committee has included all the claims filed before it up to 10th of August 2006. Cut off date is fixed as 10th August, 2006. Hence, all claims filed before the Committee by the cut off date fixed, i.e., 10th August, 2006 be taken into consideration for disbursement of the assets of the GFIL after verification of the claims. The Committee should accept the claims of only those claimants, who have original authenticated receipts issued by the GFIL. The Committee shall categorise the range of investment by depositors and treat the small, medium and big investors in separate categories. Appropriate orders regarding disbursement of the amount among the small, medium and big

investors shall be passed at a later date, after the total amount of sale of the properties is received! The Committee shall not entertain claims passed on alleged deposits accepted by any agents in the year 2001 till date after the closure of the business of the GFIL. No claim without clear proof of deposit of money with the company shall be considered.

G. Properties of Golden Group:

48. Committee has sought powers to investigate and ascertain the fund flow and acquisition of properties out of the investors' fund in GFIL and to authorize it to take possession of all such properties as in case of properties of GFIL. A further direction to hand over the possession of the Golden Group complex situated in Punjab, is sought under this point.

49. So far as the properties of the Golden Group, which can be clubbed with GFIL, is concerned, we have already passed appropriate directions on the applications filed in Court by the GFIL.

H. Action against Manzoor Ahmad Shah:

50. Mr. Manzoor Ahmad Shah [M.A. Shah], one of the investors, is in possession of certain flats at village Jarout, Tehsil Derabassi in District Mohali. He had filed CWP No. 693/04 in this Court, seeking a mandamus not to treat the properties under his occupation as the properties of the company as his claims have already been settled with the company. The petition was rejected on 5<sup>th</sup> January, 2005 and the following order was passed:

"As set out in the petition, this Court has appointed an Administrator of the golden Forests (I) Limited. The

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purpose is to see there is an equitable distribution amongst all the depositors and creditors. Preferential treatment to any particular depositors and creditors cannot be permitted. It is not open for the company to allot any premises to any particular party, prayer asked for therefore stands rejected. The petitioner will hand over the property to the Administrator if the Administrator has not already taken charge thereof. The writ petition stands dismissed."

51. It is apparent from the reading of the afore-quoted order of this Court that M.A. Shah could not be treated as a preferential depositor or creditor. The company was not at liberty to allot premises to any particular party. M.A. Shah was directed to handover the property to the Administrator if the Administrator has not already taken charge of the same. In spite of the said direction, M.A. Shah has not handed over the property to the Administrator. Mr. Shah is directed to handover the vacant possession of the property to the Committee forthwith and, in case he fails to handover the same within a period of fifteen days from today, the Committee shall be at liberty to approach the Deputy Commissioner, Mohali, to get the vacant possession delivered with the help of police force, if need be.

52. It is reported to us that M.A. Shah has parted with possession with a part of the property to Punjab College of Engineering and Technology [for short "the College"] for running hostel and a mess in the said flats.

53. The College is directed to report to the Committee to prove its title over the property and in case it has taken over possession from

M.A. Shah, then the College is directed to handover the vacant possession of the same to the Committee and, in such case, the College would be at liberty to recover the money from M.A. Shah. Similarly, any other person who has taken possession of the property through M.A. Shah, shall also handover the vacant possession of the property to the Committee. The Committee is put at liberty to recover the vacant possession of such properties with the help of civil / revenue authorities within one month from today.

54. Applications filed by the settlers would now be dealt with by the Committee in view of the directions contained in this order.

55. IA Nos. 6/05, 16-18/05, 19/05, 20/05, 21-22/05, 36/05, 41-42/05, 46/05, 47-48/05, 23/06, 49/06

These applications are dismissed with liberty, to approach the Committee for appropriate orders in accordance with the directions issued in this order.

56. IA 45 has been filed by Shri Tapas Kumar Khan seeking certain directions. He is directed to approach the Committee and the Committee shall pass appropriate orders. IA stands disposed of.

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57. IA 50 is dismissed.

58. IA 4 in WP 188/2004

No orders. To be taken up with main case.

59. IA 44 is dismissed.

60. Thus, all the applications for impleadment / intervention  
directions / clarification / modification stand disposed of accordingly.

( J.S. Rawat )

AR-cum-PS

( Kanwal Singh )

Court Master

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## SUPREME COURT OF INDIA

## RECORD OF PROCEEDINGS

I.A. NO.52-54 IN TRANSFER CASE (CIVIL.) NO. 2 OF 2004

THE SECURITIES &amp; EXCHANGE BD. OF INDIA

Petitioner(s)

VERSUS

THE GOLDEN FORESTS (I) LTD.

Respondent(s)

(For directions and permission to file additional documents and office report  
T.C. (C) No. 68/2003

Date: 30/11/2006 This Matter was called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE ASHOK BHAN

HON'BLE MR. JUSTICE DALVEER BHANDARI

For Petitioner(s)

Mr. Sidhartha Chowdhary, Adv.

For the Committee

Mr. Rahul Gupta, Adv. for

Mr. Bhargava V. Desai, Adv.

Ms. Suruchi Aggarwal, Adv.

For Respondent(s)

Ms. Naresh Bakshi, Adv.

For Drive-in Tourist  
Resorts Pvt. Ltd.

Mr. Alok Gupta, Adv.

Mr. Somnath Mukherjee, Adv.

Ms. Minakshi Vij, Adv.

Mr. Ugia Shankar Prasad, Adv.

Mr. Abhijit Sengupta, Adv.

For intervenor(s)

Mr. K.S. Rana, Adv.

Ms. Varuna Bhandari Gugnani, Adv. for

Mr. Rameshwar Prasad Goyal, Adv.

Mr. B.K. Pal, Adv.

For Golden Forest

Mr. R.K. Jain, Sr. Adv.

Mr. Ashok Kumar Singh, Adv.

Mr. Naresh Kumar Gaur, Adv.

Mr. Deepak Jain, Adv.

Mr. Arjun Suresh, Adv.

For State of W.B.

Mr. Sapam Biswajit Metel, Adv.

Mr. T.C. Sharma, Adv.

Ms. Neelam Sharma, Adv.

Mr. A.F. Mohanty, Adv.

Mr. M.N. Krishnamani, Sr. Adv.

Mr. Rohit Singh, Adv.

Mr. Surya Kant, Adv.

Mr. Mohan Jain, Adv.

Mrs. Yogmaya Agnihotri, Adv.

Mr. D.K. Sinha, Adv.

Mr. A.S. Rawat, Adv. for

Mr. J.K. Bhatia, adv.

UPON hearing counsel the Court made the following

## O R D E R

I.A. No.52 is dismissed as withdrawn. Heard. I.A. No.53 is dismissed.  
The Committee is at liberty to proceed with the auction.I.A. No.54 (for permission to file additional  
documents) also stands dismissed.(A.S. Rawat )  
A.R.-cum-P.S.( Kanwal Singh )  
Court Master

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## ANNEXURE P- 8

ITEM NO.1  
SECTION XVIA

COURT NO.4

S U P R E M E C O U R T O F I N D I A  
R E C O R D O F P R O C E E D I N G S

I.A. NO.55 & 56 IN TRANSFER CASE (CIVIL.) NO. 2 OF 2004

THE SECURITIES & EXCHANGE BD. OF INDIA Petitioner(s)

VERSUS

THE GOLDEN FORESTS (I) LTD.

Respondent(s)

(For directions and office report)

Date: 04/01/2007 This Matter was called on for hearing today

CORAM :

HON'BLE MR. JUSTICE ASHOK BHAN  
HON'BLE MR. JUSTICE DALVEER BHANDARI

For Petitioner(s)

Mr. Bhargava V. Desai, Adv.  
Mr. Rahul Gupta, Adv.  
Ms. Reema Sharma, Adv.

For the Committee

Ms. Suruchi Aggarwal, Adv.

For Respondent(s)  
In IA 55

Mr. Ranjan Mukherjee, Adv.

In IA 56

Mr. Ashok H. Desai, Sr. Adv.  
Mr. Mohan Jain, Adv.  
Mr. Ashok Kumar Singh, Adv.  
Mr. Deepak Jain, Adv.  
Mr. Naresh Kumar Gaur, Adv.  
Mr. Arjun Suresh, Adv.  
Mr. Sapan B. Meitel, Adv.  
Mr. L.N.Rao, Sr. Adv.  
Mr. Anil Kaushik, Adv. for  
Mr. Shiv Prakash Pandey, Adv.  
Mr. Neeraj Kumar Jain, Adv. for  
Mr. Ugra Shankar Prasad, Adv.  
Mr. Pijush K. Roy, Adv.  
Mr. G. Ramakrishna Prasad, Adv.  
Ms. Varuna Bhandari Gugnani.

Adv.

Mr. Rameshwar Prasad Goyal, Adv.

For State of W.B.

Mr. T.C. Sharma, Adv.

For State of Punjab

Mr. M.K. Verma, Adv. for  
Mr. A.K. Sinha, Adv.

UPON hearing counsel the Court made the following

O R D E R

I.A. No.55 Adjourned. To be listed after three weeks. In the meantime, Committee may file its response

I.A. No.56 Heard. The Interlocutory Application No. 56 is dismissed. However, the applicant would be at liberty

to approach the Committee for working out the settlement. If the Committee is prepared to settle, then it may submit a report to this Court.

(Parveen Kr. Chawla)  
Court Master

(Kanwal Singh)  
Court Master

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## NOTICE INVITING CLAIMS

In pursuance of orders dated 20th August 2004 in T.C. (S) No. 2 of 2004, Securities and Exchange Board of India vs. Golden Forestry (India) Ltd. passed by the Hon'ble Supreme Court of India, this Commission (SPL), appointed thereby, previously invited claims from the creditors and depositors of Golden Forestry (India) Ltd. Now pursuant to the same orders of the Hon'ble Supreme Court, claims are invited from creditors/depositors of Golden Forestry (India) Ltd. which is an associate company of Golden Forestry (India) Ltd. by virtue of order dated 04/04/2007 passed by the Hon'ble Supreme Court disposing U.A. 56 moved in Securities Case (Civil) No. 2 of 2004.

### FORMAT OF CLAIMS BY DEPOSITORS

1. Name with Father's / Husband's name.
2. Permanent Residential Address of the depositor (indicating the State).
3. Amount deposited with the company and Date of deposit.
4. Date of maturity and maturity value.
5. Amount paid back by the Company, if any.
6. Signature of the depositor in bold capital letters.
7. In case the depositor is dead, the name and address of the nominee in capital letters and signature.

The claim form must be filled in English or Hindi only. The claimant shall file in support of the claim, the authenticated original receipt issued by the company, or complete certified photocopy of receipt. However, in the case of depositors who have approached any court of Law/tribunal, they must attach complete certified photocopy of order/decrees, if any, obtained in their favour. No other proof of deposit in support of their claim will be entertained. Stockholder/Shareholder shall file separate claim. In case of recurring deposit, all installment receipts issued by the Company including the original receipt/complete certified photocopy thereof shall be sent. The claimant, in the claim form, shall mention only one permanent residential address for future correspondence as his/her postal address.

The claims must be sent by courier / registered post directly to the The Chairman, Commission - SPL, (Appointed by the Supreme Court of India), State Building, Golden Forestry (India) Ltd., 170-B, Industrial Area Phase II, Chandigarh-160002 National Highway 22, Sahil Commercial, Mohali, Punjab-150 101, (Telephone No. 0173-6684477). So as to reach the office of the Commission SPL within 90 days from the date of publication of this notice. No claim to be deferred payment.

### NOTE:

1. The investors / creditors of Golden Forestry Ltd. who have already sent their claims in response to the advertisements dated 25-10-2004 and 20-02-2006 are requested that they send again the claim again. Their claims are under scrutiny and if duplicate claim is sent the same would be rejected.
2. As per Para 47 of the order dated 04/04/2006 passed by the Hon'ble Supreme Court in T.C. (S) No. 2 of 2004 Securities and Exchange Board of India vs. Golden Forestry (India) Ltd. no claim shall be accepted without authentication. After period of deposit of money with the Company, the depositor shall not entertain claims based on alleged mismanagement of the company in the year 2004 till date after the closure of the company.
3. It is clarified that claims are invited only from creditors/depositors of Golden Forestry (India) Ltd. and not in support of any other company.

Sd/-

Commissioner - SPL

(Appointed by the Hon'ble Supreme Court of India)

Approved the Advertisement  
(Size) - 25x8 to be  
Published on - 01-07-07  
in Indian Express  
(Span) - English.

Approved



## SECTION XVIA

## SUPREME COURT OF INDIA RECORD OF PROCEEDINGS

I.A.Nos.60-83,85-90 &amp; I.A.No.91-92 &amp; 93 in T.C.(C) No.2/2004

THE SECURITIES &amp; EXCHANGE BD. OF INDIA .....Petitioner(s)

VERSUS

THE GOLDEN FORESTS (I) LTD. ....Respondent(s)

(For quashing order dated 2.5.2007 passed by the Chairman, Committee-Golden Forest (India) Ltd. and ad-interim ex-parte stay and for seeking urgent directions and impleadment and directions and permission to file additional documents and impleadment/ direction/ objection and intervention and impleadment/direction/ stay, and application to file rejoinder affidavit and directions and office report) with I.A. Nos.27, 29-38 in T.C.(C) No.68/2003 (For confirmation of sale and for quashing/ setting aside of order passed by the Chairman Committee and stay and intervention and directions and impleadment and merger of 110 companies with GIFL and for permission to file additional documents and office report) with Contempt Petition (Civil) No.74/2007 in T.C.(C) No.2/2004 With T.C.(C) No.1/2004 (With appln. for early hearing and directions and office report)With W.P.(C) No.188/2004 (With appln. for directions and office report)

Date: 15/10/2008 These Petitions were called on for hearing today.

CORAM :

HON'BLE THE CHIEF JUSTICE

HON'BLE MR. JUSTICE P. SATHASIVAM

HON'BLE MR. JUSTICE J.M. PANCHAL

For Petitioner(s)

Mr. Bhargava V. Desai, Adv.

Mr. Rahul Gupta, Adv.

Ms. Reema Sharma, Adv.

Mr. Ajay Majithia, Adv.

Mr. Rajesh Kumar, Adv.

Dr. Kailash Chand, Adv.

For the Committee

Ms. Suruchii Aggarwal, Adv.

Mr. Prashant Chauhan, Adv.

Mr. Arvind Gopal, Adv.

WP(C) 188/04

Mr. Ranjan Mukherjee, Adv.

For Applicant(s)

Mr. K.N. Krishnamani, Sr. Adv.

Mr. Shagir Khan, Adv.

TC(C) 1/04

Mr. Somnath Mukherjee, Adv.

Mr. S. Ravishankar, Adv.

Mr. Vivek Shukla, Adv.

For Respondent(s)

Mr. Shailendra Bhardwaj, Adv.

Mr. S.B. Sanyal, Sr. Adv.

Mr. Anand Prakash, Adv.

Mr. T.D. Kashar, Adv.

For Ms. S. Usha Reddy, Adv.

Mr. S.K. Nandy, Adv.

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Mr. Y.P. Dhingra, Adv.

Ms. Kusum Chaudhary, Adv.

Mr. Subodh Markandeya, Sr. Adv.

Mr. Alok Gupta, Adv.

Ms. Shalu Sharma, Adv.

Mr. Manoj Swarup, Adv.

Mr. P.S. Patwalia, Sr. Adv.

Mr. Anandeshwar Gautam, Adv.

Mr. Joseph Pookkatt, Adv.

Mr. Prashant Kumar, Adv.

For M/s AP & J Chambers

Mr. D.N. Goburdhan, Adv.

Mr. Arun Kumar Sinha, Adv.

Mr. Ranjan Mukherjee, Adv.

Mr. Ajay Majithia, Adv.

Mr. Rajesh Kumar, Adv.

Dr. Kailash Chand, Adv.

Mr. S. Ravi Shankar, Adv.

Mr. G.L. Rawal, Sr. Adv.

Mr. Ashwani Kumar, Adv.

Mr. Kuljeet Rawal, Adv.

Mr. Subramonium Prasad, Adv.

Ms. Sunita Sharma, Adv.

Mr. Rana Ranjit Singh, Adv.

Mr. Somvir Singh Daswal, Adv.

Mr. Shreepal Singh, Adv.

Mr. S.K. Sabharwal, Adv.

Mr. Jatinder Kumar Bhatia, Adv.

Ms. S. Usha Reddy, Adv.

Ms. Naresh Bakshi, Adv.

Mrs. Varuna Bhandari Gugnani, Adv.

Mr. Rameshwar Prasad Goyal, Adv.

Mr. S.N. Pandey, Adv.

Mr. C.S. Ashri, Adv.

Ms. Shalu Sharma, Adv.

Mr. N.R. Choudhury, Adv.

Mr. Tara Chandra Sharma, Adv.

Ms. Neelam Sharma, Adv.

UPON hearing counsel the Court made the following

### ORDER

Dr. Namavati has filed the list of immovable properties owned and possessed by the Golden Forests (I) Ltd and its group of companies. These properties were allegedly purchased by Golden Forest (I) Ltd. and other group of companies. It is said that the title deeds vest with these respondents.

It is stated that huge amounts were invested in these companies. A Committee had been appointed by this Court on 19.8.2004, consisting of a retired Chief Justice of the Delhi High Court and two District Judges. The said Committee had taken possession of substantial properties owned by the respondents.

In order to facilitate the disbursement due to the investors, the money has to be collected by selling these properties. The Committee is authorized to take possession of all the properties owned by the respondents. If there are any valid claims in respect of any of these properties by third parties, the Committee may consider the same and pass appropriate orders, subject to confirmation by this Court.

As regards the sale of properties is concerned, the Committee may make appropriate publication regarding the sale and sufficient notices be issued to the prospective purchasers by publishing the same in the local newspapers having wide circulation in the area where the property is situated. Any sale conducted by the Committee shall be based on valuation made by either by the Committee or by other approved valuer and upset price is fixed before sale is finalized. The sale is, however, subject to the confirmation by this Court. As soon as the sale is over, the details including the purchase price and all the details shall be made over to this Court for the purpose of confirmation.

As soon as the bid is over the applicant/the prospective purchaser shall deposit 20% of the amount in a nationalized bank in the account maintained by the Committee. If there is any difficulty in getting the possession of any property owned by the respondents, the matter shall be reported to this Court and/or the Committee can also itself request for police aid or any other assistance from the governmental authorities. On all the pending applications, the Committee shall pass appropriate orders subject to confirmation by this Court.

As regards the pending claim of the petitioners/applicants the committee may pass appropriate orders and a gist of these orders be made available to this Court for further orders.

List in the month of March, 2009.

(R.K.Dhawan)  
Court Master

Veera Verma)  
Court Master

TRUE COPY

COM/CHD/2010/401  
20.01.2010

IN THE MATTER OF HOTEL DRIVE INN SITUATED AT  
MUSSOORIE, UTTRAKHAND

Representation:- Shri Ashok Kumar Singh and Shri H.C. Sharma.  
Advocates, Counsel for the respondent.

ORDER

It was brought to the notice of this Committee that the property known as Mayfield Estate, Hotel Drive Inn, Mussoorie, measuring 2824 sq. mtrs. , covered area 208 sq. mtrs., situated at Mussoorie (Uttarakhand), which is owned by M/s. Golden Projects Limited, is in unauthorized and illegal possession of Hotel Drive Inn, Bharat Complex, Picture Palace, Mall Road, Mussoorie, which is being run by the Company BCC Builders Private Limited, D-224, Vivek Vihar, Phase-I, Delhi-95, which in turn is the member of BCC Group Corporate Office-B, Surya Nagar, Ghaziabad (U.P.) [Respondent] M/s. Golden Projects Limited is a subsidiary/sister concern of M/s. Golden Forests (India) Limited. The Hon'ble Supreme Court by its order dated 5.9.2006 passed in T.C.(C) No.2 of 2004 titled Securities & Exchange Board of India Versus Golden Forests (India) Limited and others has authorised and required this Committee to identify the properties of Golden Forests (India) Limited and take possession of these properties with the help of district administration. The property in question being owned by a subsidiary/sister company of M/s. Golden Forests (India) Limited, notice vide this office No.COM/CHD/2009/353-355 dated 29.12.2009 was served under registered cover, as well as by courier, on the respondents namely

(1) BCC Builders Private Limited, D-224, Vivek Vihar, Phase-I, Delhi-95, (2) M/s. BCC Group, Corporate Office-B-6, Surya Nagar, Ghaziabad (U.P.) and (3) Hotel Drive Inn, Bharat Complex, Picture Palace, Mall Road, Mussoorie directing them to deliver possession of this property to this Committee forthwith, or in the alternative to appear in person or through authorised agent/counsel before this Committee at 11.00 A.M. on 18.01.2010 at its office along with all the proof in their possession and disclose as to under what right or title they are in its possession and show cause as to why they should not be dispossessed from this property and why this Committee should not take its possession from them through the district administration, with the help of the police, as per direction of the Hon'ble Supreme Court of India. They were further directed to show cause as to why they should not pay damages/compensation to this Committee @Rs.2,00,000/- (Rupees two lakh only) per month for unauthorized use and occupation of this property, from August, 2004 till they deliver the possession to this Committee.

In response to this Notice, on 15.01.2010, Shri Barjinder Mishra, Marketing Manager of the BCC Builders Private Limited appeared before this Committee. He filed reply to the Show Cause Notice prepared by Shri A.K.Singh and Shri Naresh Kumar Gaur, Advocates from Delhi for the respondents. He also placed on record some documents in support of their reply. On this the case was fixed for arguments for 18.01.2010 as already fixed as per Show Cause Notice issued to the respondent.

On 18.01.2010, Shri Ashok Kumar Singh and Shri H.C. Sharma, Advocates of Delhi appeared as counsel for the respondents. They addressed this Committee at length. Today, through special messenger, Shri Ashok Kumar Singh Advocate has sent to this Committee, his written submissions covering two typed pages and photo copy of I.A. No.56 of 2006 in T.C.(C) No.2 of 2004 and order dated 4.1.2007 of the Hon'ble Supreme Court dismissing this I.A.No.56, We have carefully perused the record and applied our mind to the submissions of the learned counsel for the respondent and also his written submissions received today.

Main contention of the learned counsel for the respondents is that M/s. Golden Projects Limited is an entirely a separate and distinct entity and that it is not a sister or subsidiary Company of M/s Golden Forests (India) Limited. In this context it may be recalled that Smt. Pamila Syal, Managing Director of the Golden Projects Limited had earlier filed I.As Nos.7 to 11 in T.C.(C) No.68 of 2003 in which she stated that Golden Projects Limited, Golden Tourist Resort & Developers Limited, Super Bricks Private Limited, Golden Royal Home were independent companies and had no concern with the Golden Forests (India) Limited. These I.As were disposed of by the Hon'ble Supreme Court vide its order dated 5.9.2006. Relevant paragraphs concerning the contention of Smt. Pamila Syal read as follows:-

"42.(i) .....

(ii). ....

(iii) Mr. Jain has filed a list of 110 companies which formed the group companies of GFIL dividing them into three categories (a) GFIL and its assets mentioned at serial Nos. 1-90 (b) Golden Project and its associate companies mentioned at Serial Nos. 91-104, which do not form part of the GFIL and (c) Societies and Trusts mentioned at Serial Nos. 105-110 which would also be outside the GFIL.

43. Mr. Jain, learned senior counsel for the Company, has no objection to the Committee taking over the properties and assets of the companies mentioned at serial nos. 1-90. The Committee would be at liberty to take hold of the properties of the companies mentioned at Sl. Nos. 1-90 as well and deal with them as a part of the properties of GFIL.

44. Insofar as the properties of the companies mentioned at Sl. Nos. 91-104 belonging to Golden Project and its associates and the properties of societies and trusts mentioned at serial numbers 105-110 are concerned, Mr. Jain states that he would seek instructions and file an affidavit if they can be taken as the properties of GFIL, within two weeks from today.

45 to 59.....

60. Thus all the applications for implement/  
intervention/direction/clarification/modification  
stand disposed of accordingly."

Smt. Pamila Syal, Managing Director of Golden Projects Limited also filed I.A.No.53 of 2006 in T.C.(C) No.2 of 2004 in which she raised similar contention namely that this Committee be directed not to sell/advertise for sale the properties which do not belong to Golden Forests (India) Limited. A similar application bearing I.A.No.56 of 2006 was filed by Shri R.K.Syal with the prayer that the assets of the Companies other than Golden Forests (India) Limited should not be sold as these are independent and no amount of Golden Forests(India) Limited is invested in these companies. Shri R.K.Syal had also filed I.A.No.52 of 2006 alleging that the companies mentioned at serial nos.91 to 110 (which also included Golden Projects Limited) are independent companies having their own objects, liabilities and have nothing to do with the operations of Golden Forests (India) Limited. By another I.A.No.54 of 2006, Smt. Pamila Syal also prayed for permission to file additional documents in support of I.A.No.53 of 2006. On 30.1.2006, the Hon'ble Supreme Court passed the following order on I.A.Nos. 52, 53 and 54:-

"I.A. No.52 is dismissed as withdrawn. Heard. I.A. No.53 is Dismissed. The Committee is at liberty to proceed with the auction.

I.A. No.54 (for permission to file additional documents)

also stands dismissed."

On 4.1.2007, the Hon'ble Supreme Court passed the following order in I.A.No.56:-

" I.A. No. 56 heard. The Interlocutory Application No.56 is dismissed."

Therefore the contention of the learned counsel of respondents that Golden Projects Limited is a separate and distinct entity from the Golden Forests (India) Limited must be repelled.

The Golden Projects Limited and its Associated Companies have been mentioned under the heading (B) in the List of Companies referred to in the above paragraphs and their Sr. Nos. in the said list are Nos.91 to 94. This list was filed in I.A. No.51 of 2004.

It is faintly submitted by the learned counsel for respondents that in compliance with the undertaking of Shri Jain, Advocate given on 05/09/2006 to the Hon'ble Supreme Court in para No.44 of their order reproduced above, affidavit dated 17.9.2006 of Shri Rakesh Kant Syal, Managing Director of M/s. Golden Forests (India) Limited was filed in the Hon'ble Supreme Court in which he inter alia mentioned that the Company Nos. 91 to 94 ( i.e. Golden Projects Limited and its alleged Associate Companies) were totally independent and had their own objects, assets and liabilities and that these had nothing to do with the operations of the Companies belonging to the M/s. Golden Forests (India) Limited. In this context, it would be worthwhile to note that sum and substance of this

affidavit has also been reproduced in I.A. No.52 of 2006 filed in T.C.(C) No.2 of 2004, and the said I.A. was dismissed as withdrawn by the Hon'ble Supreme Court by its order dated 30.11.2006 passed in T.C.(C) No.2 of 2004. Therefore the affidavit dated 17.9.2006 of Shri Rakesh Kant Syal, does not carry much value. Be that as it may, as shall be presently noted, this plea was specifically dismissed by the Supreme Court.

The matter becomes absolutely clear from the I.A. No.56 of 2006 filed by Shri Rakesh Kant Syal, Managing Director of Golden Forests (India) Limited filed in T.C.(C) No.2 of 2004. In the said I.A. Shri Syal inter alia prayed for the following relief:-

"It is therefore most respectfully prayed that-

1. The assets of the companies other than Golden Forests (I) Ltd. should not be sold as these companies are independent and no amount of Golden Forest (I) Ltd. is invested in these companies.
2. Since the companies other than GFIL are not before this Hon'ble Court in these proceedings, appropriate directions be issued so that the Committee does not sell the assets of those companies in terms of order dated 5.9.2006 passed by this Hon'ble Court.
3. A clear direction may kindly be issued in view of the statement made by the counsel for the Committee Ms. Suruchi Aggarwal for arranging the proceeds and depositing the amount within a specified time limit failing which necessary directions be issued so that the family of

Syal can arrange the amount payable as per books of account to settle the dispute.

4. In view of the fact that the Committee has almost completed the work of identification of claims and liability of Golden Forest (I) Ltd, and only the payment is required to be made as per directions of this Hon'ble Court, the criminal proceedings pending against the applicant and his other family members be adjourned sine die and released from custody.

5. Any other order or direction as this Hon'ble Court may deem fit and proper be passed."

AS already stated this I.A. was dismissed by the Hon'ble Supreme Court by their order dated 4.1.2007. The dismissal of this I A No 56 by the Hon'ble Supreme Court leaves no manner of doubt that the plea that the Golden Projects Limited and its alleged Associate Companies were distinct and separate from the Company Golden Forests (India) Limited and they had nothing to do with the last mentioned Company was finally rejected and dismissed by the Hon'ble Supreme Court. Obvious net result would be that the Golden Projects Limited and its Associated Companies are very much the subsidiaries/sister companies/concerns of M/s. Golden Forests (India) Limited. If that be so then all the orders of the Hon'ble Supreme Court passed in relation to the Golden Forests (India) Limited are also ipso-facto and mutatis-mutandis applicable to the Golden Projects Limited and its Associated Companies. So

the contention of the learned counsel of the respondent must be repelled.

Faced with this situation the learned counsel in his written submissions, communicated to this Committee through his messenger today, has tried to submit that the intention of I.A. No 56 referred to above was different. This argument has been noted only to be rejected.

The prayer clause of I.A.No.56 of 2006 filed by Shri Rakesh Kant Syal, Managing Director, Golden Forests India Limited has been reproduced above. The intention of filing this I.A. as it can be gathered from its text and its prayer clauses was three fold as under

- A. To get all the criminal proceedings against Shri Rakesh Kant Syal and members of his family adjourned sine die and for their release from the custody. Prima facie this prayer has got no direct bearing on the fact whether Golden Forests (India) Limited and Golden Projects Limited are distinct entities or whether the latter is only a subsidiary/sister company of the former.
- B. To enable the Managing Director and the Directors of the Golden Group of Companies to arrive at some settlement of some sort with some other party so as to raise funds in order to be able to pay all the investors of these companies. In this context it may be mentioned that in an abortive attempt to make some settlement, M/s. Golden Forests (India) Limited) brought before this Committee one Company

known as Vavasi Telegence Private Limited, who made some tentative offer to take over the entire assets and liabilities of M/s. Golden Forests (India) Limited on payment of Rs.2700 crore out of which Rs. 500 Crore were to be given to the promoters of the Companies. On the request of Shri R.K.Syal, Managing Director of Golden Forests (India) Limited and Smt. Pamila Syal, Managing Director of Golden Projects Limited a number of adjournments were given to them for arriving at settlement with Vavasi Telegence Private Limited. Ultimately, that settlement fell through and this Committee submitted a report to this effect to the Hon'ble Supreme Court in its I.A.No.95 of 2009 in T.C.(C) No.2 of 2004 and I.A. No.40 of 2009 in T.C.(C) No.68 of 2003.

Thus, the order of the Hon'ble Supreme Court in I.A. No.56 reproduced above relating to the working out the settlement by the Golden Forests (India) Limited, is fully explained and with this, the contention of the learned counsel for the respondents is repelled.

C. The third and the fore-front prayer of Shri Rakesh Kant Syal in I.A.No.56 was that the assets of the companies other than Golden Forests should not be sold as these companies are independent and no amount of Golden Forests (India) Limited is invested in these Companies. His prayer further was that appropriate directions may be issued by the Hon'ble Supreme Court to this Committee so that this Committee does not sell the assets of those companies in

terms of the order dated 5.9.2006 passed by the said Hon'ble Court. Admittedly this prayer of Shri Syal was dismissed by the Hon'ble Supreme Court by its order dated 4.1.2007. This clearly means that the Hon'ble Supreme Court allowed this Committee to sell the assets of Golden Projects Limited and its so called associate companies. Therefore the contention of the learned counsel for the respondents is repelled.

Next submission of the learned counsel for the respondents is that they had purchased the property in question from M/s. Golden Projects Limited through their authorised agents/persons holding General Power of Attorney namely Sh. M. K. Sharma, Sh. Girdhari Lal, Sh. Arun Walia and Sh. Anwar Khan by registered sale deed dated 19.10.2004 and so they are the owners of this property and it cannot be taken back from them. However, for the reasons to be presently stated this contention must be repelled. In this connection para No.40 of the order of the Hon'ble Supreme Court dated 5.9.2006 in I.A. Nos. 28, 36, 41, 42, 43, 44, 45, 46, 47, 49 etc. in T.C.(C) N o.2 of 2004 may be reproduced with advantage:-

"40. Insofar as the settlement/sales of immovable properties for the period between the appointment of provisional liquidator passed by the High Court of Punjab and Haryana and the restraint order dated 17th August, 2004 passed by this Court are concerned, any sales/settlement made contrary to the orders passed after the appointment of Provisional Liquidator by the

High Court of Punjab and Haryana on 20th January.

2003 and the restraint order passed on 17th August.

2004 by this Court shall be ignored and the Committee would be at liberty to get hold of those properties by taking vacant possession thereof with the help of civil and police authorities and deal with them in accordance with the directions already given."

The sale deed of the property in question in favour of the respondents is dated 19.10.2004, which means it had been executed and registered after the restraint order dated 20.6.2003 passed by the Hon'ble High Court of Punjab and Haryana and to cap it all even after the restraint order dated 17.8.2004 passed by the Hon'ble Supreme Court. Therefore, in compliance with the orders of Hon'ble Supreme Court dated 5.9.2006 referred to above this sale deed is to be ignored outright. If that be so then the respondents stand denuded of their title in the property in question.

A connected submission of the learned counsel for the respondents is that they are bonafide purchasers for consideration without notice. In first place it may be stated that the affairs of M/s. Golden Group of Companies had become notorious since the year 2000, if not earlier. Multiple litigations in respect of their properties were pending in various High Courts, other Courts in the country and the SEBI. Therefore it is difficult to hold that the respondent had no knowledge thereof, when these were being widely reported in media and were also being adversely commented upon by lacs of their dissatisfied

investors through out the country. Besides that as soon as restraint order dated 17/08/2004 was passed by the Supreme Court, this Committee gave wide publicity to it by publishing advertisements to this effect in all leading newspapers. Be that as it may, in view of the clear cut and unambiguous order of the Hon'ble Supreme Court in para No.40 of their order dated 5.9.2006 reproduced above, this sale deed has to be simply ignored because it had been executed in violation and contravention of and contrary to the restraint order dated 18.6.2006 passed by the Hon'ble High Court of Punjab and Haryana, Chandigarh and restraint order dated 17.8.2004 passed by the Hon'ble Supreme Court.

No other point has been urged by the learned counsel for the respondents.

In conclusion it is held as proved that the property in question is owned by M/s. Golden Projects Limited which is a sister/subsidiary Company of M/s. Golden Forests (India) Limited. The sale of this property made by the Golden Projects Limited by registered sale deed dated 19.10.2004 has to be ignored outright. If that sale deed is ignored, then the immediate conclusion is that the respondents are in unauthorized and illegal possession of the said property. Therefore they are hereby directed to deliver its vacant possession to this Committee forthwith. In the Show Cause Notice served on the respondents, they were directed to show cause as to why they should not pay damages/ compensation to this Committee @Rs.2,00,000/- (Rupees two lakh only) per month for unauthorized

use and occupation of this property from August, 2004 till they deliver its possession to this Committee. In response to this particular part of the Show Cause Notice, the respondents have not stated anything either in their reply or in their arguments. They have not shown that the quantum of damages/compensation as assessed by this Committee is excessive or unreasonable. Therefore, they are also directed to pay damages/compensation to this Committee @Rs.2,00,000/- (Rupees two lakh only) per month for unauthorized use and occupation of this property since 19.10.2004, the date of the alleged sale deed in their favour.

Copy of this order be communicated to the parties concerned. A copy of this order be also communicated to the Deputy Commissioner, Dehradun for information. In his capacity as the Registrar (Under Registration Act), he is requested to direct Sub-Registrar Office which registered the sale deed dated 19.10.2004 to give a note in red ink on the copy of said sale deed affixed/maintained in his office and in all his relevant registers and documents that the sale deed dated 19.10.2004 has been ignored by this Committee as per orders of the Hon'ble Supreme Court.

Warrant of possession of this property be issued and sent to the Deputy Commissioner, Dehradun for its execution and submitting compliance report by 17.2.2010.

Sd/-  
R.N.Aggarwal  
B.S.Bedi  
Chairman  
Committee - GFIL

Sd/-  
H.L.Randev

Member  
Committee – GFIL

Sd/-

Member  
Committee - GFIL

TRUE COPY

Committee - Golden Forests (India) Ltd.  
(Appointed By The Hon'ble Supreme Court Of India)  
Bungalow No. 60, Sector - 4, Chandigarh,  
[www.goldenforestcommittee.com](http://www.goldenforestcommittee.com)

COM/CHD/2010/402

20.01.2010

IN THE MATTER OF HOTEL DRIVE IN SITUATED AT  
MUSSOORIE-CHAMBA ROAD, DHANAULTI, DISTRICT TEHRI  
GARWAL (UTTARAKHAND)

Presentation: Shri Ashok Kumar Singh, Advocate from Delhi  
along with Shri H.C.Sharma, Advocate from  
Delhi for Shri S. P. Singh, Proprietor of Hotel  
Drive In, Dhanolti, District Tehri Garhwal  
(Uttarakhand).

ORDER

It was brought to the notice of this Committee that the property known as Hotel Drive In situated at Massoorie-Chamba Road, Dhanaulti, District Tehri Garwal (Uttarakhand) is owned by Golden Group of Companies. Its lead Company is M/s. Golden Forests (India) Limited. M/s. Golden Projects Limited and other Companies of the Group are as the sister/subsidiary Companies of M/s. Golden Forests (India) Limited. It was further brought to the notice of this Committee that the said property is in unauthorized and illegal possession of Hotel Drive In situated at Massoorie-Chamba Road, Dhanaulti, District Tehri Garwal which is being run by the Company BCC Builders Private Limited, D-224, Vivek Vihar, Phase-I, Delhi-95, which in turn is a member of BCC Group, Corporate Office, D-6, Surya Nagar, Ghaziabad. The Hon'ble Supreme Court of India by its order dated 5.9.2006 passed in T.C.(C) No.2 of 2004 titled Security & Exchange Board of India Vs. Golden Forests (India) Limited and

OFFICE OF THE CHAIRMAN  
Committee - Golden Forests (India) Ltd.  
(Appointed By The Hon'ble Supreme Court Of India)  
Bungalow No. 60, Sector - 4, Chandigarh,  
[www.goldenforestcommittee.com](http://www.goldenforestcommittee.com)

others have authorised and required this Committee to identify the properties of Golden Forests (India) Limited and take possession of these properties with the help of District Administration. The property in question being owned by Golden Projects Limited, which is a subsidiary and sister Company of M/s. Golden Forests (India) Limited, a notice vide this office No.COM/CHD/357-359 dated 30.12.2009, was served under registered cover as well as by courier on the following namely (1) BCC Builders Private Limited, D-224, Vivek Vihar, Phase-I, Delhi-95, (2) M/s. BCC Group, Corporate Office-B-6, Surya Nagar, Ghaziabad(U.P.) and (3) Hotel Drive Inn, Mussoorie-Chamba Road, Dhanauli, District Tehri Garhwal (UK), directing them to deliver possession of this property to this Committee forthwith or in the alternative to appear in person or through duly authorised agent/counsel before this Committee at 11.00 A.M. on 18.01.2010 at its office along with all the proof in their possession and disclose as to under what right or title they are in its possession and show cause as to why they should not be dispossessed from this property and why this Committee should not take its possession from them through the district administration, with the help of the police, as per direction of the Hon'ble Supreme Court of India. They were further directed to show cause as to why they should not pay damages/compensation to this Committee @Rs.2,00,000/- (Rupees two lakh only) per month for unauthorized use and occupation of this property, from August, 2004 till they deliver the possession to this Committee.

Committee - Golden Forests (India) Ltd.  
(Appointed By The Hon'ble Supreme Court Of India)  
Bungalow No. 60, Sector - 4, Chandigarh,  
[www.goldenforestcommittee.com](http://www.goldenforestcommittee.com)

In response to this Notice, on 15.01.2010, Shri Barjinder Mishra, an agent/representative of Shri S.P.Singh, the proprietor of Hotel Drive In, Massoorie-Chamba Road, Dhanaulti, appeared before this Committee. He submitted that the said property is the sole proprietorship of Shri S.P.Singh. He further submitted that M/s. BCC Builders Private Limited or the BCC Group had no concern with this property. He filed reply of Shri S.P.Singh aforesaid to this notice prepared by Shri A.K.Singh and Shri Naresh Kumar Gaur Advocates from Delhi for Shri Singh. He also placed on record some documents in support of his reply. On this the case was fixed for arguments for 18.01.2010 as already fixed as per Show Cause Notice issued to the respondent.

On 18.01.2010, Shri Ashok Kumar Singh and Shri H.C. Sharma, Advocates of Delhi appeared as counsel for Shri S.P.Singh aforesaid appeared. They reiterated that Shri S.P.Singh was the sole proprietor of this property and that M/s. BCC Builders or the BCC Group of Companies had no concern with this property. It may also be mentioned that these learned advocates are representing M/s. BCC Builders Private Limited and the BCC Group of Companies in a similar case pending before this Committee which was also fixed along with the present case for 18.01.2010. None appeared for M/s. BCC Builders Private Limited or M/s. BCC Group of Companies in this case. They have been proceeded against ex parte. The learned counsel for Shri S.P.Singh addressed this Committee at length on 18.1.2010. Arguments were concluded and

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Bungalow No. 60, Sector - 4, Chandigarh,  
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the order was reserved. Today, through special messenger, Shri Ashok Kumar Singh Advocate has sent to this Committee, his written submissions covering two typed pages which have been placed on the file of the connected case. These written submissions are also accompanied by the photo copy of I.A. No.56 of 2006 in T.C (C) No.2 of 2004 and order dated 4.1.2007 of the Hon'ble Supreme Court dismissing this I.A.No.56. We have carefully perused the record and applied our mind to the submissions of the learned counsel for Shri S.P.Singh and also his written submissions received today and placed on the connected file. Here in after Shri S.P.Singh shall be referred to as the respondent in this case.

Main contention of the learned counsel for the respondent is that M/s. Golden Projects Limited is an entirely a separate and distinct entity and that it is not a sister or subsidiary Company of M/s. Golden Forests (India) Limited. In this context it may be recalled that Smt.

Pamila Syal, Managing Director of the Golden Projects Limited had earlier filed I.As Nos.7 to 11 in T.C.(C) No.68 of 2003 in which she stated that Golden Projects Limited, Golden Tourist Resort & Developers Limited, Super Bricks Private Limited, Golden Royal Home were independent companies and had no concern with the Golden Forests (India) Limited. These I.As were disposed of by the Hon'ble Supreme Court vide its order dated 5.9.2006. Relevant paragraphs concerning the contention of Smt. Pamila Syal read as follows:-

Committee - Golden Forests (India) Ltd.  
(Appointed By The Hon'ble Supreme Court Of India)  
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"42.(i) .....

(ii). ....

(iii) Mr. Jain has filed a list of 110 companies which formed the group companies of GFIL dividing them into three categories (a) GFIL and its assets mentioned at serial Nos. 1-90 (b) Golden Project and its associate companies mentioned at Serial Nos. 91-104, which do not form part of the GFIL and (c) Societies and Trusts mentioned at Serial Nos. 105-110. which would also be outside the GFIL.

43. Mr. Jain, learned senior counsel for the Company. has no objection to the Committee taking over the properties and assets of the companies mentioned at serial nos. 1-90. The Committee would be at liberty to 'take hold of the properties of the companies mentioned at Sl. Nos. 1-90 as well and deal with them as a part of the properties of GFIL.

44. Insofar as the properties of the companies mentioned at Sl. Nos. 91-104 belonging to Golden Project<sup>1</sup> and its associates and the properties of societies and trusts mentioned at serial numbers 105-110 are concerned, Mr. Jain states that he would seek instructions and file an

Committee - Golden Forests (India) Ltd.  
(Appointed By The Hon'ble Supreme Court Of India)  
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affidavit if they can be taken as the properties of  
GFIL, within two weeks from today.

45 to 59.....

60. Thus all the applications for  
impleament/intervention/direction/clairification/mo  
dification stand disposed of accordingly."

Smt. Pamila Syal, Managing Director of Golden Projects Limited also filed I.A.No.53 of 2006 in T.C.(C) No.2 of 2004 in which she raised similar contention namely that this Committee be directed not to sell/advertise for sale the properties which do not belong to Golden Forests (India) Limited. A similar application bearing I.A.No.56 of 2006 was filed by Shri R. K. Syal with the prayer that the assets of the Companies other than Golden Forests (India) Limited should not be sold as these are independent and no amount of Golden Forests(India) Limited is invested in these companies. Shri R.K.Syal had also filed I.A.No.52 of 2006 alleging that the companies mentioned at serial nos.91 to 110 (which also included Golden Projects Limited) are independent companies having their own objects, liabilities and have nothing to do with the operations of Golden Forests (India) Limited. By another I.A.No.54 of 2006, Smt. Pamila Syal also prayed for permission to file additional documents in support of I.A.No.53 of 2006. On 30.1.2006, the Hon'ble Supreme Court passed the following order on I.A.Nos. 52, 53 and 54:-

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"I.A. No.52 is dismissed as withdrawn. Heard. I.A.

No.53 is Dismissed. The Committee is at liberty to  
proceed with the auction.

I.A. No.54 (for permission to file additional documents)  
also stands dismissed."

On 4.1.2007, the Hon'ble Supreme Court passed the following  
order in I.A.No.56:-

" I.A. No. 56 heard. The Interlocutory Application  
No.56 is dismissed."

Therefore the contention of the learned counsel of respondent that  
Golden Projects Limited is a separate and distinct entity from the  
Golden Forests (India) Limited must be repelled.

The Golden Projects Limited and its Associated Companies have  
been mentioned under the heading (B) in the List of Companies  
referred to in the above paragraphs and their Sr. Nos. in the said list  
are Nos.91 to 94. This list was filed in I.A. No.51 of 2004.

It is faintly submitted by the learned counsel for respondent that in  
compliance with the undertaking of Shri Jain, Advocate given on  
05/09/2006 to the Hon'ble Supreme Court in para No.44 of their  
order reproduced above, affidavit dated 17.9.2006 of Shri Rakesh  
Kant Syal, Managing Director of M/s. Golden Forests (India) Limited  
was filed in the Hon'ble Supreme Court in which he inter alia  
mentioned that the Company Nos. 91 to 94 ( i.e. Golden Projects  
Limited and its alleged Associate Companies) were totally  
independent and had their own objects, assets and liabilities and

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that these had nothing to do with the operations of the Companies belonging to the M/s. Golden Forests (India) Limited. In this context, it would be worthwhile to note that sum and substance of this affidavit has also been reproduced in I.A. No.52 of 2006 filed in T.C.(C) No.2 of 2004, and the said I.A. was dismissed as withdrawn by the Hon'ble Supreme Court by its order dated 30.11.2006 passed in T.C.(C) No.2 of 2004. Therefore, the affidavit dated 17.9.2006 of Shri Rakesh Kant Syal, does not carry much value. Be that as it may, as shall be presently noted, this plea was specifically dismissed by the Supreme Court.

The matter becomes absolutely clear from the I.A. No.56 of 2006 filed by Shri Rakesh Kant Syal, Managing Director of Golden Forests (India) Limited filed in T.C.(C) No.2 of 2004. In the said I.A., Shri Syal inter alia prayed for the following relief:-

"It is therefore most respectfully prayed that-

1. The assets of the companies other than Golden Forests (I) Ltd. should not be sold as these companies are independent and no amount of Golden Forest (I) Ltd. is invested in these companies.
2. Since the companies other than GFIL are not before this Hon'ble Court in these proceedings, appropriate directions be issued so that the Committee does not sell the assets of those companies in terms of order dated 5.9.2006 passed by this Hon'ble Court.

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3. A clear direction may kindly be issued in view of the statement made by the counsel for the Committee Ms. Suruchii Aggarwal for arranging the proceeds and depositing the amount within a specified time limit failing which necessary directions be issued so that the family of Syal can arrange the amount payable as per books of account to settle the dispute.
4. In view of the fact that the Committee has almost completed the work of identification of claims and liability of Golden Forest (I) Ltd. and only the payment is required to be made as per directions of this Hon'ble Court, the criminal proceedings pending against the applicant and his other family members be adjourned sine die and released from custody.
5. Any other order or direction as this Hon'ble Court may deem fit and proper be passed."

As already stated this I.A. was dismissed by the Hon'ble Supreme Court by their order dated 4.1.2007. The dismissal of this I.A. No.56 by the Hon'ble Supreme Court leaves no manner of doubt that the plea that the Golden Projects Limited and its alleged Associate Companies were distinct and separate from the Company Golden Forests (India) Limited and they had nothing to do with the last mentioned Company was finally rejected and dismissed by the Hon'ble Supreme Court. Obvious net result would be that the Golden Projects Limited and its Associated Companies are very

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much the subsidiaries/sister companies/concerns of M/s. Golden Forests (India) Limited. If that be so then all the orders of the Hon'ble Supreme Court passed in relation to the Golden Forests (India) Limited are also ipso-facto and mutatis-mutandis applicable to the Golden Projects Limited and its Associated Companies. So the contention of the learned counsel of the respondent must be repelled.

Faced with this situation the learned counsel in his written submissions, communicated to this Committee through his messenger today, has tried to submit that the intention of I.A. No.56 referred to above was different. This argument has been noted only to be rejected.

The prayer clause of I.A.No.56 of 2006 filed by Shri Rakesh Kant Syal, Managing Director, Golden Forests India Limited has been reproduced above. The intention of filing this I.A. as it can be gathered from its text and its prayer clauses was three fold as under :-

- A. To get all the criminal proceedings against Shri Rakesh Kant Syal and members of his family adjourned sine die and for their release from the custody. Prima facie this prayer has got no direct bearing on the fact whether Golden Forests (India) Limited and Golden Projects Limited are distinct entities or whether the latter is only a subsidiary/sister company of the former.

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B. To enable the Managing Director and the Directors of the Golden Group of Companies to arrive at some settlement of some sort with some other party so as to raise funds in order to be able to pay all the investors of these companies. In this context it may be mentioned that in an abortive attempt to make some settlement, M/s. Golden Forests (India) Limited brought before this Committee one Company known as Vavasi Telegence Private Limited, who made some tentative offer to take over the entire assets and liabilities of M/s Golden Forests (India) Limited on payment of Rs.2700 crore out of which Rs. 500 Crore were to be given to the promoters of the Companies. On the request of Shri R.K.Syal, Managing Director of Golden Forests (India) Limited and Smt. Pamila Syal, Managing Director of Golden Projects Limited a number of adjournments were given to them for arriving at settlement with Vavasi Telegence Private Limited. Ultimately, that settlement fell through and this Committee submitted a report to this effect to the Hon'ble Supreme Court in its I.A.No.95 of 2009 in T.C.(C) No.2 of 2004 and I.A. No.40 of 2009 in T.C.(C) No.68 of 2003.

Thus, the order of the Hon'ble Supreme Court in I.A. No.56 reproduced above relating to the working out the settlement by the Golden Forests (India) Limited, is fully explained and with this, the contention of the learned counsel for the respondent is repelled.

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C. The third and the fore-front prayer of Shri Rakesh Kant Syal in I.A.No.56 was that the assets of the companies other than Golden Forests should not be sold as these companies are independent and no amount of Golden Forests (India) Limited is invested in these Companies. His prayer further was that appropriate directions may be issued by the Hon'ble Supreme Court to this Committee so that this Committee does not sell the assets of those companies in terms of the order dated 5.9.2006 passed by the said Hon'ble Court. Admittedly this prayer of Shri Syal was dismissed by the Hon'ble Supreme Court by its order dated 4.1.2007. This clearly means that the Hon'ble Supreme Court allowed this Committee to sell the assets of Golden Projects Limited and its so called associate companies. Therefore the contention of the learned counsel for the respondent is repelled.

Next submission of the learned counsel for the respondent is that they had purchased the property in question from M/s. Golden Projects Limited through their authorised agents/persons holding General Power of Attorney namely Sh. M. K. Sharma, Sh. Girdhari Lal, Sh. Arun Walia and Sh. Anwar Khan by registered sale deed dated 14.08.2007 and so they are the owners of this property and it cannot be taken back from them. However, for the reasons to be presently stated this contention must be repelled.

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OFFICE OF THE CHAIRMAN  
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In this connection para No.40 of the order of the Hon'ble Supreme Court dated 5.9.2006 in I.A. Nos. 28, 36, 41, 42, 43, 44, 45, 46, 47, 49 etc. in T.C.(C) No.2 of 2004 may be reproduced with advantage -

"40. Insofar as the settlement/sales of immovable properties for the period between the appointment of provisional liquidator passed by the High Court of Punjab and Haryana and the restraint order dated 17th August, 2004 passed by this Court are concerned, any sales/settlement made contrary to the orders passed after the appointment of Provisional Liquidator by the High Court of Punjab and Haryana on 20th January, 2003( sic 20<sup>th</sup> June, 2003) and the restraint order passed on 17th August, 2004 by this Court shall be ignored and the Committee would be at liberty to get hold of those properties by taking vacant possession thereof with the help of civil and police authorities and deal with them in accordance with the directions already given."

The sale deed of the property in question in favour of the respondent is dated 14.8.2007, which means that it had been executed and registered after the date of appointment of Provisional Liquidator by the Punjab and Haryana High Court on 20.6.2003, and to cap it all even after the restraint order dated 17.8.2004 passed by the Hon'ble Supreme Court. Therefore, in compliance with the orders of Hon'ble Supreme Court dated 5.9.2006 referred to above this sale deed is to

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be ignored outright. If that be so then the respondent stands denuded of his title in the property in question.

A connected submission of the learned counsel for the respondent is that he is bonafide purchaser for consideration without notice. In first place it may be stated that the affairs of M/s. Golden Group of Companies had become notorious since the year 2000. if not earlier. Multiple litigations in respect of their properties were pending in various High Courts, other Courts in the country and the SEBI. Therefore it is difficult to hold that the respondent had no knowledge thereof, when these were being widely reported in media and were also being adversely commented upon by lacs of their dissatisfied investors throughout the country. Besides that as soon as restraint order dated 17/08/2004 was passed by the Supreme Court, this Committee gave wide publicity to it by publishing advertisements to this effect in all leading newspapers. Be that as it may, in view of the clear cut and unambiguous order of the Hon'ble Supreme Court in para No.40 of their order dated 5.9.2006 reproduced above, this sale deed has to be simply ignored because it had been executed after the appointment of Provisional Liquidator on 20.6.2003 by the Punjab and Haryana High Court and also because it was executed in violation and contravention of and contrary to the restraint order dated 17.8.2004 passed by the Hon'ble Supreme Court.

No other point has been urged by the learned counsel for the respondents.

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In conclusion it is held as proved that the property in question is owned by M/s. Golden Projects Limited which is a sister/subsidiary Company of M/s. Golden Forests (India) Limited. The sale of this property made by the Golden Projects Limited by registered sale deed dated 14.8.2007 has to be ignored outright. If that sale deed is ignored, then the immediate conclusion is that the respondent is in unauthorized and illegal possession of the said property. Therefore he is hereby directed to deliver its vacant possession to this Committee forthwith.

In the Show Cause Notice served on the M/s. BCC Builders Private Limited, M/s. BCC Group of Companies and Driver In, Dhanaulti, they were directed to show cause as to why they should not pay damages/ compensation to this Committee @Rs.2,00,000/- (Rupees two lakh only) per month for unauthorized use and occupation of this property from August, 2004 till they deliver its possession to this Committee. Shri S.P.Singh respondent accepted this notice and filed a reply to it. In response to this particular part of the Show Cause Notice, the respondent has not stated anything either in their reply or in their arguments. He has not shown that the quantum of damages/compensation as assessed by this Committee is excessive or unreasonable. Therefore, he is also directed to pay damages/compensation to this Committee @Rs.2,00,000/- (Rupees two lakh only) per month for unauthorized use and occupation of this property since 14.8.2007, the date of the

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alleged sale deed in his favour. Copy of this order be communicated to all the parties concerned.

A copy of this order be also communicated to the Deputy Commissioner, Dehradun for information. In his capacity as the Registrar (Under Registration Act), he is requested to direct Sub-Registrar Office which registered the sale deed dated 14.08.2007 to give a note in red ink on the copy of said sale deed affixed/maintained in his office and in all his relevant registers and documents that the sale deed dated 14.8.2007 has been ignored by this Committee as per orders of the Hon'ble Supreme Court.

Warrant of possession of this property be issued and sent to the Deputy Commissioner, Dehradun for its execution and submitting compliance report by 17.2.2010.

Sd/-  
R.N.Aggarwal  
Chairman  
Committee - GFIL  
Committee - GFIL

Sd/-  
H.L.Randev  
Member

Sd/-  
B.S.Bedi  
Member  
Committee - GFIL

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## PUNJAB &amp; HARYANA HIGH COURT

CP No 115 of 2002 and other connected matters i.e. CP Nos 194,195,199, 216, 218 and 248 of 2001, 25, 34, 43, 50, 68, 116, 129,131,165, 177, 179, 192,194,216,227,228,231, 250,257, 274,304,252,312,314,317,321,328,333,334,345,346,349,351,355,390, 410 and 420 of 2002, 1,12, 16,28,41,79 105,125,128,142,159, 180,182,196 and 270 of 2003

PRESENT: Mr. Anand Chibbar, Advocate

Mr. Y S. Turka, Advocate, for the respondent.

Mr. D.P. Ojha, OL.

Having heard learned counsel for parties for some time, it appears that the interim directions earlier issued needs to be modified to these extent that the respondent Company may be permitted to dispose of a part of the lands owned by it to discharge its debt liability, subject to the condition that the entire sale process is supervised by a Committee consisting of the Official Liquidator and two Lawyers to be appointed by this Court, who shall also associate a representative of the respondent Company with them.

List on 13.08.200 to enable learned counsel for the respondent Company to furnish details as to which parcel of land the Company wants to be disposed of first.

May 27, 2010  
dinesh

(SURYA KANT)  
JUDGE

True copy

IN THE HIGH COURT OF PUNJAB AND HARYANA AT  
CHANDIGARH

Date of Decision : 15.12.2010

C.A.No.430 of 2010  
In C.P.No.115 of 2002

IN THE MATTER OF

The Plantation Investors Protection Society (Regd.)

... Petitioner

Versus

M/s Golden Projects Ltd.

... Respondent

And

Committee – Golden Forests (India) Limited

... Applicant/Respondent

**CORAM: HON'BLE MR. JUSTICE HEMANT GUPTA**

Present: Mr. Abhimanyu Sharma, Advocate,  
for the applicant.

Mr. Y.S.Turka, Advocate,  
for the respondent-Company.

**HEMANT GUPTA, J. (ORAL)**

The present application is by a Committee constituted by the Hon'ble Supreme Court in respect of sale of the properties of Golden Forest (India) Limited and its group Companies vide order dated 19.08.2004. Subsequently, on 05.09.2006, the Hon'ble Supreme Court has issued comprehensive directions in respect of conduct of proceedings by the said Committee in respect of assets of the Golden Forest (India) Limited.

Golden Projects Limited is said to be an independent Company of the group Companies of Golden Forest (India)

Limited. It is so stated on the basis of list of Companies filed before the Hon'ble Supreme Court in which the Companies mentioned at Sr.Nos.91 to 104 were said to be not part of group Companies of Golden Forest (India) Limited.

This Court on 27.05.2010 constituted the sale Committee consisting of the Official Liquidator and two Lawyers to be appointed by this Court in respect of sale of assets of Golden Projects Limited, who shall also associate a representative of the respondent-Company with them. The said order reads as under:

"Having heard learned counsel for the parties for some time, it appears that the interim directions earlier issued needs to be modified to the extent that the respondent-Company may be permitted to dispose of a part of the lands owned by it to discharge its debt liability, subject to the condition that the entire sale process is supervised by a Committee consisting of the Official Liquidator and two Lawyers to be appointed by this Court, who shall also associate a representative of the respondent company with them.

List on 13.08.2010 to enable the learned counsel for the respondent Company to furnish details as to which parcel of land the Company wants to be disposed of first."

The present application has been filed by the Committee constituted in terms of the Hon'ble Supreme Court order for modification of the aforesaid order. It has been asserted that

the said Committee has taken a number of steps in realizing all the assets of the group Companies of the Golden Forest (India) Limited and that the Committee has invited claims from the investors/creditors of Golden Forests (India) Limited in the year 2004 and over 17 lac claims have been received. The Committee has already advertised the properties owned by the Golden Projects Limited and its group Companies as well and invited claims from the investors and more than one lac claims have been received. Therefore, the said sale Committee should be permitted to continue with the sale of the assets of the Golden Projects Limited as well.

The management of the Company through its counsel Mr. Turka has produced on record an application allegedly filed by the Provisional Liquidator in C.P.No.60 of 2001, which proceedings led to an order passed by the Hon'ble Supreme Court constituting Sale Committee. From the said application, it transpires that M/s Golden Projects Limited has about 11 subsidiary companies and that the Golden Forests (India) Limited, Golden Projects Limited and their subsidiary companies are controlled and managed by one family known as "Syals" through A.L.Syal, R.K.Syal, his wife Neena Syal, his sister Pamila Syal, brother-in-law H.K.Sinha and another brother.

This Court constituted Sale Committee consisting of the Official Liquidator and two lawyers to be appointed by this Court, who shall associate a representative of the respondent-

Company with them, to dispose of the assets of M/s Golden Projects Limited and its associate companies.

Whether the order dated 05.09.2006 of Hon'ble Supreme Court in respect of assets of Golden Forests (India) Limited and its associate companies is inclusive of the Golden Projects Limited is not free from doubt. But the fact remains that M/s Golden Projects Limited and its associate Companies are also managed and controlled by the same family. The nature of investments and the issues arising therefrom are common to that of Golden Forests (India) Limited and Golden Projects Limited.

Therefore, to avoid contradictory and conflicting proceedings and keeping in view the fact that the Sale Committee constituted by the Hon'ble Supreme Court has proceeded ahead in respect of sale of the assets of the Golden Projects Limited and has also invited claims from the investors, I deem it appropriate to constitute the said Sale Committee for the purposes of sale of assets of M/s Golden Projects Limited and its associate Companies as well.

The Provisional Liquidator appointed by the Hon'ble Supreme Court is a former Judge of High Court and the other members are two former District Judges. The conduct of sale by such distinguished personalities shall invite more confidence of the effected parties than the Sale Committee to be constituted by this Court on 27.05.2010. Therefore, in modification of the order dated 27.05.2010, the Sale Committee

constituted by the Hon'ble Supreme Court vide order dated 19.08.2004 in respect of sale of the assets of the Golden Forest (India) Limited shall be the Sale Committee for the sale of the assets of Golden Projects Limited and its associate Companies as well.

Such Sale Committee may take assistance from the representative of the Company, as it may consider appropriate, so that the sale process of the assets of the Company is completed expeditiously and obtain maximum price. The sale conducted by the Sale Committee shall be subject to confirmation by this Court.

Disposed of accordingly.

15.12.2010  
Vimal

(HEMANT GUPTA)  
JUDGE

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ITEM NO.35

COURT NO.9

SECTION IVB

SUPREME COURT OF INDIA  
RECORD OF PROCEEDINGS

Petition(s) for Special Leave to Appeal (Civil) No(s).20403/2011

From the judgement and order dated 14/02/2011 in Company Appeal  
No. 2/2011 of The HIGH COURT OF PUNJAB & HARYANA AT  
CHANDIGARH)

M/S GOLDEN PROJECTS LTD.

Petitioner(s)

VERSUS

PLANTATION INVESTORS PROTECTION STY.&amp;ANR

Respondent(s)

(With prayer for interim relief and office report)

Date: 05/08/2011

This Petition was called on for hearing today

CORAM :

HON'BLE MR. JUSTICE P. SATHASIVAM  
HON'BLE DR. JUSTICE B.S. CHAUHANFor Petitioner(s) Mr. Shailendra Bhardwaj, Adv.  
Ms. Aroma Sharma Bhardwaj, Adv.  
For Respondent(s)

UPON hearing counsel the Court made the following

## O R D E R

Heard learned counsel for the petitioner and perused the  
relevant material.

We do not find any valid and legal ground for interference

The special leave petition is dismissed.

[Madhu Bala]  
Sr.PA[Savita Sainani]  
Court Master

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## IN THE HIGH COURT OF DELHI AT NEW DELHI

Date of decision: 25.07.2013

+ W.P.(C) 1399/2010

NATIONAL INVESTOR FORUM REGD

..... Petitioner

versus

GOLDEN FORESTS INDIA LTD.

..... Respondent

+ W.P.(C) 1400/2010

NATIONAL INVESTORS FORUM

..... Petitioner

versus

GOLDEN FORESTS INDIA LTD.

..... Respondent

Through: Sh. Ashok Kumar Singh, Sh.  
Naresh Kumar Gaur, Sh. Shantwanu Singh  
and Sh. H.C. Sharma, Advocates. Sh.  
Harpavan Kuma Arora, Sh. Prashant  
Chauhan and Sh. Saurabh S. Sinha.  
Advocates.

CORAM:

HON'BLE MR. JUSTICE S. RAVINDRA BHAT HON'BLE MR.  
JUSTICE NAJMI WAZIRI

MR. JUSTICE S. RAVINDRA BHAT (OPEN COURT)

%

C.M. APPL. 4306/2010, 5546/2010 & 5547/2010

1. The present applicant, M/s. BCC Builders Private Limited seeks directions for setting-aside the order of the Committee' dated 20.01.2010, appointed by the Supreme Court in respect of M/s. Golden Forests India Limited (GFIL). The Committee had rejected the

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appeal of M/s. BCC Builders Private Limited, and the applicant in the other proceeding, i.e. C.M. Appl. 5546/2010 - Sh. S.P. Singh. claiming to be bonafide purchasers of properties of M/s. Golden Projects Limited. The said applicants claim that they secured clear titles through transfer/sale deed executed in their favour some time in 2004.

2. It is argued that the orders of the Supreme Court in respect of GFIL and its group companies - whereby a previous order of the Bombay High Court, made in 1998 had been extended to injunct the officers, directors and other representatives of the GFIL group of companies from alienating or transferring the properties of the said Group, did not extend to Golden Projects Limited. It is, therefore, urged in support of these applications by the said alleged purchasers that they have valid title. Learned counsel sought to rely upon the pleadings as well as the orders of the Punjab and Haryana High Court in C.P. 115/2002 (in C.M. 430/2010) dated 15.12.2010. It is also submitted that this order was subsequently confirmed by the Division Bench on 14.02.2011 and that the Supreme Court did not interfere with those orders. Learned counsel urged that the Committee which has sought to deal with the said properties which were the subject matter of the sale or transfer in their favour did not have authority and could have applied for authorization of transactions, if at all, to the Punjab and Haryana High Court.

3. Learned counsel relies upon the orders of the Supreme Court dated 30.11.2006, made in I.A. 52 in Transfer Case (Civil) No.2 of 2004 in the proceedings pending before it as well as in the subsequent application, I.A. 56 as well as an order of the said Court dated

08.02.2007. It was submitted that all those proceedings, i.e. I.A.s 52, 56 and 57 pertained to sale notices issued in respect of the M/s. Golden Projects Limited; the precise contention made was that the company was not part of the M/s. Golden Forest India Limited Group. It was emphasized that the Punjab and Haryana High Court's orders relied upon by the present applicants is bereft of any advertence to the said three orders of the Supreme Court dated 30.11.2006, 04.01.2007 and 08.02.2007.

4. This Court has considered the submissions carefully. In I.A. No. 52/2006 filed before the Supreme Court, following averments were made in para no.3:

"3. That the applicant makes the following submissions in compliance with the above order:-

- (i) That the names of companies as per SI. No.91-110 of the list attached with the interim application filed on 5.09.2006 are as under:-

B	GOLDEN PROJECTS LTD. AND ITS ASSOCIATE COMPANIES
91.	Damos Investments
92.	Esa Hotels Pvt. Ltd.
93.	ISIR Construction Pvt. Ltd.
94.	Ira Marketing Pvt. Ltd.
C	GOLDEN TOURISTS RESORTS AND DEVELOPERS LTD.
D	OTHER COMPANIES
95.	Himachal Country Resort Ltd.

96.	Super Bricks Pvt. Ltd.
97.	Golden Roayl Home Financial Corp. Ltd.
98.	Golden Health Care Ltd.
99.	Golden Datamation Ltd.
100.	Thy Golden Power (I) Ltd.
101.	Thry Golden Globe Net (P) Ltd.
102.	Golden Infrastructure Pvt. Ltd.
103.	Inodaya Holding Pvt. Ltd.
104.	Golden Scientific & Technical
E	SOCIETIES AND TRUST
105.	Thy Golden Scientific & Education Society, Haryana
106.	Golden Educational Society, Panchkula

107.	Thy Golden Scientific & Technical Education Society, Punjab
108.	Golden Educational Promotion Society
109.	Thy Golden Royal Management Education Research Society
110.	India Overseas Peace Foundation

The above mentioned companies are totally independent having their own projects, assets, and liabilities and is nothing to do with the operations of companies belonging to M/s. Golden Forests (I) Ltd. It is further clarified that no amount of, Golden Forests (I) Ltd. stands invested in these companies, on the other hand, it is otherwise, that these companies have to recover some

amounts from Golden Forests (I) Ltd. Therefore, under the facts and circumstances, these companies cannot be taken as the properties belonging to GFIL and have independent identity."

5. In para 2 of the same application, a previous order was extracted, containing reference to statement made by learned counsel as to whether certain properties of other companies mentioned at Sl. Nos. 91 to 110 could be treated as those belonging to Golden Forest India Ltd. The order on this application, I.A. 52 dated 30.11.2006 of the Supreme Court, reads as follows:

"I.A. No.52 is dismissed as withdrawn. Heard. I.A. No.53 is dismissed. The Committee is at liberty to proceed with the auction. I.A. No.54 (for permission to file additional documents) also stands dismissed."

6. In I.A. 56 in which the applicant has produced, as part of these proceedings, averments identical to para 3 in I.A. 52 was made in para 4; in para 5, it was asserted that:

"5. That the above mentioned companies are totally independent having their own objects, assets, liabilities and have nothing to do with the operations of companies belonging to M/s. Golden Forests (I) Ltd."

7. This application was dismissed on 04.01.2007 in the following terms:

"I.A. No.56.

Heard.

The Interlocutory application No.56 is dismissed.

However, the applicant would be at liberty to approach the

Committee for working out the settlement. If the Committee is prepared to settle, then it may submit a report to this Court."

7. After the dismissal of the above applications, yet another application, I.A. No.57 appears to have been filed, this time seeking recall of the Committee's sale notice dated 14.10.2006 – apparently reiterating the same grounds. The entire order of the Supreme Court, dealing with I.A. Nos. 55 and 57, made on 08.02.2007 reads as follows:

"I.A. No.55

Applicant addressed a letter to the Committee on 27th October, 2006 which has been rejected by the Committee by its order dated 31st October, 2006 (Annexure A-5 to the application) without affording an opportunity of hearing to the applicant. We direct the Committee to afford an opportunity of hearing to the applicant and pass appropriate orders in accordance with law. Applicant is also directed to furnish all accounts duly audited showing deposits, incurred liability and other expenses to the Committee.

I.A. No.55 is disposed of accordingly.

I.A. Nos. 57

A prayer for settlement was moved by the applicant in I.A. No.56 which was heard by this Court on 4th January 2007. I.A. No. 56 was dismissed.

However, the applicant was put at liberty to approach the Committee for working out the settlement with the rider that if

the Committee is prepared to settle, then it may submit a report to this Court."

The present I.A. No.57 has been filed for the following directions:

- I. direct the Committee to recall the Sale Notice dated 14.10.2006 and also the consequent action taken thereon so that the applicant's proposal for settlement may not be adversely affected, and
- II. any other relief which this Hon'ble Court deem fit and proper in the circumstances may also be given.

In so far as the prayer to recall the Sale Notice dated 14.10.2006 is concerned, the same is rejected.

Applicant's proposal for settlement, which had been rejected by this Court on 4th January, 2007, has been rejected by the Committee by its order dated 19th January, 2007. We have gone through the same and do not find any infirmity therein.

I.A. No.57 is rejected."

8. It is apparent from the above extracts and the narrative that repeated efforts made by different individuals, claiming that Golden Projects Limited was not part of GFIL group of companies and, therefore, its properties could not be sold by the Committee, were considered and rejected by the Supreme Court. In fact I.A. 52 was filed on behalf of R.K. Syal, MD of Golden Forests by the counsel who appears today and who has filed I.A. 4306/2010, Sh. Ashok Kumar Singh. There is an advertence of I.A. No. 52 in page 61 of the present application in an Annexure, i.e. copy of I.A. 56. Significantly,

BU

however, the order made in I.A. 52 whereby Sh. Ashok Kumar Singh withdrew the application preferred on behalf of MD of GFIL has not been disclosed. To compound this, Sh. Ashok Kumar Singh has now sought to address arguments- this time on behalf of alleged purchasers, claiming that they were bonafide purchasers/transferees. This conduct of the applicant as well as the learned counsel deserves to be deprecated and the Court does so in strong terms. So far as the reliance on orders of the Punjab and Haryana High Court is concerned, it is apparent from a reading of the Single Judge and Division Bench's orders that notice was not drawn to the orders of the Supreme Court in I.A. Nos. 52, 56 and 57. We have no manner of doubt that had such been the case, the nature of the order could well have been different. We are not required to say anything further. 9. In view of the above discussion, we are satisfied that there is no merit in the applications; they are accordingly dismissed with costs quantified at Rs.1 lakh for each of the applications, i.e. C.M. Appl. 4306/2010 and 5546/2010 to be paid to the Committee within four weeks.

C.M. Appl. 4306/2010, 5546/2010 and 5547/2010 are dismissed. Order dasti.

S. RAVINDRA BHAT  
(JUDGE)

NAJMI WAZIRI  
(JUDGE)

July 25, 2013

//True Typed Copy//

ITEM NO.1

COURT NO.4

SECTION XIV

## SUPREME COURT OF INDIA

## RECORD OF PROCEEDINGS

Petition(s) for Special Leave to Appeal (C) No(s).

24996-24997/2013

(Arising out of impugned final judgment and order dated 25/07/2013 in CMA No.4306/2010 and CMA No.5546/2010 in WP(C) No.1399/2010, 25/07/2013 in CWP No. 1399/2010 passed by the High Court of Delhi at New Delhi).

HOTEL DRIVE INN

Petitioner(s)

VERSUS

GOLDEN FOREST LTD &amp; ORS.

Respondent(s)

(With appln. (s) for deletion of the name of respondent and permission to file additional documents and interim relief and office report)(For final disposal)

Date : 26/03/2015 These petitions were called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE JAGDISH SINGH KHEHAR

HON'BLE MR. JUSTICE S.A. BOBDE

For Petitioner(s)

Mr.Mohan Jain, Sr.Adv.

Mr. Ashok Kumar Singh, Adv.

Mr.Shantwanu Singh, Adv.

For Respondent(s) Mr.H.L.Sharma, Adv.  
Mr.V.Shekhar, Sr.Adv.  
Mr. Chander Shekhar Ashri, Adv.  
Ms.Richa Sharma, Adv.  
Dr.G.L.Bhatia, Adv.  
Mr.Harpawan Kumar Arora, Adv.  
Mr. C. L. Sahu, Adv.

Upon hearing the counsel the Court made the following

ORDER

Heard learned counsel for the parties.

The applications for deleting the name of respondent No.2 are allowed.

No ground for interference is made out in exercise of our jurisdiction under Article 136 of the Constitution of India.

The special leave petitions are accordingly dismissed.

(SATISH KUMAR YADAV)

COURT MASTER

(RENU DIWAN)

COURT MASTER

//True Typed Copy//

OFFICE OF THE CHAIRMAN  
Committee - Golden Forests (India) Ltd.  
(Appointed By The Hon'ble Supreme Court Of India)  
Bunglow No.60, Sector 4, Chandigarh  
www.goldenforestcommittee.com

COM/CHD/P-UK-3/2015/96

01.04.2015

The District Magistrate,  
Dehradun, Uttarakhand

WARRANT OF POSSESSION OF PROPERTY DESCRIBED AS  
HOTEL DRIVE IN MUSSOORIE SITUATED AT THE MALL  
ROAD, MUSSOORIE DISTRICT DEHRADUN (UTTRAKHAND).  
AREA : 2824 SQ.MTR (COVER AREA 208 SQ.MTR.)

Whereas this Committee known as the Committee - Golden Forests (India) Limited has been constituted by the Hon'ble Supreme Court of India with inter alia the following mandate:-

1. To invite claims from the investors and creditors of the Company Golden Forests (India) Limited (and its subsidiary/sister concerns) and to tabulate the same.
2. To identify the properties of the Company Golden Forests (India) Limited (and its subsidiary/sister concerns).
3. To take possession of the properties of the Company Golden Forests (India) Limited (and its subsidiary/sister concerns) through the District Administration of the district concerned, and with the police help, if need be.

OFFICE OF THE CHAIRMAN  
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And whereas this Committee came to know that the property known as Mayfield Estate, Hotel Drive In Mussoorie, measuring 2824 sq. mtrs., covered area 208 sq. mtrs, situated at Mussoorie (Uttarakhand) owned by M/s. Golden Projects Limited is in unauthorized and illegal possession of M/s BCC Builders Private Limited D-224, Vivek Vihar, Phase-1, Delhi-95, member of BCC Group, Corporate Office-B6, Surya Nagar, Ghaziabad (U.P.) who are running a hotel on it in the name of Hotel Drive In Mussoorie.

And whereas this Committee, after giving notices to (1) M/s BCC Builders Private Limited D-224, Vivek Vihar, Phase-1, Delhi-95, (2) M/s BCC Group, Corporate Office-B-6, Surya Nagar, Ghaziabad (U.P) and (3) Hotel Drive Inn, Bharat Complex, Picture Palace, Mall Road, Mussoorie and after hearing them passed a detailed order dated 20.01.2010. This Committee, in execution of its mandate of the Hon'ble Supreme Court referred to above, by its order dated 20.01.2010 held that the aforementioned company is in unauthorized and illegal possession of the property in question. It further directed the afore-mentioned respondents to deliver its vacant possession to this Committee forthwith.

And whereas M/s BCC Builders Pvt. Ltd. filed I.A. No. 116-19 in TC (C) No. 2 of 2004 in the Hon'ble Supreme Court and sought directions for setting aside the order dated 20.01.2010 of the Committee (GFIL), appointed by the Hon'ble Supreme Court of India,

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OFFICE OF THE CHAIRMAN  
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(Appointed By The Hon'ble Supreme Court Of India)  
Bungalow No.60, Sector 4, Chandigarh  
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by which the Committee had rejected the objections of M/s BCC Builder Pvt. Ltd. claiming to be the bonafide purchasers of properties of M/s Golden Projects Ltd. through transfer /sale deed executed in their favour sometime in 2004. The I.As were transferred by the Hon'ble Supreme Court to the Hon'ble High Court of Delhi for passing further orders. These I.As were re-numbered in Delhi High Court as CM. Nos. 4306-09/2010.

The Hon'ble High Court of Delhi heard the above said applications and dismissed them by an order dated 25<sup>th</sup> July, 2013. The Hon'ble Court held:

"In view of the above discussion, we are satisfied that there is no merit in the applications; they are accordingly dismissed with costs quantified at Rs.1 lakh for each of the applications. i.e. CM Appl. 4306/2010 and 5546/2010 to be paid to the Committee within four weeks."

C.M. Appl. 4306/2010, 5546/2010 and 5547/2010 are dismissed. Order dasti.

Copy of order dated 25.07.2013 of Hon'ble High Court of Delhi is enclosed.

And Whereas in compliance with above order of Hon'ble High Court of Delhi, this Committee (GFIL) issued warrant of possession No. COM/CHD/P-UK-3/2013/133 dated 05.08.2013 which was to be executed by the District Magistrate, Dehradun by evicting M/s BCC

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Builder Pvt. Ltd., or whosoever is found in possession on the property in question and to report this Committee by 17.09.2013.

And Whereas M/s BCC Builder Pvt. Ltd., against the order dated 25.07.2013 passed by the Hon'ble High Court of Delhi, filed SLP No. 24996-97 of 2013 in the Hon'ble Supreme Court. The said SLP was heard and dismissed on 26.03.2015. Copy of the order dated 26.03.2015 is enclosed for your ready reference.

In view of the above, fresh warrant of possession is being issued to you with direction to execute this warrant of possession by evicting M/s BCC Builder Pvt. Ltd. or anybody else found in possession of the property described as Hotel Drive In Mussoorie, Mayfield Estate, situated at Mall Road, Mussoorie (Uttarakhand), total area 2824 sq. mtrs, covered area 208 sq. mtrs, and deliver the vacant possession of this property to the Committee (GFIL). The Committee deputed Shri Prashant Chauhan, Advocate, representative of this Committee, to take possession of this property on behalf of this Committee. You may also requisition police assistance, if need be.

This warrant of possession be returned to this Committee by 20.04.2015, after execution of the same, with the complete report stating the manner in which this warrant of possession has been executed.

Issued today on this 1<sup>st</sup> day of April, 2015.

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(Appointed By The Hon'ble Supreme Court Of India)  
Bunglow No.60, Sector 4, Chandigarh  
[www.goldenforestcommittee.com](http://www.goldenforestcommittee.com)

Sd/-  
R.N.Aggarwal  
Chairman

(On Leave)  
H.L.Randev  
Member

Sd/-  
B.S.Bedi  
Member

Encl: As Above.

//True Typed Copy//

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Bungalow No. 60, Sector - 4, Chandigarh,  
www.goldenforestcommittee.com

COM/CHD/P-UK-4/2015/95

01.04.2015

The District Magistrate  
District Tehri Garwal,  
Uttarakhand

WARRANT OF POSSESSION OF PROPERTY DESCRIBED AS  
HOTEL DRIVE IN SITUATED AT MUSSOORIE - CHAMBA  
ROAD, DHANAULTI, DISTRICT TEHRI GARWAL  
(UTTARAKHAND).

Whereas this Committee known as the Committee - Golden Forests (India) Limited has been constituted by the Hon'ble Supreme Court of India with inter alia the following mandate:-

1. To invite claims from the investors and creditors of the Company Golden Forests (India) Limited (and its subsidiary/sister concerns) and to tabulate the same.
2. To identify the properties of the Company Golden Forests (India) Limited (and its subsidiary/sister concerns).
3. To take possession of the properties of the Company Golden Forests (India) Limited (and its subsidiary/sister concerns) through the District Administration of the district concerned, and with the police help, if need be.

And whereas this Committee came to know that the property known as Hotel Drive In situated on Mussoorie - Chamba Road, Dhanaulti, District Tehri Garwal (Uttarakhand) owned by Golden Projects Limited is in unauthorized and illegal possession of M/s BCC Builders

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[www.goldenforestcommittee.com](http://www.goldenforestcommittee.com)

Private Limited D-224, Vivek Vihar, Phase-1, Delhi-95, member of BCC Group, Corporate Office-B6, Surya Nagar, Ghaziabad (U.P.) who are running a hotel on it in the name of Hotel Drive In Dhanaulti.

And whereas this Committee, after giving notices to (1) M/s BCC Builders Private Limited D-224, Vivek Vihar, Phase-1, Delhi-95. (2) M/s BCC Group, Corporate Office-B-6, Surya Nagar, Ghaziabad (U.P) and (3) Hotel Drive Inn, Mussoorie-Chamba Road, Dhanaulti, District Tehri Garhwal. However, in response to the show cause notices one Sh. Barjinder Mishra appeared as an agent/representative of Sh. S.P. Singh and submitted that the said property is the sole proprietorship of Sh. S.P.Singh and that M/s BCC Builders Pvt. Ltd. or M/s BCC Group has no concern with this property. The Committee after hearing Sh. S.P.Singh and after going through the reply filed by Sh. S.P.Singh, passed a detailed order dated 20.01.2010. This Committee, in execution of its mandate of the Hon'ble Supreme Court referred to above, by its order dated 20.01.2010 held that the aforementioned company is in unauthorized and illegal possession of the property in question. It further directed the afore-mentioned respondent to deliver its vacant possession to this Committee forthwith.

And whereas Mr. S.P. Singh filed CM No. 5546-47/2010 in the Hon'ble High Court of Delhi and sought directions for setting aside the order dated 20.01.2010 of the Committee (GFIL), appointed by the Hon'ble Supreme Court of India, by which the

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Committee had rejected the objections of Mr. S.P. Singh claiming to be the bonafide purchasers of properties of M/s Golden Projects Ltd. through transfer /sale deed executed in their favour sometime in 2007.

The Hon'ble High Court of Delhi heard the above said applications and dismissed them by an order dated 25<sup>th</sup> July, 2013. The Hon'ble Court held:

"In view of the above discussion, we are satisfied that there is no merit in the applications; they are accordingly dismissed with costs quantified at Rs.1 lakh for each of the applications, i.e. CM Appl. 4306/2010 and 5546/2010 to be paid to the Committee within four weeks."

C.M. Appl. 4306/2010, 5546/2010 and 5547/2010 are dismissed.

Order dasti.

Copy of order dated 25.07.2013 of Hon'ble High Court of Delhi is enclosed.

And Whereas in compliance with above order of Hon'ble High Court of Delhi, this Committee (GFIL) issued warrant of possession No. COM/CHD/P-UK-4/2013/134 dated 05.08.2013, which was to be executed by the District Magistrate, District Tehri Garwal by evicting Mr. S.P.Singh or whosoever is found in possession on the property in question and to report this Committee by 17.09.2013.

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OFFICE OF THE CHAIRMAN  
Committee - Golden Forests (India) Ltd.  
(Appointed By The Hon'ble Supreme Court Of India)  
Bungalow No. 60, Sector - 4, Chandigarh,  
[www.goldenforestcommittee.com](http://www.goldenforestcommittee.com)

And Whereas Sh. S.P.Singh against the order dated 25.07.2013 passed by the Hon'ble High Court of Delhi, filed SLP No. 24996-97 of 2013 in the Hon'ble Supreme Court. The said SLP was heard and dismissed on 26.03.2015. Copy of the order dated 26.03.2015 is enclosed for your ready reference.

In view of the above, fresh warrant of possession is being issued to you with direction to execute this warrant of possession by evicting Sh. S.P.Singh or anybody else found in possession of the property described as Hotel Drive In situated on Mussoorie-Chamba Road, Dhanaulti. District Tehri Garwal (Uttarakhand) bounded by North: Chamba Mussoorie Motor Road, South: Khet & Rest House of Forest Department, East: Tourist Complex Garwal Mandal Vikas Nigam and West: Dhanolti Bazaar and deliver the vacant possession of this property to the Committee (GFIL). The Committee deputed Shri Prashant Chauhan, Advocate, representative of this Committee, to take possession of this property on behalf of this Committee. You may also requisition police assistance, if need be.

This warrant of possession be returned to this Committee by 20.04.2015, after compliance of the same, with the complete report stating the manner in which this warrant of possession has been executed.

Issued today on this 1<sup>st</sup> day of April, 2015.

OFFICE OF THE CHAIRMAN  
Committee - Golden Forests (India) Ltd.  
(Appointed By The Hon'ble Supreme Court Of India)  
Bungalow No. 60, Sector - 4, Chandigarh,  
[www.goldenforestcommittee.com](http://www.goldenforestcommittee.com)

Sd/-  
R.N.Aggarwal  
Chairman

(On Leave)  
H.L.Randev  
Member

Sd/-  
B.S.Bedi  
Member

Encl: As Above.

//True Typed Copy//

IN THE HON'BLE PUNJAB AND HARYANA HIGH COURT AT  
CHANDIGARH

C.A. No. 228 of 2015  
In C.P. No. 115 of 2002

IN THE MATTER OF-

The Plantation Investors Protection Society (Regd.)

PETITIONER

VERSUS

M/s Golden Projects Limited

...RESPONDENT COMPANY

Application under Rules 6 & 9 of the Companies (Court) Rules, 1959 read with Section 151 CPC for setting aside the decision of the Committee to include the property of Golden Project Limited within the purview of Golden Forest India Limited, which is illegal, arbitrary unconstitutional and for stay of further proceedings pending before the Committee of Golden Forest India Limited qua the property of the Applicant, which has been purchased from M/s Golden Projects Limited during the pendency of the present Application on behalf of the Applicant/Non-Petitioner Hotel Drive Inn.

RESPECTFULLY SHOWETH:

1. That the present Application is being filed by situated at Dhanaulti, Mussoorie (Uttarakhand) through M/s BCC Builders Pvt. Ltd. through its Managing Director S.P. Singh S/o Sh Mahender Singh, R/o D-224, Vivek Vihar, Phase-I, Delhi-95.
2. That the above mentioned Company Petition for winding up is Pending adjudication in this Hon'ble Court being C.P. No 115 of 2002 under section 433 of the Companies Act, 1956 for winding up of the Company M/s Golden Projects Limited. The Winding Up Petition has been Admitted, however the final

Winding Up Order has yet not been passed by this Hon'ble Court. The next date of hearing in above mentioned Winding Up Petition is 20.07.2015.

3. That the facts to be appreciated in the present Application for setting aside and staying further proceedings before the Committee constituted to dispose of the assets of Golden Forest (India) Limited (Respondent No.2), which intern is also taking over the assets of M/s Golden Projects Limited and disposing them of as if the assets are also of Golden Forest (India) Limited, which is no. the case and the matter is pending adjudication before this Hon'ble Court in the pending Company Petition, are given hereunder-
  - (i) That in the above mentioned Company Petition notice of motion was issued to the Respondent Company and thereafter, vide order dated 11.04.2002, the petition has been admitted and the publication has been ordered regarding admission of the petition. Copy of order dated 11.04.2002 is annexed herewith as Annexure A-1.
  - (ii) That thereafter, orders were passed by this Hon'ble Court on 07.02.2008, 28.02.2008, 24.04.2008, 20.11.2009, 22.01.2010, and 27.05.2010 regarding the factum as to whether the Respondent Company is independent of M/s Golden Forest (India) Limited in applications filed by the purchasers of properties of

Golden Projects Limited as the Committee Respondent No.2 was in process to acquire the same from them. Copies of the above mentioned orders are annexed herewith as Annexure A-2 (Colly.).

- (iii) That on 17.09.2010, in the said petition on the application filed by Committee-Golden Forests (India) Limited for impleading as a party in the winding up petition of Golden Projects Limited, the following was passed:-

"Present: None for the petition.

M/s Y.S. Turka, Advocate for the respondent.

Mr. Abhimanu Sharma, Advocate for the applicant in C.A.

Nos. 430 and 431 of 2010.

CA No. 431 of 2010

This is an application under Order 1 Rule 10(2) of the CPC for impleading the Committee appointed by the Hon'ble Supreme Court vide order dated 05.09.2006 for the sale of the assets of Group Companies of Golden Forest as the party respondent.

It is averred that the Respondent Company, Project Limited is also a Group Company of the

Golden Forests and therefore, to facilitate the sale of assets of the said Company, the Committee appointed by the Hon'ble Supreme Court should also be appointed as the Committee for the sale of its assets instead of Committee constituted by this Court on 27.05.2010 consisting of the Official Liquidator and two lawyers.

Keeping in view the in view the averments made in the application, I am of the opinion that the Committee appointed by the Hon'ble Supreme Court vide order dated 05.09.2006 is a necessary party in the present proceedings even to determine; whether the Respondent Company is a part of the Group Companies of Golden Forests. Therefore, the applicant i.e. Committee Golden Forests (India) Limited is impleaded as Respondent No. 2.

CA stands disposed of.

C.P.No. 115 of 2002

Before the Hon'ble Supreme Court, learned counsel representing the Golden Forests Group of Companies has given part of 110 companies. Such companies were divided into three categories i.e. (i) Golden Forests (India) Limited, and its assets mentioned at Serial Nos. 1 to 91;

(ii) Golden Project and its associate companies mentioned at Serial Nos. 91 to 104 and (iii) Societies and Trusts mentioned at Serial Nos. 105 to 110, which are also not part of GFIL.

The Hon'ble Supreme Court permitted the counsel for the Golden Forest to file an affidavit if the properties of the Companies mentioned at Serial Nos. 91 to 104 belong to Golden Project and its associates and the properties of societies and trusts mentioned at Serial Nos. 105 to 110 can be taken as the properties of Golden Forest (India) Limited. Mr. Turka, learned counsel representing the respondent- company seeks some time to produce the affidavit, if any, filed in pursuance of such statement.

List again on 11.11.2010.

C.A. No. 430 of 2010

List alongwith CP. No. 115 of 2002.

Sd/-

(Hemant Gupta)

Judge

17.09.2010

Copy of the order dated 17.09.2010 is annexed herewith as Annexure A-3.

(iv) That on an application filed by Respondent No.2 Committee for vacation of the order dated 27.05.2010, this Hon'ble Court

allowed the Committee to conduct the auction of the properties subject to confirmation by this Hon'ble Court. However, this Hon'ble Court had kept the issue open as to whether Golden Projects Limited also forms part of Golden Forest (India) Limited. Copy of the order dated 15.12.2010 is annexed herewith as Annexure A-4.

- (v) That thereafter, an appeal was filed by the Respondent Company against the order dated 15.12.2010, which was dismissed by the Hon'ble Division Bench on 14.02.2011. The Hon'ble Division Bench however, kept the issue whether the assets of Golden Projects Limited is inclusive of the assets of Golden Forest (India) Limited open as was held by the Hon'ble Company Judge. The SLP filed in the Hon'ble Supreme Court against the said order bearing SLP No. 20403 of 2011 has also since been dismissed on 05.08.2011. Copies of the orders dated 14.02.2011 and 05.08.2011 are annexed herewith as Annexure A-5 Colly.
- (vi) That in the applications filed by the purchasers of the property of Golden Projects Limited/in CA No. 633-634 of 2010 this Hon'ble Court on 28.10.2010 had stayed the dispossession of the property as the Committee of Golden Forest (India) Limited had issued notices to handover the property belonging to Golden Projects Limited. Copy of order dated 28.10.2010 is annexed herewith as Annexure A-6.

(vii) That thereafter, on 13.12.2011 this Hon'ble Court had Passed the following order in the above mentioned Company Petition -

Learned counsel for the parties to place on record necessary documents to show that a Committee constituted by this Court in the matter of Golden Forest (India) Limited, is seized with the property of the Petitioner Company also.

List on 25.01.2012.

Sd/-

(Surya Kant) Judge

13.12.2011"

Copy of the order dated 13.12.2011 is annexed herewith as Annexure A-7.

(viii) That on 16.01.2013 this Hon'ble Court had passed the following order in CA Nos. 608-634-636-638-693-695 of 2010 -

"List for arguments on 01.05.2013 on the issue whether M/s Golden Projects Ltd.-the Respondent Company is a subsidiary and/or sister concern of M/s Golden Forest(India) Limited. As it would determine whether the sale of assets and consequential confirmation of such sale is to be done by this Court or by the Delhi High Court in terms of the orders passed by the Hon'ble Supreme Court in the case of M/s Golden Forests (India) Ltd.

Photocopy of this order be placed on the record of other connected matter(s).

200

Sd/-  
(Surya Kant)  
Judge

16.01.2013"

Copy of the order dated 16.01.2013 is annexed herewith as  
Annexure A-8.

- (ix) That on 01.05.2013, the Hon'ble Company Court had passed  
the following order. In above mentioned Company Petition -

"It is pointed out that there is some order and/or the  
matter is sub-judice before the Hon'ble Supreme Court  
which may have bearing on the issue whether M/s  
Golden Projects Limited is a subsidiary of M/s Golden  
Forest Limited.

Adjourned to 16.08.2013.

A photo copy of this order be placed on the record of  
other connected matters.

Sd/-  
(Surya Kant)  
Judge

May 01, 2013"

Copy of the order dated 01.05.2013 is annexed herewith as  
Annexure A-9.

- (x) That this Hon'ble Court in the Applications filed by the  
purchasers of the property of Golden Projects Limited had  
kept the issue open as to whether Golden Projects Limited is a

subsidiary of Golden Forest (India) Limited. The order passed on 16.08.2013, reads as under:-

"With reference to the previous order, it is pointed out by Mr. Narang that after remand by the Hon'ble Supreme Court, a Division Bench of the Delhi High Court vide order dated 25.07.2013 passed in WP(C) 1399/2010 (NATIONAL INVESTOR FORUM REGD VS GOLDEN FORESTS INDIA LTD.) has dismissed the applications, seeking to establish that the Golden Projects Ltd., is a separate legal entity' different than the Golden Forest India Ltd. On going through the order passed by Delhi High Court or the orders of the Hon'ble Supreme Court referred to, it may not be possible to form a definite opinion that Golden Projects Ltd. is a subsidiary of Golden Forests India Ltd.

The expression 'subsidiary' is well known legal connotation and unless its basis ingredients are satisfied, no such conclusion can be drawn.

List on 29.11.2013.

The respondent shall meanwhile place on record the relevant material to establish that Golden Projects Ltd. is a 'subsidiary' of Golden Forest India Ltd.

Photocopy of this order be placed on the record of other connected matters.

Sd/-  
(Surya Kant)  
Judge

16.08.2013."

Copy of the order dated 16.08.2013 is annexed herewith as Annexure A-10.

(xi) That this Hon'ble Court is thus seized of the issue and is yet adjudicating whether the property owned by M/s Golden Projects Limited forms part of the property of Golden Forest (India) Limited. This Hon'ble Court has kept the issue open inspite of the fact that in the case of the Applicant Company itself, the order of the Hon'ble Delhi High Court dated 25.07.2013 passed in WP(C) 1399 of 2010 was brought to the notice of this Hon'ble Court. The present Application is thus being filed for setting aside/continuation of proceedings by Respondent No.2 Committee in respect of the property owned by the Applicant company. The present Application is being filed as this Hon'ble Court only has the jurisdiction to decide whether the Committee constituted to dispose of the assets of Golden Forests (India) Limited can also deal with the assets of Golden Projects Limited.

4. That the facts to be appreciated by this Hon'ble Court in the present Application for setting aside the proceedings before the Committee Respondent No.2 are as under:-

- (i) That on 12.09.2003 the Hon'ble Supreme Court issued directions for transferring of winding up proceedings concerning M/s Golden Forest (India) Limited and also restrained the High Courts to entertain any winding up proceedings relating to Golden Forest. Copy of the order dated 12.09.2003 is annexed herewith as Annexure A-11.
- (ii) That on 27.07.2004 all the parties agreed for appointment of a Committee by the Hon'ble Supreme Court, for entrusting the responsibility of realizing the assets, distributing the receipts amongst the claimants after indenting their claims and investigating into siphoning of the funds of GFIL (Golden Forest India Limited). Copy of the order dated 27.07.2004 is annexed herewith as Annexure A-12.
- (iii) That on 17.08.2004 the Hon'ble Supreme Court restrained the Company, its Director, Officer etc. from alienating or transferring in any manner whatsoever any of the assets of the Company. Copy of the order dated 17.08.2004 is annexed herewith as Annexure A-13.
- (iv) That on 19.08.2001 this Hon'ble Supreme Court appointed a Committee headed by Justice K.T. Thomas and directed it to take into its custody all the assets of the Company and also directed to issue advertisements