

IN THE SUPREME COURT OF INDIA
CIVIL ORIGINAL JURISDICTION

IA No. 56711 of 2022

IN

Transfer Case (Civil) No. 2 of 2004

In the Matter of :

The Securities and Exchange Board of India Petitioner

Versus

The Golden Forests (India) Ltd. Respondent

Through Committee- GFIL

(Appointed by Supreme Court of India)

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New Delhi

Date:

Viraj Kadam
Advocate
Counsel for Applicant- Committee – GFIL
(Appointed by Hon'ble Supreme Court of India)

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Transfer Case (Civil) No. 2 of 2004

In the Matter of :

The Securities and Exchange Board of India Petitioner
SEBI Bhavan, BKC, Plot No.C4-A
'G' Block, Bandra, Kurla Complex,
Bandra (E), Mumbai, Maharashtra-400051

Versus

The Golden Forests (India) Ltd. Respondent
Through Committee – GFIL,
Main Building, Golden Forests (India) Ltd.
VPO Jharmari, Via Lalru,
Ambala-Chandigarh National Highway-22,
Tehsil Dera Bassi, Distt. Mohali

APPLICATION FOR DIRECTIONS

To

The Hon'ble Chief Justice

and his Companion Judges of this Hon'ble Court

MOST RESPECTFULLY SHOWETH:

1. That the Hon'ble Supreme Court vide para 39 of order dated 5.9.2006 passed in TC(C) No. 2 of 2004 titled Securities & Exchange Board of India Vs. Golden Forests (India) Limited directed this Committee to pass appropriate order/make appropriate recommendation with regard to the properties sold/settled between 23.11.1998 and 20.1.2003. Para 39 of the order dated 5.9.2006 is reproduced as under:

"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."

Copy of order dated 5.9.2006 is annexed as **ANNEXURE A-1** (Pg ____ to pg ____).

2. That vide order dated 15.10.2008, the Hon'ble Supreme Court directed this Committee to take over all the properties of the Golden Forests Group Companies and pass appropriate orders on a third-party claim over any of the properties of Golden Forests India Ltd or its subsidiary/associate Companies. The relevant portion of the order is reproduced below: -

"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

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appropriate orders, subject to confirmation by this Court."

Copy of the order dated 15.10.2008 is annexed as Annexure A 2. (Pg ____ to pg ____)

3. That the Committee discovered that land measuring 19.421 hectare situated in Village Neuguradia, Tehsil Mhow District Indore, Madhya Pradesh had been purchased by M/s Padampura Construction Pvt. Ltd. a subsidiary of Golden Forests (India) Limited.

Therefore under the Supreme Court mandate given to the Committee, notices were issued to all concerned and after affording opportunity of hearing, the Committee while passing order dated 7.3.2022 recommended as under:-

" 26. On the basis of the above discussions it is directed that the entire property of Padampura Construction Pvt Ltd measuring 19.421 ha is liable to be taken possession of by this Committee. Warrant of possession be issued for execution to the concerned Collector/Revenue Officer at Mhow, District Indore, Madhya Pradesh. Details of this property are as under:

As per Sale Deed No.86 dated 25.4.1998, Padampura Construction Pvt. Ltd. (ANNEXURE A-3

(Pg ____ to pg ____) purchased land measuring 19.421 Hectare or 233.08 Bigha for Rs.4,98,000/- in which Khasra No.87 Area 3.893 Hectare and 88 Area 5.455 Hectare and 91/1 Area 2.523 Hectare and 97 Area 0.219 Hectare and 98/1 Area 1.564 Hectare and 99/1 and 99/3 Area 4.142 Hectare and 110/1 and 110/3 Area 1.625 Hectare, Total Land 19.421 Hectare.

27. However, having carefully considered the circumstances with regard to property purchased by AEPL from Babubhai it seems that AEPL may have been purchased in ignorance but not in defiance of the order. The deceit and misrepresentation was practised by Babubhai & others who knew full well that GFIL was facing financial difficulties. They brazenly went ahead to sell the property to AEPL without disclosing the information they possessed regarding GFIL and other subsidiary companies.

28. After purchasing 8.349 ha, AEPL took several steps to develop the property, obtained development permissions (ANNEXURE A-4 (Pg ____ to pg ____)), engage Richfield to develop the property (ANNEXURE A-5 (Pg ____ to pg ____)), create a mortgage on 0.995 ha (ANNEXURE A-6 (Pg ____ to

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pg _____), and further sell 434 plots. Too many 3rd and 4th party rights and interests in the property have come into existence which have caused too many complications because fairness would require granting hearings to the transferee plot holders before repossession of their plots. After repossessing the plots, the plots shall be again put up for sale in the open market.

29. Therefore, the transaction regarding sale of 8.349 ha to AEPL can be treated as a voidable one by the Committee. It is proposed to give an opportunity to AEPL to get the purchase transaction regularised and title perfected. By adopting this step the Committee will not suffer a loss and will avoid lengthy proceedings against hundreds of plot holders, because procedural justice shall require service of notices to the plot holders and a hearing before taking a decision. Details of land sold by Babubhai and others to AEPL are as follows:

As per Sale Deed No.219 dated 3.05.2011 (ANNEXURE A-7 (Pg _____ to pg _____)), Babubhai and others sold land measuring 8.349 Hectare or 100.10 Bigha for Rs.1,47,30,000/- in favour of M/s. Advantage Equifund Pvt. Ltd. in which Khasra

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No.88/1 Area 3.018 and 91/1 Area 2.553 Hectare and 97 Area 0.219 Hectare and 98/1 Area 1.564 and 99/1-99/3 Area 0.629 and 110/1 Area 0.200 Hectare, Total land sold as per sale deed is 8.183 Hectare.

30. Advantage Equifund Private Ltd (AEPL) shall have an opportunity to get the above transaction regularised by depositing the circle rate for the year 2021-22 on 8.349 ha with the Committee, within 1 month from the date of confirmation of this order by the Hon'ble Supreme Court of India."

Copy of the order dated 7.3.2022 is annexed as ANNEXURE A-8.

(Pg ____ to pg ____)

4. It is therefore prayed that:
- a. The order dated 7.3.2022 passed by this Committee (Annexure A-8) may please be confirmed.
 - b. pass any other order which the Hon'ble Court may deem fit and proper in the interest of justice.

New Delhi

Date:

Viraj Kadam,
Advocate

Counsel for Applicant- Committee – GFIL
(Appointed by Hon'ble Supreme Court of India)

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IN THE SUPREME COURT OF INDIA
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Through Committee- GFIL
(Appointed by Supreme Court of India)

AFFIDAVIT



I, Sh. Brij Mohan Bedi S/o Sh. Sadhu Ram Bedi Aged about 72 years R/o H.No. 22, Sector -4 Panchkula, working as Member, Committee-GFIL do hereby solemnly affirm and declare as under:-

1. I am Member, Committee-GFIL, I am duly authorized and being fully conversant with the facts and circumstances of the case, I am competent to swear this affidavit.
2. I say that the Interlocutory Application for directions is drafted under my instructions and the contents thereof are true to the best of my knowledge and belief based on records.


DEPONENT



VERIFICATION: -

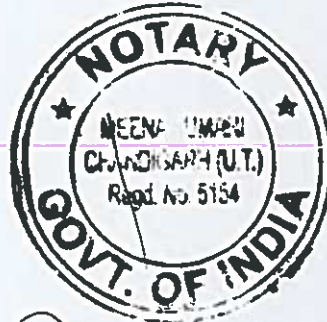
Verified on this 7th day of April 2022 at Chandigarh that the contents of paras 1 to 4 of the accompanied application and para 1 & 2 of the above affidavit are true to my knowledge based on records and nothing material has been concealed there from.

Certified that the Affidavit / SPA / ... has been read over & explained to the Deponent / Executant who seems perfectly to understand the same at the time of making thereof

Meena
DEPONENT

Identify the deponent who has signed/initials marked in my presence

[Signature]
Signature



07 APR 2022

NOTED AS IDENTIFIED
[Signature]
MEENA KUMARI
NOTARY, CHANDIGARH



The contents of this Affidavit / Document has been explained to the deponent / executants He / she has admitted the same to the correct. The deponent / executant has signed Register

359 dt 07/4/2022

ANNEXURE-A-1

ITEM NO.1

COURT NO.4

SECTION XVIA

SUPREME COURT OF INDIA
RECORD OF PROCEEDINGS

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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 & EXCHANGE BD. OF INDIA

Petitioner(s)

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 KATJU

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.

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 31st 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 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 as the investors if they so demand and the demand application is received by the company and/or its Directors on or before 31st 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

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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 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:

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 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 19th 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.

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,

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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 5th 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 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.

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

//TRUE TYPED COPY//

SUPREME COURT OF INDIA RECORD OF PROCEEDINGS

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

THE SECURITIES & EXCHANGE BD. OF INDIAPetitioner(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)

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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. Anil Kumar Sharma, Adv.

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.

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

Sale Deed No. 86 dated 25.04.1998

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DETAILS OF LAND

Stamp Duty	Rs.37350-00
Panchayat Duty	Rs.4980-00
Amount of substracts	Rs.1868-00
Additional stamp fee	Rs.2-00
Total Stamp	Rs.44200-00
Serial number of Loan Book	Rs.47941
Market Rate	Rs.4,98,000-00
Amount Sale consideration	Rs.4,98,000-00

Amount in words Four Lakh Ninety-Eight Thousand Rupees

Rs.4,98,000-00 in words Four Lakh Ninety-Eight Thousand Rupees

Seller: (1) Smt. Janki Bai wife of Late Sh. Mulchand Ban, (2) Sh. Mukeshson of Sh. SureshBan, (3) Smt. Shakuntla Bai Wife of Sh. SureshBan, (4) Smt. Ram Kunwar Bai Wife of Late Sh. LakShmanBan, (5) Sh. Binnu Ban Son of Late Sh. LakshmanBan, (6) Sh. Mahesh Ban Son of Late Sh. LakshmanBan, (7) Sh. Subhash Ban Son of Late Sh. LakshmanBan, (8) Sh. Ashok Ban Son of Late Sh. LakshmanBan, (9) Sh. Krishan Ban Son of Late Sh. LakshmanBan.

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Details of land

Stamp Duty	Rs.37350-00
Panchayat Duty	Rs.4980-00
Amount of subtracts	Rs.1868-00
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Kailash Giri Resident of Nehru Stadium, Ratlam (12) Smt. Durgabai
Wife of Sh. Kailash Giri Resident of Nehru Stadium, Ratlam has
already received the consideration from the seller.

Total amount Rs.4,98,000-00 in words Four Lakh Ninety-Eight
Thousand Rupees

- (1) Smt. Janki Bai Wife of Late Sh. Mulchand Ban,
- (2) Sh. Mukesh Son of Sh. Suresh Ban,
- (3) Smt. Shakuntla Bai Wife of Sh. Suresh Ban,
- (4) Smt. Ram Kunwar Bai Wife of Late Sh. Lakshman Ban,
- (5) Sh. Binu Ban Son of Late Sh. Lakshman Ban,
- (6) Sh. Mahesh Ban Son of Late Sh. Lakshman Ban,
- (7) Sh. Subhash Ban Son of Late Sh. Lakshman Ban,
- (8) Sh. Ashok Ban Son of Late Sh. Lakshman Ban,
- (9) Sh. Krishan Ban Son of Late Sh. Lakshman Ban,
- (10) Sh. Genda Ban Son of Sh. Anand Ban all residents of Gram Gujjar
Kheda Tehsil Mhow District Indore,
- (11) Smt. Sita Bai Wife of Late Sh. Heer Ban General Power of Attorney
Smt. Durga Bai Wife of Sh. Kailash Giri Resident of Nehru Stadium,
Ratlam
- (12) Smt. Durgabai Wife of Sh. Kailash Giri Resident of Nehru Stadium,
Ratlam General Power of Attorney Sh. Sandeep Prashar Son of Sh.

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R.K. Prashar Resident of Inderpuri Colony, Indore, General Power of Attorney Sh. Rajender Son of Sh. Bhagwant Lal Ahuja Resident of Inderpuri Colony, Indore.

VENDORS

AND

Padampura Constructions Private Limited, 832-34, Mani Majra Chandigarh (U.T.)

PURCHASERS

The purchaser Padampura Constructions Private Limited, 832-34, Mani Majra Chandigarh (U.T.) (who will be hereinafter called as the purchaser), which includes their heirs, assignees, executors etc.) and who have paid the entire sale consideration of the agricultural land and (1) Smt. Janki Bai Wife of Late Sh. Moolchand Ban, (2) Sh. Mukesh Son of Sh. Suresh Ban, (3) Smt. Shakuntla Bai Wife of Sh. Suresh Ban, (4) Smt. Ram Kunwar Bai Wife of Late Sh. Lakshman Ban, (5) Sh. Binu Ban Son of Late Sh. Lakshman Ban, (6) Sh. Mahesh Ban Son of Late Sh. Lakshman Ban, (7) Sh. Subhash Ban Son of Late Sh. Lakshman Ban, (8) Sh. Ashok Ban Son of Late Sh. Lakshman Ban, (9) Sh. Krishan Ban Son of Late Sh. Lakshman Ban, (10) Sh. Genda Ban Son of Sh. Anand Ban all residents of Gram Gujjar Kheda Tehsil Mahu District Indore, (11) Smt. Sita Bai Wife of Late Sh. Heer Ban General Power of Attorney Smt. Durga Bai Wife of Sh. Kailash Giri Resident of Nehru Stadium, Ratlam (12) Smt. Durgabai Wife of Sh. Kailash Giri

Resident of Nehru Stadium, Ratlam through General Attorney Sandeep Prashar resident of Inderpuri colony, Indore further through his General Attorney Rajender son of Bhagwant Lal Ahuja resident of Inderpuri Colony, Indore, Madhya Pradesh (who will be hereinafter called as the vendors in the present sale deed) which includes their heirs, assignees, executors etc.) who have already received the entire sale consideration of the above said agricultural land.

(1) Whereas the vendors are the joint owners in possession of non-cultivable agricultural land situated in Village Neu Guaradia Tehsil Mahu District Indore, Patwar Halqa No. 23 and the land comprised of Khasra No. 87 measuring 3-813 Hectare, Revenue 33-12 paise, Khasra No. 88 measuring 5-855 Hectare, Revenue 85-17, Khasra No. 12/2 measuring 2-523 Hectare, Revenue 17-82 paise, Khasra No. 17 area 0-221 Hectare, Revenue 1-47 paise, Khasra No. 28/2 measuring 6-564 hectare revenue 6-68 paise, Khasra No. 11/2 and 11/3 measuring 4-262 Hectare revenue 28-10 paise and Khasra No. 220/2 and 220/3 measuring 1-625 Hectare revenue 11-46 paise. Therefore, total area of the above said Khasra numbers comes to 21-421, revenue 11-46 paise. The vendors are the owners of the above said land and the ownership of the above said land has been incorporated on their name in the revenue record. The loan book is bearing at serial No. 48142. The vendors are the absolute owners in possession of the above said land. The vendors, in order to maintain, to sell and to execute and to register the sale deed regarding the above said land, have appointed Sandeep Prashar son of

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Sh. A.K Prashar resident of 14, Ambar Building, M.G. Road, Indore, Madhya Pradesh as their General Power of Attorney by virtue of the document, which has been duly attested by Notary, which is bearing No.6812/96 dated 31.12.1996. Sandeep Prashar further appointed his father i.e. myself the executants named Rajender son of Bhagwant Lal Ahuja resident of Inderpuri Colony, Indore (Madhya Pradesh) as his General Attorney by virtue of Notary Document bearing No.8506/97 dated 31.03.1997. The above said power of attorney is duly valid and exists till today. I am executing the present sale deed in the capacity of General Attorney on behalf of the vendors.

The details of the land thereof are:

Khasra No.	Area in hectare	Interest
87	3-893	Rs.33-11 paise
88	5-455	Rs.45-17 paise
91/1	2-523	Rs.17-82 paise
97	0-219	Rs.1-48 paise
98/1	1-564	Rs.6-68 paise
99/1 and 99/3	4-142	Rs.18-10 paise
110/1 and 110/3	1-625	Rs.11-46 paise
Total 9	19-421	135-42 paise

2. That the vendors have sold the above-mentioned agricultural land to the purchasers by virtue of this sale deed. The detailed description thereof is as follows:

The details of agricultural land:

Whereas the vendors through the present sale deed are selling their agricultural land situated in Village Neu Guaradia Tehsil Mahu District Indore, Patwar Halqa No. 23 measuring 12/1 Paky Area 0-632 and Revenue 4-46 Paise and the detailed description thereof is as under:

	Khasra No.	Area Hectare	Revenue
	91/1 Paky	0-632	5-23 Paise
Total	1	0-632	5-23 Paise

3. That the vendors have sold the above said agricultural land to the purchasers from the front to end lieu of sale consideration of Rs.4,98,000/- (Four Lakh Ninety-Eight Thousand). The purchasers have received the sale consideration of Rs.4,98,000/- (Four Lakh Ninety-Eight Thousand) as per the above-mentioned details. Now, the vendors have nothing to be received from the purchasers. The possession of vacant land has been delivered on the spot. The purchaser party has received the possession and have demarcated its boundaries.

4...

5...

6...

7...

8. That the vendors will be reliable to discharge all the government liabilities regarding the above said property till the date of execution

and registration of this sale deed and thereafter, the liabilities if any with regard to the above said land will be discharged by the purchasers. The purchasers will have the right to make changes regarding the above said property on their name in the revenue as well as the other government records. All the expenditures for making transfer of this property will be paid by the purchasers. In the eventuality of getting transfer the record, if needed, the vendors will be bound to provide their signatures or statements in favour of the purchasers.

9. That the vendors hereby declare that the above said land is not acquired for any government or non-government project and nor the above said land has been proposed for acquisition for any such purposes. The vendors till today don't have any information about any acquisition of this land.

10. That there is neither family dispute nor any court case is pending with regard to the above said property and nor any other person or institute has any right in the above-mentioned property. The above said land is free from all types of encumbrances.

11.....

12.....

13.....

14.....

That the vendors have executed the present sale deed in favour of the purchaser with their own consent, without consuming any

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intoxicant substance, after receiving entire sale consideration, after reading the contents of sale deed from the beginning upto the end, under stood the same, without the sound disposing mind as well as in the presence of the witnesses and for future reference and record. At Indore

Date: 23.4.1998

Executants:

Vendors through General Attorney.

Witnesses:

1. SD/-Anil son of Ram Babu Ji Yadav resident of Mahavir Marg, Gandhinagar, Indore.
2. SD/- Rupesh son of Rameshwar Ji Sharma resident of 26/1, Moti Tabela, Indore.

The above said sale deed has been drafted by me in my office on the instructions of the above said parties.

SD/- Vijay Shanker Pandey, Advocate resident of 26/2, Moti Tabela, Near Registrar Office, Indore (Madhya Pradesh).

CERTIFIED TO BE TRUE TRANSLATED COPY

ADVOCATE

ANNEXURE A-4

BEFORE THE LD. COURT OF SUB DIVISIONAL OFFICER, MHOW, 55

DR. AMBEDKAR NAGAR DISTRICT INDORE, M.P.

Form-5

(See Rule 12)

APPROVAL FOR THE DEVELOPMENT OF COLONY

Dated: 31.05.2012

Approval No.5

The Registration under Madhya Pradesh Panchayati Raj Act 1993 (No.1 Year 1994) and Madhya Pradesh Gram Panchayat Colonizer Act 1999 made thereunder is being hereby done on the following terms and conditions:

Sh./Smt.&M/S: M/s Advantage Equi. Fund Private Limited XX Director
Sh. Amar S/O Bhikhu Lal Aggarwal

Resident of: A.B. Road Sedhwa

Mohalla: Sedhwa

Gram/Ward: Sedhwa

Nagar: Sedhwa

Tehsil: Sedhwa

District: District Sedhwa

Khasra No.: 88/1, 91/1, 97, 98/1, 99 Paky, 99/3 Paky, 110/1 Paky

Total Area: 8.153 Hectare

Approval is hereby given to start construction work in the residential colony-situated in Village Neugaradia Tehsil Mhow District Indore.

1. You will be required to make compliance of the terms and conditions as mentioned in the No Objection Certificate issued by the Competent Authority constituted under the provisions laid in Urban Land (Ceiling and Regulation) Act 1976.
2. You will be required to make compliance of the terms and conditions laid down under Madhya Pradesh Land Revenue Code.
3. You will be required to make compliance of the terms and conditions mentioned in the approval given for making development under Madhya Pradesh Nagar Tatha Gram Nivesh Adhiniyam 1973.
4. You will be required to do development/construction of blocks/buildings related to the economically weaker section.

SD/- Sub Divisional Officer (Revenue), Dr.
Ambedkar Nagar, (Mhow) District Indore.

Sr. No.1195/R-1/2012

Mhow, Dated: 31.05.2012

Copy to:

1. Office of Sub Registrar, Moti Tabela, Indore for information.
2. Sub Registrar (Mhow) along with document bearing No.A1/322 dated 24.05.2012 duly registered at 909 for further necessary action.
3. Sarpanch, Gram Panchayat Neugaradia Tehsil Mhow, Dr. Ambedkar Nagar, District Indore.

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4. Concerned applicant M/s Advantage Equi. Fund Private Limited through its Director Sh. Amar son of Bhikhu Aggarwal resident of A.B Road, Sedhwa for making compliance.

CERTIFIED TO BE TRUE TRANSLATED COPY

ADVOCATE

DEVELOPMENT AGREEMENT

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THIS DEED OF LAND DEVELOPMENT AGREEMENT made and executed at Indore on this day of 2012 between M/S ADVANTAGE EQUIFUND PVT. LTD., a private Limited Company, having its registered office at C-16, Advantage City, A.B. Road, Sendhwa, Dist: Barwani, Madhya Pradesh, acting through its Director – Shri Amar s/o Shri Bhikulaji Agrawal, hereinafter called "Land Owner" (Which expression shall unless repugnant to the context mean and include all their heirs, executors, and assigns) of the one part and M/S RICHFIELD INFRA BUILT PVT. LTD., a private limited company having registered office at Dist: Yawatmal, (Maharashtra) and Branch of Shalom Tower, A.B. Road, Indore, acting through its authorized Directors – 1. Mr. Shivnarayan s/o Mr. Rampratap Bhutda, 2. Mr. Pramod s/o Mr. Narayandas Boob, hereinafter called the "PROMOTER, AND LAND DEVELOPER" (Which expression shall unless repugnant to the context mean and include all their heirs, executors, and assigns) of the other part :

WHEREAS The Owner is absolutely possessor of the land Adm. Rakba 8.153 Hectare, forming part of Survey No.88/1, 99/1, 99/1, 97, 8/1, 99/1, 99/3, 110/1, 110/3, Lagan Rs.56=03, situated at village Mhow, limit of Grampanchayat Nevuguradiya, Patwari Halka No.23, Mhow & Dist: Indore and purchased the above land vide registered sale deed regd. In the office of sub-registrar Dist: Indore and more particularly described the schedule written hereunder hereinafter referred to as "SAID LAND".

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AND WHEREAS; the said land is in the exclusive possession use and occupation of M/S ADVANTAGE EQUI FUND PVT. LTD., the Owner and no other person(s) is in possession use and/or occupation of the said land or any parts thereof.

AND WHEREAS, the land owner land obtained sanctioned layout plan and permission for development from the Office of the Jt. Director, Town & Country Planning Department, Indore (MP) vide its Memo No.SP/M3/TCP/12/1910 dated 11.4.2012 and have also got the said land diverted for residential cum commercial purposes vide order dated 17.5.2012 passed by the Sub-Divisional Officer, Dr. Ambedkar Nagar (Mhow), Indore in Case No.54/A-2/2011-12.

AND WHEREAS; M/S ADVANTAGE EQUIFUND PVT. LTD., intended to develop the said land into residential cum commercial layout plots, However, the Owner was and is still unable to develop the said land due to lack of technical knowhow and expertise and for such other good and sufficient reasons and therefore decide to give the said land for development to any Developer who would give proper consideration;

AND WHEREAS; the consideration offered by M/S RICHFIELD INFRA BUILT PVT. LTD., the "PROMOTER AND DEVELOPER" herein, being most reasonable and adequate the M/S ADVANTAGE EQUI FUND PVT. LTD., have agreed to grant the development rights i.e. to develop the said land, implement residential cum commercial layout plot, construct

Gate, RCC Road, Drainage, Water Supply, Garden, Temple, Lighting and all other facilities as per approved TNC map, layout and also to deal with the prospective purchasers, to book the plots and receive advance amounts at any stage, by M/S RICHFIELD INFRA BUILT PVT. LTD., the PROMOTER AND DEVELOPER, herein, on the terms and conditions mentioned hereunder written.

NOW, THEREFORE, THIS DEVELOPMENT AGREEMENT WITNESSES AND IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES HEREIN. AS UNDER:

1. LAND OWNER APPOINT PROMOTER AND DEVELOPER:-

The Owner hereby nominate and appoint the PARTY OF THE OTHER PART as the PROMOTER AND DEVELOPER and the PROMOTER AND DEVELOPER, is hereby entitled or authorized and has the rights to effect, implement and complete the development of the said layout plot PROJECT on the said land as per TNC map, Guide lines, sanctioned layout under relevant provisions of statutory applicable laws and to sell/Assign the same within 18 (Eighteen) months from the date of execution of the agreement.

2. LAND OWNER GRANTS DEVELOPMENT RIGHTS:-

The Owner hereby grant the development rights i.e. to develop the said land, implement residential cum commercial layout plot, construct Gate, RCC Road, Drainage, Water Supply, Garden Temple, Lighting and all other facilities as per approved TNC map, layout to the PROMOTER

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AND DEVELOPER and the PROMOTER AND DEVELOPER herein,
hereby accepts the same.

3. PROMOTER AND DEVELOPER IS ENTITLED TO DEVELOPE:-

The Owner confirm that, the PROMOTER AND DEVELOPER exclusively is entitled to the development of the said land to implement the layout plots Project and for the purpose, prepare plan and submit the said Plans to the local Development Control authority or appropriate authority and get the said plans sanctioned and upon sanction of the said plans, the PROMOTER AND DEVELOPER is entitled for booking of the said plots, as shall be sanctioned and constructed in the said land to the prospective Purchaser, at such price which should not be less than Rs. 400/- per sq. ft. At any stage, accept the booking/advance amount and to execute sale agreements of their plots.

4. AGREED CONSIDERATION:

The PROMOTER AND DEVELOPER herein, has agreed to pay a consideration towards the said land, unto the OWNER on basis of Sale Proceeds from the said project under the following terms and conditions under:

- a) The both parties agree to open a joint Bank A/c in the name of M/S ADVANTAGE EQUI FUND Pvt. Ltd. and M/s. RICHFIELD INFRA BUILT PVT. LTD. with any Bank as mutually decided by them and such account shall be operated by the duly authorized representatives of the Owner and

the Developer and the entire amount from the sale proceeds shall be deposited in the said joint Bank account of the Owner and Developer.

b) Rs. 75,00,000/- (Rupees Seventy Five Lac) only shall be paid by PROMOTER AND DEVELOPER, to the Land Owner, on 26.05.2012 vide RTGS Transfer dated 25.05.2012 vide UTR No. PUNBH 12146037471 from Bank Punjab National Bank Indore on the date of execution hereof being the earnest money or deposit which shall be refunded by the land owner to the developer at the end of the development.

c) The Owner shall retain 25% of the entire sale proceeds subject to minimum sell price of land @ Rs.400 per sq. ft. as development rights consideration and remaining share of 75% from the sale proceeds shall be paid to the PROMOTER AND DEVELOPER.

d) The PROMOTER AND DEVELOPER, herein has agreed to pay the 25% share of entire sale proceeds from the total develop land/plot within 18 (Eighteen) months from the date of this agreement on receipt of the full consideration amount of entire developed land/plot registry shall be made in favor of PROMOTER AND DEVELOPER, or their authorized agent and/or prospective buyers of the developer under obtaining consent from the PROMOTER AND DEVELOPER.

5. POSSESSION :-

The Owner have, on the execution of the Agreement delivered the actual physical vacant and peaceful possession of the NA & TNC approved land unto the PROMOTER AND DEVELOPER, and the NA &

TNC approved land unto the PROMOTER AND DEVELOPER, and the PROMOTER AND DEVELOPER, has received and taken the said possession of the said land for development only.

6. ADVERTISEMENT :-

That the PROMOTER AND DEVELOPER, is authorized and entitled to advertise the scheme/project and to put it's board or such other advertisement material on the said land on its own cost. However Colonizer license shall be made in the name of M/S ADVANTAGE EQUI FUND PVT. LTD.

7. DEVELOPER TO APPOINT ARCHITECTS ETC :-

The PROMOTER, BUILDER AND DEVELOPER, exclusively is entitled to appoint Architects, Professional and prepare Plans, and modify plans and to submit the same to the appropriate Authority and obtain the sanction thereof. All the costs and charges of preparing plans, modified or revised plans professional fees and other such charges, are to be borne by the PROMOTER, BUILDER AND DEVELOPER. The PROMOTER, BUILDER AND DEVELOPER, is also entitled to appoint Contractors, Sub-Contractors, Supervisors, Skilled, unskilled labors, etc. for the implementation of the scheme/Project, who would be allowed to enter into the said land commence, carry out development and other related activities and to complete the same in all respects same will be at the cost of the PROMOTER, BUILDER AND DEVELOPER.

8. DEVELOPER IS ENTITLED TO NAME THE PROJECT :-

The PROMOTER, BUILDER AND DEVELOPER, is solely entitled to name the said PROJECT and the Owner or their nominee, heirs, assigns, shall not be entitled to name or rename the said PROJECT.

9. OWNER TO PAY TAXES ETC :-

The Owner have paid all the taxes and other charges unpaid of the said land till the date of the execution of this agreement and in case any amount is found to be due or any claim of such taxes, cesses or other charges are claimed or made, the Owner undertake to pay and clear the same.

10. DEVELOPER LIABILITY TO TAXES ETC :-

The PROMOTER, BUILDER AND DEVELOPER; agrees to pay all type of taxes, cesses or other charges of the said land as per rules of the Local Authority or Government or any organization/body/institution as shall accrue after the date execution of this agreement.

11. DEVELOPERS OTHERS LIABILITIES:-

The PROMOTER, BUILDER AND DEVELOPER, shall commence and carry out the development Layout plot PROJECT as per the plan at their own costs and risk. The Owner shall not be liable to the suppliers of the material or the debtors of the PROMOTER, BUILDER AND DEVELOPER

The PROMOTER, BUILDER AND DEVELOPER, undertakes to keep the Owner indemnified from any such liability and further undertakes that it shall be solely responsible and liable to clear its dues on this account.

12. DEVELOPMENT OF THE LAND AND CONSTRUCTION AT PROMOTER, BUILDER AND DEVELOPER'S RISK:-

The PROMOTER, BUILDER AND DEVELOPER, shall commence and carry out the work of development of the said land, layout of plot, internal development construction work in the said land at its own risk and any damage caused due to the acts of the PROMOTER, BUILDER AND DEVELOPER, their servant or agent either to the worker or any stranger or to the said land, shall be the sole responsibility and liability of the PROMOTER, BUILDER AND DEVELOPER. It is hereby and impliedly agreed the – owners will not be responsible in any manner if any occurrence took place nor the owners will be responsible for civil as well as criminal liability and the PROMOTER, BUILDER AND DEVELOPER, will alone responsible for the cost and consequences.

13. PROMOTER, BUILDER AND DEVELOPER TO KEEP OWNER INDEMNIFIED:-

The PROMOTER, BUILDER AND DEVELOPER shall indemnify the Owner in respect of any action, claim damages arising out of any transaction which may be entered between it and its prospective purchasers of the land and part thereof and the Owner shall not be

responsible for any monetary transaction and other transaction between the PROMOTER, BUILDER AND DEVELOPER and prospective purchasers.

14. LAND OWNERS RIGHT TO DELIVER POSSESSION:-

The LAND OWNER is and shall be entitled to deliver the possession of the land and or layout plot or open reserve space to the prospective Purchasers as it may desire with the consent of the developer promoter. The Promoter and Developer shall have right of booking of plots, receive advanced amounts and execution of sale agreements in favor of prospective purchasers and Owner shall have no objection to the same.

15. FINAL CONVEYANCE DEED:-

On completion of the said SCHEME/PROJECT, whenever the PROMOTER, BUILDER AND DEVELOPER herein is entitled to convey Assignment the said land in favor of the Apartment/Association or individual etc., that would be formed by the PROMOTER, BUILDER AND DEVELOPER That, before the execution of the Final Conveyance Deed, the Certificate from the competent authority on failure same will be obtained by the owner but same will be at the cost and consequences of the PROMOTER, BUILDER AND DEVELOPER.

16. OWNER TO OBTAIN CONSENTS:-

The Owner shall at their own costs obtain all such no objection or consents as shall be necessary. Such no objections or consents as shall

be required to confer title upon the PROMOTER, BUILDER AND DEVELOPER or required to confer title upon the PROMOTER, BUILDER AND DEVELOPER or any Organization or person, as stated above and also as shall be necessary to enable the PROMOTER, BUILDER AND DEVELOPER herein to develop the said land, to commence and to carry out the Development and to implement the PROJECT without any hindrance or objection or obstruction.

17. HINDRANCE:-

The Owner hereby agree that they shall not cause to do perform or carry out any act- whereby the work of the PROMOTER, BUILDER AND DEVELOPER is hindered or obstructed and in case of any such acts, if any, loss is suffered by the PROMOTER, BUILDER AND DEVELOPER then, in that case, the Owner hereby undertake to keep the PROMOTER, BUILDER AND DEVELOPER harmless and indemnified from any such losses.

However, it is made clear that the owner are at liberty to inspect and supervise the quality of the constructions of the work carried out by the PROMOTER, BUILDER AND DEVELOPER for which the PROMOTER, BUILDER AND DEVELOPER will not obstruct in any manner to the owner & the owner shall have the right to ensure that all work being carried out as per guide lines & TNC approved map.

18. OBSTRUCTION:-

The Owner hereby undertake that they shall not obstruct or interfere with the construction and development activity carried by the PROMOTER, BUILDER AND DEVELOPER and shall also not do any act or deed or cause to do any acts or deeds whereby the land is endangered or which may cause loss to the PROMOTER, BUILDER AND DEVELOPER

19. OWNER COVENANT:-

A) The Owner hereby declares that the said land is not under acquisition and or reservation etc., or that they have not received any notice of any such Reservation or Acquisition and there is no impediment to enforce the SCHEME/PROJECT on the said land, from the Owner side.

B) The Owner declare that, the said land is free from all encumbrance and they declare that they have not entered into any kind of agreement oral or written with any third party by way of any agreement, sale, lease, lien, mortgage etc. The Owner have clear and marketable title to the said land and that no other person, has any right, title or interest in the said land. The Owner further declare that they have all the powers, authority and rights to enter into this agreement and they have not done or caused to do any act, deed or thing which would endanger the marketability of the said land or create any charge on the said land of any kind. The Owner undertake that in case of any defect in the title, they shall clear such claim and objections as their own costs and shall keep the PROMOTER, BUILDER AND DEVELOPER indemnified from any liability or loss which

may arise due to such objection or claim and any defect in the title of the Owner.

C) The Owner agree that they shall handover all other deeds ad documents as and when called upon by the PROMOTER, BUILDER AND DEVELOPER.

D) If any type of construction other than the scope of work written in this agreement is being carried out by the PROMOTER, BUILDER AND DEVELOPER then the owner will not be responsible for any sort of financial involvement and PROMOTER, BUILDER AND DEVELOPER shall be responsible for such act.

20. ARBITRATION CLAUSE:-

If any dispute arises between the Parties hereto during the subsistence or thereafter connection with the validity, interpretation, implementation or alleged material breach of any provision of this Development Agreement or regarding a question, including the questions as to whether the termination of this Agreement by one Party hereto has been legitimate, the Parties shall end ever to settle such dispute amicably.

In the case of failure by the Parties to resolve the dispute in the manner set out above within 30 days from the date when the dispute arose, the dispute shall be referred to arbitration of a sole arbitrator to be appointed by the Parties or in case of disagreement as to the appointment of a sole arbitrator to an arbitrator appointed in accordance with the Arbitration and Conciliation Act, 1996. The place of the court of arbitration

shall be at Sendhwa, state Madhya Pradesh, India and the arbitration proceedings shall be governed by the Arbitration and Conciliation Act, 1996. The proceedings of arbitration shall be in English.

IN WITNESS WHEREOF the owner and developer above named have put our respective hands at _____ on the day, month and year as above written.

SIGNED SEALED & DELIVERED

By the withinnamed OWNER :

M/s. Advantage Equifund Pvt. Ltd.,

Through its Authorized Director

Shri Amar s/o Shri Bhikulaji Agrawal.

In the presence of:

SIGNED SEALED & DELIVERED

By the withinnamed

PROMOTER, BUILDER & DEVELOPER:

M/s. RICHFIELD INFRA BUILT PVT. LTD.,

Through its Authorized Director –

1. Shri Shivnaryan s/o Shri Rampratap Bhutda,

2. Shri Pramod s/o Shri Narayandas Boob,

In the presence of :

SCHEDULE OF LAND AS ABOVE REFERRED

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Land Adm. Rakba 8.153 Hectare, forming part of Survey No.88/1, 91/1, 91/1, 97, 98/1, 99/1, 99/3, 110/1, 110/3, Lagan Rs.56=03, situated at village, Mhow, limit of Grampanchayat Nevuguradiya, Patwari Halka No.23, Tq. Mhow & Dist: Indore (MP), and within the jurisdiction of Sub-Registrar Indore and bounded as follows :

On towards EAST :Balance Land of above Survey Nos.

On towards WEST :Land of Survey No.92 & Land of Sonabai Nanku.

On towards NORTH:Land of Pannalal Onkarlal Lodha

On towards SOUTH:Land of _____ Department & Road.

Together with all easementary right, title and interest attached thereto.

SIGNED SEALED & DELIVERED

By the withinnamed OWNER :

M/s. Advantage Equifund Pvt. Ltd.,

Through its Authorized Director

Shri Amar s/o Shri Bhikulalji Agrawal.

In the presence of:

SIGNED SEALED & DELIVERED

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By the withinnamed

PROMOTER, BUILDER & DEVELOPER:

M/s. RICHFIELD INFRA BUILT PVT. LTD.,

Through its Authorized Director –

3. Shri Shivnaryan s/o Shri Rampratap Bhutda,

4. Shri Pramod s/o Shri Narayandas Boob,

In the presence of :

Stamp Duty Rs. : 43600/-

MORTGAGE DEED

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M/s. Advantage Equifund Private Limited, having its office at – A.B. Road, Sendhwa (MP), acting through its Director – Shri Amar s/o Shri Bhikhulal Agrawal, A.B. Road, Sendhwa (MP)

Do hereby declare that we have mortgaged 130 diverted but fully undeveloped and open plots (Plot No.94 to 98, 261 to 275, 293 to 317, 340 to 359, 407 to 447, 469 to 477 (All the said plots are in fact just diverted but fully undeveloped and in the form of open land) (107000 sq. ft. i.e. 0.995 Hectare) against the permission for development granted by Sub-Divisional Officer, Revenue, Dr. Ambedkar Nagar (Mhow), District Indore (MP) which has been more specifically described in the Schedule I annexed hereto. We are the owners of the land described in Schedule I and we are desirous of developing a colony on the described land. As per the Rule of M.P. Gram Panchayat (Colonizer Ka Registrikaran Nirbandhan Tatha Shartein) Niyam 1999, we have to mortgage 25% plots of the colony hence 25% plots of the colony i.e. said diverted but fully undeveloped open land (107000 sq. ft. i.e. 0.995 Hectare) for getting the development permission and other permissions.

It is hereby declared that we have mortgaged without possession the property i.e. open land of 130 plots of total area (107000 sq. ft. i.e. 0.995 Hectare) as mentioned in Schedule-I against the permission granted

by Sub-Divisional Officer, Revenue, Dr. Ambedkar Nagar (Mhow), District Indore and indemnify that we will not sell or transfer the mortgaged units before getting release order from Sub-Divisional Officer, Revenue, Dr. Ambedkar Nagar (Mhow), Indore. This document has been executed by us, will be registered in the office of the Sub-Registrar as per the order & instructions of Sub-Divisional Officer, Revenue, Dr. Ambedkar Nagar (Mhow), District Indore (MP).

That the above mortgaged plots admeasuring 0.995 Hectare are undeveloped. The land is lying vacant and open on the spot.

The above mortgaged plots are not situated on any National Highway/State Highway/ A.B. Road, Indore Bypass, District & Village Pakka Road. The land is about inside more than 20 mtrs. away from existing major road.

M/s. Advantage Equifund Private Limited, having its office at – A.B. Road, Sendhwa (MP), acting through its Director – Shri Amar s/o Shri Bhikhulal Agrawal, A.B. Road, Sendhwa (MP) – The absolute owners of the land of Village Neuguradia, Patwari Halka No.3, Tehsil Dr. Ambedkar Nagar (Mhow), District Indore (MP) bearing Survey No.88/1, 91/1, 97, 98/1, 99 Part, 99/3 Part, 110/1 Part, Total Area 8.153 Hectare, Mortgaged Plot No.94 to 98, 261 to 275, 293 to 317, 340 to 359, 407 to 447, 469 to 477 (All the said plots are in fact just diverted but fully undeveloped and in the form of open land), Total Nos. of Plots 130, admeasuring 107000 sq. ft. i.e. 0.995 Hectare.

WITNESS :

Signature of the Mortgagors

1. Sd/-
Krishna Agarwal

2. Sd/-
Pawan Sharma

Amar Agrawal

Director- M/s. Advantage Equifund Pvt. Ltd.

Drafted by me on the instructions
of the parties.

Sd/-
(PAWAN SACHDEV)
ADVOCATE

ANNEXURE-A-7
77

SALE DEED No. 219 dated 03.05.2011

SALE CONSIDERATION: 1,47,30,000/- (One Crore Forty-Seven Lakh
Thirty Thousand)

Stamp Fee:	Rs.7,36,500/-
Registration Fee:	Rs.1,47,300/-
Other Fee:	Rs.36825/-
Misc. Fee:	Rs.375/-
Total Amount:	Rs.9,22,000/-

Fee has been paid on market price of Rs.1,47,30,000/-.

**SALE DEED OF AGRICULTURAL LANDSITUATED IN VILLAGE
NEUGURADIA TEHSIL MHOW DISTRICT INDORE, MADHYA
PRADESH.**

Area situated in Gram Panchayat Neuguradia

Patwar Halqa: 23

Regd. NO.2

Loan Book No.LH-232309

1. Babu Bhai son of Amiraram Bhai Joshi resident of Shakeshwar Tehsil Sami, District – Patan, Gujarat.
2. Rohit Kumar son of Narayandas Acharya resident of 4, Vivekanand Society, behind the Dwarikapuri, Surender Nagar, Gujarat.

3. Sanjay son of Hariparsad Bhatt, resident of Bhawanikunj, Lalji Madhaji Street, Kalwa Chowk, Junagarh, Gujarat.
4. Kaushik Bhai son of Chotabhai resident of C-13, Trivaini Society, Subhanpura, Badodra, Gujarat.
5. Pinakim son of Dineshchand Shah resident of Madhavgiri ki Khadki, Bhadarva, Tehsil Savli, District Badhodra, Gujarat, through his General Attorney(1) Piyush Aggarwal son of Kailash Chander Ji Aggarwal resident of 2509, Gokulganj, Mhow, District Indore, Madhya Pradesh, (2) Sh. Pawan Tiwari son of Sh. Raj Kumar Ji Tiwari resident of Main Street, Mhow, District Indore, Madhya Pradesh.

VENDORS

M/s Advantage Equi. Fund Private Limited through Director Sh. Amar son of Bhikhu Lal Aggarwal Resident of A.B. Road Sendhwa.

resident of Goyi, A.B. Road, Sendhwa, Madhya Pradesh.

-PURCHASERS

The present sale deed regarding the sale of agricultural land is hereby executed by the vendors in favour of the vendees as per below:

The vendors have land comprised of Shamlat Khata bearing Survey No.88/1, 91/1, 91/1, 97, 98/1, 99/1, 99/3, 110/1, 110/3 total land measuring 13.091 hectare and out of family settlement, the vendors are in possession of agricultural land comprised of Survey No.88/1, 91/1, 91/1, 97, 98/1, 99/1, 99/3, 110/1, 110/3 Paky area which comes

to 8-349-hectare, revenue 56-03 situated in Village Neuguradia Patwari Halqa No.23 Tehsil Mhow District Indore. This sale deed is being jointly executed. The above said land is entered on the name of vendors in the revenue record, land record as well as in the land title loan book. The above said land was jointly purchased through registered sale deed by the vendors along with Gulab Bhaion of Chhotu Bhai Laad, Dalsukh Bhaion of Kumbharji Bhai Master, Hansmukh Bhai son of Magan Bhai Patel resident of Gujrat. That sale deed was registered in the office of Sub Registrar, Mhow vide No.1-A/587 on dated 24.08.2004. The vendors have sold the land to the purchasers apart from the share of Gulab Bhai, Dalsukh Bhai and Hansmukh Bhai. The executants have executed a general power of attorney regarding the above said land in favour of Piyush Aggarwal and Pawan Tiwari. The above said General Power of Attorney has been registered in the office of Sub Registrar, Indore vide No.4-A/5140 dated 24.11.2010 whereby the beneficiary of the General Power of Attorney has been given all rights such as to execute and to get register the sale deed regarding above said land. Therefore, the duly appointed general attorney is hereby executing the sale deed lawfully and validly in favour of the purchasers.

That no dispute is pending with regard to the above said land in the officer of any authority and nor before any judicial court and nor any matter with regard to this land is sub-judice and nor any stay order has been passed.

The sellers have not executed any other general power of attorney except the above said power of attorney in favour of any other person nor in favour of any other institute. If any such power of attorney is found, the same will not be effective.

That the above said land which is being sold is free from mortgage, sale, gift, bail bond, loans, maintenance, decree, religion, religious place, bank, financial institutions, societies, encumbrances etc. Therefore, this is a clear land. The vendors have the lawful right to sell the above said land to the purchaser.

That the above said land is in continuous possession and without any interruption. There is nothing wrongful with regard to the rights and title of the above said land. There is no religious place of Pir place has been constructed in the land. It is also mentioned here that no previous dealing with regard to the sale of this land has been executed with any person.

This sale deed has been executed because the vendors have to purchase further property. The vendors have received the entire sale consideration of Rs.1,47,30,000/- (One Crore Forty-Seven Lakh Thirty Thousand). The vendor party has admitted the receipt of amount. Now no amount is to be received before the Sub Registrar at the time of registration of this sale deed. Even after the registration of this sale deed, no amount is to be received. The vendor party is fully satisfied upon receipt of entire sale consideration. This sale deed will be deemed automatically cancelled if the amounts are not received as per

the following details of cheques and further the vendors may initiate proceedings for the cancellation of this sale deed:

Rs.3,00,000/- through Cheque No.913624 Bank of India Branch
Sendhwa has been received

Rs.10,00,000/- through Cheque No.913625 Bank of India Branch
Sendhwa has been received

Rs.10,00,000/- through Cheque No.913626 Bank of India Branch
Sendhwa has been received

Rs.3,00,000/- through Cheque No.913627 Bank of India Branch
Sendhwa has been received

Rs.10,00,000/- through Cheque No.913628 Bank of India Branch
Sendhwa has been received

Rs.3,00,000/- through Cheque No.913629 Bank of India Branch
Sendhwa has been received

Rs.3,00,000/- through Cheque No.913630 Bank of India Branch
Sendhwa has been received

Rs.10,00,000/- through Cheque No.913631 Bank of India Branch
Sendhwa has been received

Rs.10,00,000/- through Cheque No.913632 Bank of India Branch
Sendhwa has been received

Rs.3,00,000/- through Cheque No.913633 Bank of India Branch
Sendhwa has been received

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Rs.10,50,000/- through Cheque No.913634 Bank of India Branch
Sendhwa has been received

Rs.23,00,000/- through Cheque No.913635 Bank of India Branch
Sendhwa has been received

Rs.17,50,000/- through Cheque No.913636 Bank of India Branch
Sendhwa has been received

Rs.23,00,000/- through Cheque No.913637 Bank of India Branch
Sendhwa has been received

Cash amount of Rs.1,30,000/- has been received

DETAILS OF LAND AS PER LAW:

Khasra No.	Area in hectare	Interest
88/1	3-018	14=98
91/1	2-553	20=12
97	0-219	1=48
98/1	1-564	6=65
99/1 Paky	0-629	2=87
99/3		
110/1 Paky	0-200	1=41
6	8-183	56=03 XX Non-cultivable.

The above said land is situated in Village Neuguradia Tehsil
Mhow District Indore. There is no house constructed in the sold land.

The above said land is not cultivable and only has one crop cycle. The land is situated at Mhow-Simrol road.

The boundaries of Paky land comprised of Survey No.99/1, 99/3 and 110/1 are as under:

East: Other land of this survey.

West: Land of Soni Bai wife of Nanku comprised of Survey No.92.

North: Road adjacent to the land of irrigation department.

South: Land of Panna Lal son of Onkar Lal.

The vendors have sold the above said land with healthy, conscious and sound disposing mind, with their own free will as well as along with all the rights which includes rights such as easement, right of way etc. and without keeping any right in this regard in their favour. The purchaser has become the absolute owner in possession of the purchased land. The vendors have vacated all their rights in the sold land. All rights of owner in possession of the above said land are now vested with the purchasers.

That the vendors have reached on the spot and have delivered the ownership possession including physical and actual possession to the purchaser. The purchaser party has admitted the fact that they have received the possession of the land. Therefore, the purchaser along with his family are entitled to occupy and to utilize the purchased land as per their wishes. The purchaser is also entitled to get profits from the above said land. The purchaser will also have the right to

transfer this land as per their wishes in every respect. All these rights are now vested with the purchaser by virtue of this sale deed.

In case any relative or legal heir of the vendors file any case or in the eventuality of any defect if found in the ownership and in the eventuality of losing any part by the purchaser from the above said purchased property or the purchaser if lost any right or possession from the above said land or in the case the purchaser have to make any payment on account of any type of loan or encumbrance on this land, therefore the purchaser will have the right to recover the entire sale consideration from the vendor as well as their legal heirs along with all other amounts which he would pay as well as along with any other costs paid by the purchaser or to recover the same from other properties of the vendors in future. In that eventuality, the vendor will not have any objection for the same. The vendor has deposited all the amounts such as fees, taxes, electricity bills etc. regarding the above said land till today. In case, any previous outstanding dues, the vendors will be bound to make the payment of such amounts. From today, the purchaser will be liable to make payment of fees, taxes, electricity bills etc. regarding the above said land. There is no interference or passage etc. in the sold land.

That the above said land is not a government leased out land, gifted land and nor a government land and not this land belong to Nazool land. This land also not come under Urban Ceiling land. This land is also not belonged to a citizen of any enemy country. The land use of the land is of agriculture. This is not a change of land use. This

land is not under obligation of Gram Nivesh Act 1973. This land does not belong to local region, Nivesh and Visesh Kshettar Scheme and Plan Area and nor this land belong to Government Authority. This land has not been acquired. This land does not acquire by Army. This land did not remained on the name of any member of Tribe or Scheduled caste in any manner till the year 1958-59 and thereafter.

This sale deed do not require any prior approval or no objection certificate. This is a valid sale deed and no violation of Land Revenue Code has been done. Now, the purchaser will have the right to get transfer the above said land on their name after spending expenditures from their own. The vendors will be always ready and bound to cooperate in this regard. Purchaser has paid all the expenditures for the registration of this sale deed.

The executants of this sale deed in future will also be always ready and bound to cooperate the purchaser to add any word and facts to make this sale deed more effective, more explanatory, more clarify and to execute further necessary documents, amendments, consent letters, admission deed, affidavits, applications etc. for their execution, registration, attestation, authentication, verification etc. at the expenses of purchaser.

The vendors and purchasers of this deed also includes their legal heirs, executors, beneficiaries, assignees, nominees, XX, managers, Karta, legal representatives etc. They will also be bound to the terms and conditions of this sale deed.

The executants of this sale deed hereby solemnly affirm that the property which is being sold by virtue to this sale deed earlier has not been sold or transferred to any other person neither by us and not by any of our representative or executors. The contents mentioned in the above said paras are true and correct as per our knowledge. We hereby verify that the execution of this sale deed is not violation of Part-3 of Section 22 of Indian Registration Act 1908.

Hence, this sale deed has been reduced in writing today on the instructions given by both parties. The contents of this sale deed have been read over to the parties, who have admitted the same as correct. The vendors have placed their signatures with sound disposing mind as well as in the presence of witnesses for future reference and record. The witnesses of this sale deed have placed their witness in the presence of the executants. No cutting has been done in this sale deed.

Dated: 03.05.2011

EXECUTANT

SD/- VENDORS

Witnesses No.1:

XX

SD/-

Witness No.2:

87

SD/-

SD/-PURCHASER.

This has been drafted by me on the basis of instructions given by the
executants.

PHOTOGRAPHS WITH SIGNATURES

CERTIFIED TO BE TRUE TRANSLATED COPY

ADVOCATE

COMMITTEE-GOLDEN FORESTS (INDIA) LIMITED

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

Chairman's Off : #1065/1, Sector 39-B, Chandigarh-160 036

Tel : 0172-2695065

E-mail : committee_gfil@rediffmail.com www.goldenforestcommittee.com

COM/CHD/P-MP-12/2022/

March 7, 2022

IN RE: SHOW CAUSE NOTICE DATED 5.2.2021

Committee-Golden Forests India Limited.

Versus

1. Babubhai S/o Sh. Amirambhai Joshi,
R/o Shankeshwar, Tehsil Sami, District Patan (Gujarat)
2. Rohit Kumar S/o Naraindass Acharya
R/o 4, Vivekanand Society, Behind Dwarikapuri, Sjuresh Nagar
(Gujarat)
3. Sanjay S/o Hariparsad Bhatt,
R/o Bhawanikunj, Lalji Madhavji Street, Kalba Chowk, Junagarh
(Gujarat)
4. Kaushikbhai S/o Sh. Chhotabhai,
R/o C-13, Triveni Society, Subhanpura, Badodra, (Gujarat)
5. Pinakim S/o Sh. Dineshchandwe Shah,
R/o Madhavgi ki Kharki, Bhadrwa, Tehsil Savli, District Barodra
(Gujarat)

6. Gulabbhai S/o Chhotubhai Lad,
R/o Shivanjli Society Nursery Road, Billimora, District Nabsari
(Gujarat)
7. Dalsukhbhai S/o Kumbharbhai Master,
R/o Krishanbhuwan, Garba Chowk, Junagarh, Ahamdabad,
(Gujarat)
8. Hasmukh Bhai S/o Bhaganbhai Patel,
R/o Bempur, Post Mahiyapoor, Tehsil Malpur, District Sabarkatha
(Gujarat)
9. M/s. Advantage Equifund Private Limited,
A.B. Road, Sndhwa (MP) through its Director Shri Amar S/o Sh.
Bhikhulal Agrawal,

Argued by: Mr. Punit Bali, Senior Advocate and Mr. Surjeet Bhadu,
Advocate for respondent No.9. None for respondents 1 to 6.

ORDER

Introduction

1. A complaint was received by the Chairman, Committee GFIL on 28.1.2021 from one Sh Jai Singh Thakur son of Kesar Singh, resident of Panda, Tehsil Mhow. The letter disclosed that Padampura Construction Company, a subsidiary of Golden Forests, had illegally sold some land measuring 55 bighas. It was also stated that a colony was being

developed and huge profit was being earned. Revenue records and copies of sale deeds were attached with this letter.

2. The land in question was in Neuguradia, Tehsil Mhow, District Indore, Madhya Pradesh. The following documents were attached with the complaint:

- (i) Kisht Bandi Khatauni 2018-19 reflecting ownership of Advantage Equifund Pvt Limited.
- (ii) Khasra 5 years (new form)
- (iii) Sale deed No. 86 dated 25.4.1998
Area : 19.421 ha
Purchase price : Rs 4,98,000/-
Sellers : Janaki Bai & others
Purchaser : Padampura Construction Pvt Ltd.
- (iv) Sale deed dated 587 dated 24.8.2004
Area : 13.091 ha
Purchase price : Rs 34,91,000/-
Seller : Padampura Construction Pvt Ltd
Purchasers : Babubhai & seven others
- (v) Mortgage deed dated 24.5.2012
Mortgagor : Advantage Equifund Pvt Ltd
Property mortgaged : 130 plots measuring 107000 sq ft (0.995 ha)

3. The matter was inquired into by the Committee. It was found that Padampura Construction Private Limited, Manimajra, was indeed an associate company of Golden Forests (India) Limited (hereinafter referred to as "GFIL"). On examining the attached documents it was found that Padampura Construction Company had sold 13.091 hectares in village Neuguradia, Tehsil Mhow, District Indore, Madhya Pradesh, to Babubhai and seven others on 28.4.2004. A part of this land was further sold by Babubhai and others to Advantage Equifund Private Limited (hereinafter referred to as "AEPL") on 3.5.2011.

4. Exercising its mandate under various judicial orders, this Committee issued show-cause notices dated 5.2.2021 to Babubhai and seven others and to AEPL, calling upon them to show cause why a recommendation should not be made to the Hon'ble Supreme Court of India to take possession of the property. The order dated 23.11.1998 of the Bombay High Court in Writ Petition No. 344 of 1998 entitled Securities Exchange Board of India v. Golden Forests (India) Ltd & Ors, is as follows:
"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."

Order dated 5.9.2006 passed in Transfer Case (Civil) No. 2 of 2004 of Supreme Court of India in Securities Exchange Board of India v. Golden Forests (India) Ltd, is as follows:

"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.

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."

Submissions of Respondent 1 – 6

5. Babubhai and five others (respondents 1 to 6) appeared before the committee on 24.3.2021 through Sh Vaikank Joshi, Advocate, and submitted that two of the original purchasers namely Dalsukhbhai and Hasmukhbhai (arrayed as respondents not 7 & 8) had died. Accordingly, presence of these two respondents was dispensed with. Sh. D.K.Singhal, Advocate, appeared for AEPL and sought time for getting copies of some documents.

6. The defence pleaded by Babubhai and five others (respondents 1 to 6) is that they were residents of Gujarat and had come to know of an investment scheme launched by GFIL to double money in three and a half years. GFIL appointed several agents in various areas of Gujarat. The respondents had joined hand with GFIL as agents. The respondents' case is that acting as agents of GFIL they took deposits from many persons and credited the amounts to GFIL's account. Receipts were given to the investors on behalf of the company. Later the respondents came to know

that the company had gone into liquidation (sic) and was not in a position to return the deposits to the depositors. Several complaints were filed against the company and the agents were also involved in police complaints. Respondents approached GFIL, who then decided to sell properties held by its subsidiary company, Padampura Construction Company Pvt Ltd, vide their resolution dated 5.12.2000 and return money to the investors from the sale proceeds. Sh. A.D.Sharma was appointed the authorised person to sell various properties of the company.

7. Respondents (1 to 6) submit that they paid the dues to the investors/depositors on behalf of the company and presented the receipts to Sh. A.D.Sharma and demanded the money from the company. They were informed that the company had no property in Gujarat and were advised to purchase company's land in Neuguradia, Tehsil Mhow, District Indore, Madhya Pradesh. Thereafter respondents (1 to 6 and the deceased respondents) purchased land bearing revenue survey numbers 81/1, 91/1, 97, 98/1, 91/1 to 99/3, 110/1 to 110/3 (total 13.091 hectares) from Padampurs Construction Pvt Ltd on 28.4.2004.

8. Later the above respondents decided to sell a part of the land to Sh. Piyush Aggarwal and Sh. Pavan Tiwari against the consideration amount and executed General Power of Attorney in their favour on

25.11.2010. Since then the respondents do not have possession of the property.

Submissions of Respondent 9

9. Reply was also filed respondent 9, Advantage Equifund Pvt Ltd (AEPL). It was stated that AEPL had on 3.5.2011 purchased 8.349 hectares from respondents 1 to 5 through their power-of-attorney holders for valid consideration of Rs 1,47,30,000/-. True copy of sale deed dated 3.5.2011 is Annexure 'C' and the receipts issued by the sellers are at Annexure 'D'. The name of AEPL was then entered in the revenue records, copy of the entry is at Annexure "E".

10. It has been submitted by AEPL (respondent 9) that land was purchased from respondents 1 to 5 through a valid sale deed after due diligence and conducting all reasonable enquiries. After registration of the sale deed, respondent 9 acquired a clear and valid title for valuable consideration. Sub-Divisional Officer granted development permission and a part of the land was mortgaged for EWS plots in terms of the rules. The respondent also obtained various permissions from the authorities for developing a colony, like registration as a coloniser/builder, permission for development, mortgagee of 25% of plots, permission to sell 34 mortgaged plots, allot and sell 66 plots in EWS category, cleared liability to to pay

dues (copies of supporting documents have been annexed as Annexures "F" to "M"). Various other permissions were taken from the concerned department and have been annexed as Annexure "N." A development agreement dated 12.9.2012 had been entered with Richfield Infra Built Pvt Ltd granting development rights under which AEPL was to retain 25% of sale proceeds and 75% was to be paid to the builder. This agreement is Annexure "O"

11. Total number of plots developed was 478, out of which 342 had been sold through registered sale deeds and 115 plots were mortgaged from which 34 had been sold after taking permission. The List of plots has been annexed as Annexure "P". This list shows that actually 341 plots had been sold and registered.

12. Respondent 9 is also relying on auction notice dated 11.5.2018 (Annexure "R") issued by this Committee regarding properties for sale but the notice does not include the lands in question. Likewise details taken from the Committee's website also contain the lands available for sale but does not include the land in question. Lastly, along with additional submissions, list of registered plot holders and photographs of the colony have been filed as Annexures "T" and "U."

13. The main contention of respondent 9 is that it is a bona fide purchaser for valuable consideration. The respondent neither had knowledge nor reason to believe, despite exercise of prudence and due diligence, that a restraint order had been imposed on properties of Golden Forests (India) Limited and its subsidiary companies.

14. It was also submitted that even the authorities remained silent at the time of registration and at the time of granting the various permissions for development. There was complete absence of information in judicial records or in public knowledge with regard to any restraint on transfer of the property. There was no material with the respondent either at the stage of entering into the transaction or at any stage thereafter, till the issuance of the show-cause notice, to infer that sales were prohibited.

Considerations

15. Certain facts are undisputed. Padampura Construction Private Limited, Mani Majra, Chandigarh in all owned 19.421 hectares of land in village Neurguardia, Tehsil Mhow, District Indore, Madhya Pradesh. The land was purchased by this company from Janaki Bai & others on 25.4.1998 for Rs 4,98,000/- . The company is mentioned at serial no. 77 in the list of subsidiary and associates companies of Golden Forests (India) Limited. The property of this company, therefore, comes under the

custody and control of this Committee. Under the Supreme Court mandate, properties of GFIL and its subsidiary and associate companies are required to be sold to return money to lacs of investors.

However, the Committee's record relating to properties of the Golden Forests group of companies is based on Dr Namavati Report and information received from other sources. It is true that the Committee came to know about the land in question for the first time when the subject complaint was received on 28.1.2021 and the matter was examined by the Committee. It's for this reason that the details of the land are missing from the auction notice dated 11.5.2018. This makes no difference because the land was purchased by Padampura Construction Private Limited (a Golden Forest group of companies).

16. Directors of GFIL were also promoters of Padampura Construction Private Limited. They ignored the restraint orders issued by the Bombay High Court on 23.11.1998 and transferred its property by sale to respondents 1 - 8 on 28.4.2004 for Rs 34,91,000/- through registered sale deed. The respondents were not investors in any of the Golden Forests group of companies but were in fact agents of GFIL, who collected money from the general public for investment in GFIL. When investors came to know that GFIL and its group of companies were under liquidation (the term used by them to mean financial stress) they approached the

company's agents, respondents 1 - 8 for return of their money. After the respondents returned the money to the investors, they in turn approached GFIL for refund. This was stated by respondents 1 - 8 but no proof of money was produced. The company then purportedly passed a resolution on 5.12.2000 and on its basis transferred 13.091 hectares of land in village Neurguardia to respondents 1 - 8 on 28.4.2004. This is how the transferors came to own the land in question.

17. The transaction between respondents 1 - 8 (self-proclaimed agents) and GFIL is an opaque transaction because the transferors have not disclosed before this Committee the extent of refund of investment they made to the investors, nor produced any proof of return, as agents of GFIL. They also do not disclose the sale consideration for which Padampura transferred 13.091 hectares to them on 28.4.2004. Copy of the sale deed has not been filed by them but is available on record having been sent by Sh Jai Singh Thakur along with his complaint.

18. Save for 8.183 ha transferred by respondents 1 to 8 to AEPL on 3.5.2011 for Rs 1,47,50,000, the balance land measuring 4.908 ha is still wrongly held by respondents 1 to 8.

19. The narration of facts mentioned in the reply filed by respondent 9 (AEPL) does show that this company purchased 8.349 hectares on

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3.5.2011 for Rs 1,47,30,000. After this AEPL began planing development on 8.349 hectares, obtained necessary permissions and clearances. AEPL entered into a development agreement on 12.9.2012 with Richfield Infra Built Pvt Ltd. granting development rights to the developer over 8.183 hectares (sic). Under this agreement AEPL (land owner) was to retain 25% of sale proceeds and 75% was to be paid to Richfield Infra Built Pvt Ltd (promoter & developer).

Committee's Mandate

20. The promoters of GFIL were bound by the order passed by Bombay High Court on 23.11.1998 in Writ Petition No. 344 of 1998 titled as Securities & Exchange Board of India Vs. Golden Forests (India) Ltd & Ors whereby GFIL and its subsidiaries as well as the Directors were directed not to dispose of any property of the respondent-company or its subsidiaries or its Directors till further orders.

21. This Committee derives its mandate from order dated 5.9.2006, in T.C.(C). 2 of 2004, Securities and Exchange Board of India vs. Golden Forests (India) Ltd, the Hon'ble Mr. Justice Ashok Bhan and Hon'ble Mr. Justice Sirpurkar. Supreme Court gave further directions to the Committee on 15.10.2008 to take over all the assets mentioned in the valuation report prepared by Dr. Namavati regarding the properties of Golden Forests

Group of Companies, and enumerated guidelines regarding auction sales by the Committee.

22. Supreme Court had ordered that a certified copy of the Order of the Court as contained in the Record of Proceedings dated 5.9.2006 be forwarded to Chief Secretaries of all States, Administrators of all Union Territories, Director Generals of Police of all States and Union Territories for information and necessary action.

Status of 19.421 ha

23. The submissions of the parties and examination of the revenue records establish the following facts:

- Property measuring 19.421 ha situated in Village Neuguradia, Tehsil Mhow, Distict Indore, Madhya Pradesh was originally purchased by Padampura Construction Pvt Ltd from Janaki Bai & others on 25.4.1998 for Rs 4,98,000/- .
- Part of the above property measuring 13.091 ha was sold to Babubhai & seven others on 28.4.2004 for Rs 34,91,000/-.
- Part of the property measuring 8.349 ha was further sold by Babubhai and others to Advantage Equifund Pvt Ltd on 3.5.2011 for 1,47,30,000/-.

- Part of the property (130 plots measuring 0.995 ha) was mortgaged by AEPL on 24.5.2012 for getting development permission.
- The property of AEPL was developed into plots by Richfield on the basis of development agreement dated 12.9.2012 and sold to 434 plots holders.
- The break up of ownership of 19.421 ha is as follows:

(A)	Padampur Construction Pvt Ltd	6.330 ha
(B)	Babubhai & others	4.750 ha
(C)	Advantage Equifund Pvt Ltd	8.349 ha
(D)	Out of 8.349 ha mortgage by AEPL	0.99 ha

Conclusions

24. Transfer of 13.091 ha by Padampura Construction Pvt Ltd to Babubhai and seven others on 28.4.2004 was in violation of restraint orders, therefore, the sale to Babubhai & others is void. Consequently, all subsequent transactions/transfers of 8.349 ha by Babubhai and others to AEPL vide sale deed dated 3.5.2011, mortgages created on 0.995 ha by AEPL on 24.5.2012, development agreement between AEPL and Richfield 12.9.2012 and sale of 434 plots on various dates, as reported to this Committee by AEPL are also void and of no legal effect.

25. The misconduct by Padampura Construction Pvt Ltd is extremely grave. The property was originally bought on 25.4.1998 from money deposited with GFIL by thousands of investors. The directors and promoters of GFIL and Padampura Construction Pvt Ltd brazenly violated the restraint orders passed by the Bombay High Court on 23.11.1998, when this property was sold to Babubhai & others on 28.4.2004. Babubhai & others were agents of GFIL and had been taking deposits from investors on behalf of GFIL. It must be presumed that these persons knew very well the financial position of GFIL as they were the company's agents and have stated in their reply that GFIL had gone into 'liquidation.' Babubhai & others were parties to the violation of the restraint order dated 23.11.1998 and cannot be forgiven for deceitfully selling 8.349 ha to AEPL.

Recommendations

26. On the basis of the above discussions it is directed that the entire property of Padampura Construction Pvt Ltd measuring 19.421 ha is liable to be taken possession of by this Committee. Warrant of possession be issued for execution to the concerned Collector/Revenue Officer at Mhow, District Indore, Madhya Pradesh. Details of this property are as under:

As per Sale Deed No.86 dated 25.4.1998, Padampura Construction Pvt. Ltd. purchased land measuring 19.421 Hectare or 233.08 Bigha for

Rs.4,98,000/- in which Khasra No.87 Area 3.893 Hectare and 88 Area 5.455 Hectare and 91/1 Area 2.523 Hectare and 97 Area 0.219 Hectare and 98/1 Area 1.564 Hectare and 99/1 and 99/3 Area 4.142 Hectare and 110/1 and 110/3 Area 1.625 Hectare, Total Land 19.421 Hectare.

27. However, having carefully considered the circumstances with regard to property purchased by AEPL from Babubhai it seems that AEPL may have been purchased in ignorance but not in defiance of the order. The deceit and misrepresentation was practised by Babubhai & others who knew full well that GFIL was facing financial difficulties. They brazenly went ahead to sell the property to AEPL without disclosing the information they possessed regarding GFIL and other subsidiary companies.

28. After purchasing 8.349 ha, AEPL took several steps to develop the property, obtains development permissions, engage Richfield to develop the property, create a mortgage on 0.995 ha, and further sell 434 plots. Too many 3rd and 4th party rights and interests in the property have come into existence which have caused too many complications because fairness would require granting hearings to the transferee plot holders before repossession their plots. After repossessing the plots, the plots shall be again put up for sale in the open market.

29. Therefore, the transaction regarding sale of 8.349 ha to AEPL can be treated as a voidable one by the Committee. It is proposed to give an opportunity to AEPL to get the purchase transaction regularised and title perfected. By adopting this step the Committee will not suffer a loss and will avoid lengthy proceedings against hundreds of plot holders, because procedural justice shall require service of notices to the plot holders and a hearing before taking a decision. Details of land sold by Babubhai and others to AEPL are as follows:

As per Sale Deed No.219 dated 3.05.2011, Babubhai and others sold land measuring 8.349 Hectare or 100.10 Bigha for Rs.1,47,30,000/- in favour of M/s. Advantage Equifund Pvt. Ltd. in which Khasra No.88/1 Area 3.018 and 91/1 Area 2.553 Hectare and 97 Area 0.219 Hectare and 98/1 Area 1.564 and 99/1-99/3 Area 0.629 and 110/1 Area 0.200 Hectare, Total land sold as per sale deed is 8.183 Hectare.

30. Advantage Equifund Private Ltd (AEPL) shall have an opportunity to get the above transaction regularised by depositing the circle rate for the year 2021-22 on 8.349 ha with the Committee, within 1 month from the date of confirmation of this order by the Hon'ble Supreme Court of India.

A recommendation in this regard is made to the Hon'ble Supreme

Court of India.

Sd/-

Justice K.S. Garewal (Retd)
Chairman

Sd/-

P.L. Ahuja
Member

Sd/-

B.M. Bedi
Member