

**IN THE SUPREME COURT OF INDIA
(CIVIL ORIGINAL JURISDICTION)**

I.A. NO. 202667 OF 2023

IN

WP (CIVIL) NO. 188 OF 2004

IN THE MATTER OF:

M/s Raiganj Consumer Forum ...Petitioner

VERSUS

Union of India & Ors ...Respondents

And

In the matter of :

Mishra & Mishra Realty Pvt. Ltd. Applicant

**REPLY TO THE APPLICATION FILED BY MISHRA & MISHRA
REALTY PVT. LTD FOR DIRECTIONS.**

P A P E R B O O K

(Kindly See Inside For Index)

ADVOCATE FOR THE APPLICANT: P.N. PURI

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MOST RESPECTFULLY SHOWETH:

1. That the application filed by the applicant is untenable and liable to be dismissed at the thresh hold.
2. That the applicant prays for confirmation of sale deed dated 31.3.2012 and 21.9.2012 in it's favour in respect of property situated at Village Neuguradia Tehsil Mhow, District Indore, Madhya Pradesh.

3. That the alleged sale deed dated 31.3.2012 and 21.9.2012 is based on the premise that their sellers were owner of the properties in question by virtue of sale deed dated 24.8.2004.
4. That the chain of title from the applicants relating backwards to the original owners lead to Padampura Construction Pvt. Ltd., Manimajra, who was indeed an associate company of Golden Forests (India) Ltd. The said Padampura sold 13.091 hectares in Village Neuguradia, Tehsil Mhow, District Indore, M.P. to Babubhai and seven others on 24.8.2004. A part of this land was further sold by Babubhai and others to Advantage Equifund Pvt. Ltd. (hereinafter referred to as AEPL) on 9.5.2011.
5. That legal heirs of Dalsukh Bhai had sold a portion of land measuring 3.288 hectares to Mishra & Mishra Realty Pvt. Ltd. (applicant herein) on 31.3.2012 and 21.9.2012. Thereafter name of the society was entered in the revenue record in defiance of order passed by the Bombay High Court and this Hon'ble Court.
6. That the applicant seeks parity with the order dated 7.3.2022 passed by the Committee in the case of M/s Advantage Equifund Pvt. Ltd.
7. That the order dated 7.3.2022 passed by the Committee appointed by this Hon'ble Court is illegal and nonest being

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passed without any jurisdiction. The Committee has no right to allow any such illegal sale. The role of the Committee as per directions of this Hon'ble Court as enumerated in the order dated 5.9.2006 was to take possession of properties belonging to the Golden Group of Companies, sell and pay to the investors of the Golden Group of Companies. The purported order dated 7.3.2022 and any such further order allowing such illegal sale cannot be confirmed in any manner.

8. That the order 7.3.2022 itself records that Padampura Construction Pvt Ltd., Manimajra was indeed an associate company of Golden Forests (GFIL). As per order dated 23.11.1998 of Bombay High Court, the directors of Golden Group of companies or its subsidiaries were restrained from disposing of the properties of the Golden Group of Companies. The relevant portion of the order dated 23.11.1998 is as under:

"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."

It is submitted that the order dated 23.11.1998 is reproduced in the order dated 5.9.2006 of this Hon'ble Court and the order dated 5.9.2006 of this Hon'ble Court, confirmed and reiterated the order dated 23.11.1998. Copy of the order dated 5.9.2006

passed by this Hon'ble Court is annexed herewith and marked as **Annexure R-1 (Pg No. 12 to 33)**.

9. It is submitted that the sale done on 28.4.2004 is bad and void ab initio being in violation of order dated 23.11.1998 and subsequent sale to the applicant is equally bad based upon the doctrine *Nemo dat quod non habet*. The conclusion of the Committee that the transfer on 24.8.2004 is bad as in violation of order passed by the Hon'ble Bombay High Court, still recommends that that AEPL can get purchase transaction regularise by depositing circle rate of the year 2021-22.

10. That this Hon'ble had consistently taken the view that execution of any sale deed in disobedience of an interim order of the Court is a nullity. Some of the relevant judgments are reproduced hereinbelow:

In Krishna Kumar Khemka vs. Grindlays Bank P.L.C. (1990) 3 SCC 669, it has been held as under:-

"16.Therefore the tenancy created in favour of the Tatas was in breach of the order of the Court and consequently the Tatas cannot claim any protection under the provisions of the Act and they are liable to be evicted.In any event as observed above, the new tenancy created in their favour contrary to the orders of the Court does not create a right and is liable to be cancelled....."

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In Surjit Singh vs. Harbans Singh, (1995) 6 SCC 50, it has been held as under:-

"4. ...In defiance of the restraint order, the alienation/assignment was made. If we were to let it go as such, it would defeat the ends of justice and the prevalent public policy. When the court intends a particular state of affairs to exist while it is in seisin of a lis, that state of affairs is not only required to be maintained, but it is presumed to exist till the Court orders otherwise. The Court, in these circumstances has the duty, as also the right, to treat the alienation/assignment as having not taken place at all for its purposes....."

In Satyabrata Biswas vs. Kalyan Kumar Kisku, (1994) 2 SCC 266, it has been held as under:-

"29. Hence, the grant of sub-lease is contrary to the order of status quo. Any act done on the teeth of the order of status quo is clearly illegal. All actions including the grant of sub-lease are clearly illegal...."

11. That it is settled position of the law that if any person or persons in breach of the order of Court comes in possession in a suit property they do not acquire any right or authority and they are to be dealt with amongst other by passing the order of eviction and further with an appropriate order of punishment. That if any property is sold and/or alienated in reach of the order of injunction transferee cannot get any title. Under the law such as action would be invalid and non-est.

12. It is submitted that the applicant herein is indirectly asking for confirmation of sale of property of the Golden Group of Companies situated at Village Neuguradia Tehsil Mhow, District Indore, Madhya Pradesh vide sale deed dated 24.8.2004.
13. That the present application filed by the applicant is liable to be dismissed.
14. That it is submitted that the application, IA No. 56711/2022 was filed by the Committee looking after the affairs of sale of properties, wherein it had prayed for confirmation of order of committee dated 7.3.2022. Copy of the order dated 7.3.2022 of the Committee is annexed herewith and marked as **Annexure R-2 (Pg No.34 to 48)**
15. That in the application (IA No. 56711/2022), another IA No. 204428/22 was filed wherein order dated 15.9.2022 and 15.11.2022 related to same land in question and order dated 7.3.2022 passed by the Committee was sought to be confirmed. Copy of IA No. 204428/2022 is annexed herewith and marked as **Annexure R-3 (Pg No.49 to 58)**
16. That this Hon'ble Court without issuing notice on the said application, had allowed the IA No. 204428/2022 in IA No. 56711/2022 of the Committee to confirm the order dated

15.9.2022 and 15.11.2022 of the committee related to sale of the property to AEPL. But the application, IA No. 56711/2022, was not listed at all. It is submitted that the principal order dated 7.3.2022 of the Committee has not been accepted and allowed by this Hon'ble Court. It is submitted that unless the principal order dated 7.3.2022 is accepted, the ancillary orders dated 15.9.2022 and 15.11.2022 which modifies the principal order dated 7.3.2022 cannot be accepted.

17. It is submitted that the IT Department had submitted valuation of entire properties of Golden Group of Companies on 26.8.2023. The valuation submitted by the IT department records the lands at Indore for Rs 185,81,08,372.
18. That this is same very property mentioned in the list of properties available for sale as stated in order dated 14.1.2020 at Sl No. 16. Copy of the order dated 14.1.2020 is annexed herewith and marked as **Annexure R-4 (Pg No. 59 to 72)**
19. That the application, IA No. 56711/2022 filed by the Committee was never allowed by this Hon'ble Court till date as it was not listed. The IA No. 56711/2022 seeks confirmation of order dated 7.3.2022 (principal order) related to the land in question, whereas order dated 15.9.2022 and 15.11.2022 which seeks to modify the principal order dated 7.3.2022 related to

correction in name of persons in whose favour AEPL has further sold land.

20. That this Hon'ble Court vide order dated 24.1.2023 had opined that monitoring separate auctions might not be feasible and therefore mooted the idea of selling all assets together. Copy of the order dated 24.1.2023 is annexed herewith and marked as **Annexure R-5 (Pg No. 73 to 82)**

21. That the Committee appointed by this Hon'ble Court over the period of more than two decades had not been able to sell the lands for payment to investors, and not even completely released all amounts received till date to investors, and inspite of coming to the conclusion that the sale was illegal and in violation of the order of the Hon'ble High Court and this Hon'ble Court had proceeded to regularize and confirm the illegal sale and also persuaded this Hon'ble to pass the order for confirmation of illegal sale in favour of AEPL, with whom the applicant herein seeks parity. It is submitted that two wrongs cannot make one right.

22. That the deponent is directly affected by such application and approach of the Committee, which ought to be working in the best interest of the investor, as the deponent had made application for bucket sale of all properties of Golden Group of Companies in one go and any such piece meal sale will impact

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the deponent. The deponent was earlier successful purchaser but since the Hon'ble Court opined for fresh valuation, the payment was not deposited.

23. That the property sought to be illegally confirmed by the Committee and the applicant is already part of properties which has been valued and for which the proposal had been submitted. The deponent will be seriously prejudiced, if the present application is allowed. The said applicant seems to be another front of ex-management, who had been illegally selling the properties of the company inspite of stay order. Hence the present application may be dismissed with exemplary costs.

Prayed accordingly.

Place: Delhi
Date: 20.1.2024



PN PURI
ADVOCATE FOR THE RESPONDENT

**IN THE SUPREME COURT OF INDIA
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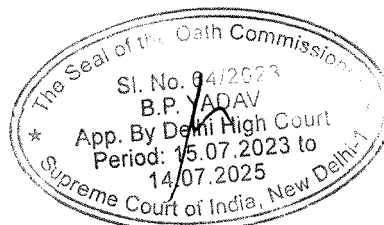
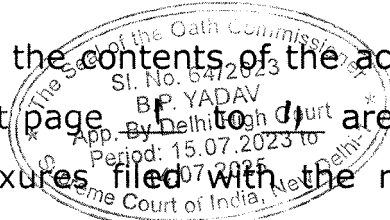
AFFIDAVIT

I, Pramod Sharma, S/o Lt. Sh R.K. Sharma, of 704, 7th Floor, Deepali Building, 92, Nehru Place, New Delhi do hereby solemnly affirm and declare as under:-

1. That I am one of the Directors and authorised representative of the applicant company in the above mentioned petition and as such, I am fully conversant with the facts and circumstances of the present case and as such competent to sign and verify the present affidavit.

2. That the enclosed reply has been drafted by my counsel under my instructions and I have read the same and understood the contents thereof and admit them to be true and correct to the best of my knowledge.

3. That the contents of the accompanying reply in paragraphs 1 to 23 at page 1 to 4 are true and correct to knowledge. The annexures filed with the reply are the true copy of the respective original and part of the record below.



u. That the annexures filed with the reply are true copies of their respective originals.

[Handwritten Signature]

DEPONENT

VERIFICATION :

22 JAN 2024

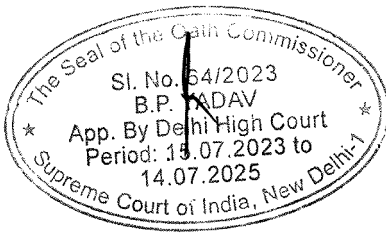
Verified at New Delhi on this 22 day of January, 2024 that contents of the above affidavit are true and correct to the best of my knowledge and belief. No part of it is false and nothing has been concealed therefrom.

[Handwritten Signature]

DEPONENT

IDENTITY THE EXECUTANT/DEPONENT WHO WAS SIGNED IN THE PRESENCE OF

[Handwritten Signature]



CERTIFIED THAT THE DEPONENT
S/o W/o D/o
R/o
Identified by Shri/Smt.
has solemnly affirmed before me at New Delhi
on 22/1/24 as SI. No.
that the contents of the affidavit which have
been read & explained & are true & correct
to his/her Knowledge.

Oath Commissioner, New Delhi

[Handwritten Signature]
22/1/24

Annex R-1
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ITEM NO.1

COURT NO.4

SECTION XVIA

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

RECORD OF PROCEEDINGS

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

THE SECURITIES & 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.

Mr. Harpal Singh, in person.

In IA 23

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.
Mr. D.K. Garg, Adv.

For M.A. Shah

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 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 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, 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.

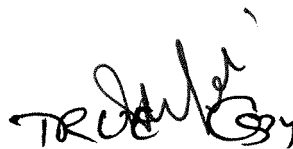
58. IA 4 in WP 188/2004 No orders. To be taken up with main case.

59. IA 44 is dismissed.

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

Sd/-
(J.S. Rawat)
AR-cum-PS

Sd/-
(Kanwal Singh)
Court Master



COMMITTEE - GOLDEN FORESTS (INDIA) LIMITED

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

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/ 888

March 7, 2022

Annex R-2
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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 Madhavgiri 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)

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9. M/s. Advantage Equifund Private Limited,
A.B. Road, Sndhwa (MP) through its Director Shri Amar S/o Sh. Bhikhulal Agrawal,

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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.

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- (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)

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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."

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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."

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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.

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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 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."

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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.

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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 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

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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, District 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/-.

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- 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.

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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

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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

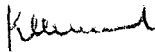
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procedural justice shall require service of notices to the plot holders and a hearing before taking a decision. Details of land sold by Babubhai and others to AEPL are as follows:

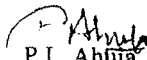
As per Sale Deed No.219 dated 3.05.2011, Babubhai and others sold land measuring 8.349 Hectare or 100.10 Bigha for Rs.1,47,30,000/- in favour of M/s. Advantage Equifund Pvt. Ltd. in which Khasra No.88/1 Area 3.018 and 91/1 Area 2.553 Hectare and 97 Area 0.219 Hectare and 98/1 Area 1.564 and 99/1-99/3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


Justice K.S. Garewal (Retd)
Chairman

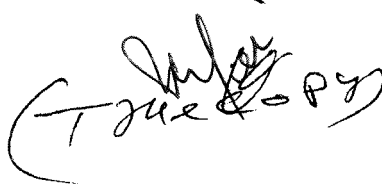
CHAIRMAN
COMMITTEE-GFI L


P.L. Ahuja
Member

MEMBER
COMMITTEE-GFI L


B.M. Bedi
Member

MEMBER
COMMITTEE-GFI L



Annex R-3
49

IN THE SUPREME COURT OF INDIA
CIVIL ORIGINAL JURISDICTION

IA No. 204428 of 2022

IN

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
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

CD

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

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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 11 to pg 39).

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 40 to pg 45)

3. That on 25.04.1998 M/s Padampura Construction Pvt. Ltd. a subsidiary of Golden Forests (India) Limited purchased 19.421 Hectare of land from Janki Bai & others.

That the Committee received a representation dated 12.07.2022 from M/s Multy Innovative Education & Research Society, Mhow (MIERS) regarding land measuring 1.515 hectare situated in Village Neuguradia, Tehsil Mhow District Indore, Madhya Pradesh which it claimed to have purchased from M/s Mishra & Mishra Realty Pvt. Limited on 10.2.2016. English translation of sale deed dated 10.2.2016 is annexed as Annexure A 3. (Pg 46 to pg 57)

4. That detailed examination revealed that Padampura Construction Pvt. Ltd. sold 13.091 hectares to Babubhai, Vijaya Ben, Kokila Ben and others on August 24, 2004. From this land Babubhai and others sold 8.183 hectares on May 3, 2011 to Advantage Equifund Pvt. Ltd. (AEPL) for Rs

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1,47,30,000.00 but there still remained about 4.805 ha with Babubhai and others.

That Mishra and Mishra Realty Pvt. Ltd. purchased 3.288 ha vide two sale deeds dated 16.5.2012 for 2.783 ha and 12.9.2012 for 0.505 ha from Vijaya Ben and others. English translation of sale deed dated 16.5.2012 and 12.9.2012 are annexed as Annexure A 4 (Pg 58 to pg 67) and Annexure A 5. (Pg 68 to pg 77)

Thus, the land sold to M/s Multy Innovative Education & Research Society, Mhow (MIERS) was part of the land purchased by Babubhai and 7 others on 24.8.2004 from a subsidiary company of Golden Forest India Limited.

5. That 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 15.9.2022 recommended as under:-

"9. The matter has been examined from all angles. The representation made by MIERS is identical to the one earlier made by Advantage Equifund Private Limited (AEPL). Both properties were originally part of 19.421 ha purchased by

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Padampura Constriction Private Limited on 25.4.1998, out of which 13.091 ha was transferred to Babubhai & seven others 24.8.2004, who sold 8.349 ha AEPL and 3.288 ha to Mishra & Mishra Realty. MIERS purchased 1.515 ha from Mishra & Mishra Realty.

10. The full details of the series of transactions relating to AEPL are given in the Committee's order dated 7.3.2022, which shall form a part of this order.

11: Therefore, the transaction regarding sale of 1.515 ha to MIERS can be treated as a voidable one by the Committee. It is proposed to give an opportunity to MIERS to get the purchase transaction regularized and title perfected. By adopting this step the Committee will not suffer a loss and will avoid lengthy proceedings which may interrupt the education of hundreds of students of The Vedanta School. Justice shall require service of notice to the School and a hearing before taking a decision. Detail of land purchased by MIERS is as follows:

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Sale deed dated 10.2.2016: VENDOR Mishra & Mishra Realty Pvt. Ltd. VENDEE Multy Innovation Education and Research Society. AREA 1.515 ha. MUTATION No. J-309821.

12. MIERS shall have an opportunity to get the above transaction regularized by depositing the circle rate for the year 2022-23 on 1.515 ha with the Committee on 1.515 ha, within 4 months from today. A recommendation in this regard is hereby made to the Hon'ble Supreme Court."

Copy of the order dated 15.9.2022 is annexed as ANNEXURE A-

6. (Pg 78 to pg 81)

- 6 That the Chairman of the Committee on 15.11.2022 passed a clarification order that the transaction in favour of Multy Innovation Education and Research Society as recommended by Committee vide its order dated 15.9.2022 can only be regularized after the same is accepted by the Hon'ble Supreme Court. Copy of the order dated 15.11.2022 is annexed as ANNEXURE A-7. (Pg 82 to pg 82)

7. It is therefore prayed that:

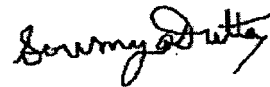
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a. The order dated 15.9.2022 and 15.11.2022 passed by this Committee (Annexure A-6 & A-7) may please be confirmed.

b. pass any other order which the Hon'ble Court may deem fit and proper in the interest of justice.

New Delhi

Date: 23.12.2022



Soumya Datta,
Advocate on record
Counsel for the Committee - GFIL
(Appointed by Hon'ble Supreme Court of India)

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IN THE SUPREME COURT OF INDIA
CIVIL ORIGINAL JURISDICTION

IA No. _____ of 2022

IN

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

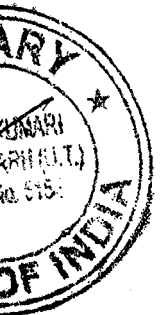
(Appointed by Supreme Court of India)

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.

Brij Mohan Bedi

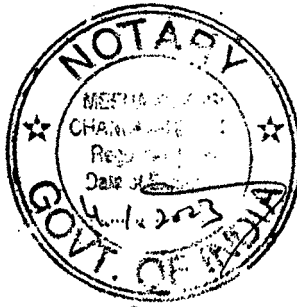
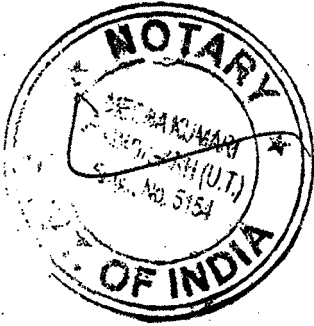


2. I say that the Interlocutory Application for directions is drafted under my instructions and the contents thereof are true to the best of my knowledge and belief based on records.

hms
DEPONENT

VERIFICATION: -

Verified on this 20th day of December 2022 at Chandigarh that the contents of paras 1 to 7 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.



hms
DEPONENT

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

ATTESTED AS IDENTIFIED

MEENA KUMARI
NOTARY CHANDIGARH

20 DEC 2022

The contents of this Affidavit / Document has been explained to the Deponent / Executant. He / she has acknowledged the same to the Notary. The deponent / Executant has signed Register

20/12/2022



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

Rajiv Chahar
Signature

True

ITEM NO.1

COURT NO.3

Annex R-4
SECTION X
59

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

Writ Petition(s)(Civil) No(s). 188/2004

M/S. RAIGANJ CONSUMER FORUM

Petitioner(s)

VERSUS

UNION OF INDIA & ORS.

Respondent(s)

(IA No. 33106/2019 - APPLICATION FOR PERMISSION
IA No. 154673/2018 - APPROPRIATE ORDERS/DIRECTIONS
IA No. 62733/2019 - APPROPRIATE ORDERS/DIRECTIONS
IA No. 45905/2019 - CLARIFICATION/DIRECTION
IA No. 36952/2019 - CLARIFICATION/DIRECTION
IA No. 156169/2018 - CLARIFICATION/DIRECTION
IA No. 148036/2018 - CLARIFICATION/DIRECTION
IA No. 62731/2019 - INTERVENTION APPLICATION),
IA 148036/2018, 154673/2018, 156169/2018, 33106/2019,
36952/2019, 45905/2019, 62731/2019, 62733/2019)

WITH

T.C.(C) No. 171/2003 (XVI-A)

T.C.(C) No. 59/2003 (XVI-A)

T.C.(C) No. 60/2003 (XVI-A)

T.C.(C) No. 66/2003 (XVI-A)

T.C.(C) No. 68/2003 (XVI-A)

T.C.(C) No. 69/2003 (XVI-A)

T.C.(C) No. 70/2003 (XVI-A)

T.C.(C) No. 71/2003 (XVI-A)

T.C.(C) No. 72/2003 (XVI-A)

T.C.(C) No. 73/2003 (XVI-A)

T.C.(C) No. 74/2003 (XVI-A)

T.C.(C) No. 75/2003 (XVI-A)

Validity unknown

Digitally signed by
NARENDRA PRASAD
Date: 2020.01.25
19:01:11
Reason:

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- T.C.(C) No. 212/2003 (XVI-A)
- T.C.(C) No. 213/2003 (XVI-A)
- T.C.(C) No. 214/2003 (XVI-A)
- T.C.(C) No. 216/2003 (XVI-A)
- T.C.(C) No. 217/2003 (XVI-A)
- T.C.(C) No. 219/2003 (XVI-A)
- T.C.(C) No. 220/2003 (XVI-A)
- T.C.(C) No. 221/2003 (XVI-A)

T.C.(C) No. 222/2003 (XVI-A)
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T.C.(C) No. 251/2003 (XVI-A)
T.C.(C) No. 252/2003 (XVI-A)
T.C.(C) No. 254/2003 (XVI-A)

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- T.C.(C) No. 255/2003 (XVI-A)
- T.C.(C) No. 256/2003 (XVI-A)
- T.C.(C) No. 257/2003 (XVI-A)
- T.C.(C) No. 258/2003 (XVI-A)
- T.C.(C) No. 259/2003 (XVI-A)
- T.C.(C) No. 260/2003 (XVI-A)
- T.C.(C) No. 261/2003 (XVI-A)
- T.C.(C) No. 262/2003 (XVI-A)
- T.C.(C) No. 95/2003 (XVI-A)
- T.C.(C) No. 124/2003 (XVI-A)
- T.C.(C) No. 146/2003 (XVI-A)
- T.C.(C) No. 215/2003 (XVI-A)
- T.C.(C) No. 226/2003 (XVI-A)
- T.C.(C) No. 227/2003 (XVI-A)
- T.C.(C) No. 82/2003 (XVI-A)
- T.C.(C) No. 2/2004 (XVI-A)
- T.C.(C) No. 1/2004 (XVI-A)
- T.C.(C) No. 3/2004 (XVI-A)
- T.C.(C) No. 8/2004 (XVI-A)
- T.C.(C) No. 22/2004 (XVI-A)
- T.C.(C) No. 19/2005 (XVI-A)
- T.C.(C) No. 24/2005 (XVI-A)
- T.C.(C) No. 23/2005 (XVI-A)
- T.C.(C) No. 58/2005 (XVI-A)
- T.C.(C) No. 49/2005 (XVI-A)
- T.C.(C) No. 50/2005 (XVI-A)

T.C.(C) No. 51/2005 (XVI-A)
T.C.(C) No. 53/2005 (XVI-A)
T.C.(C) No. 54/2005 (XVI-A)
T.C.(C) No. 55/2005 (XVI-A)
T.C.(C) No. 56/2005 (XVI-A)
T.C.(C) No. 57/2005 (XVI-A)
C.A. No. 3134-3137/2016 (IV)
T.C.(C) No. 34/2019 (XVI-A)
T.C.(C) No. 35/2019 (XVI-A)
T.C.(C) No. 36/2019 (XVI-A)
T.C.(C) No. 37/2019 (XVI-A)
T.C.(C) No. 38/2019 (XVI-A)

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Date : 14-01-2020 These matters were called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE ARUN MISHRA
HON'BLE MR. JUSTICE VINEET SARAN
HON'BLE MR. JUSTICE S. RAVINDRA BHAT

Counsel for parties

Mr. K. Radhakrishnan, Sr. Adv.
Ms. Swarupama Chaturvedi, Adv.
Mr. D.L. Chidananda, Adv.
Mrs. Anil Katiyar, AOR

Mr. Dhruv Mehta, Sr. Adv.
Ms. Ranjeeta Rohatgi, AOR

Mr. Jatinder Kumar Sethi, Adv.
Mr. Ashutosh Kumar Sharma, Adv.
Mr. Jatinder Kumar Bhatia, AOR

Mr. Ranjan Mukherjee, Adv.
Mr. Subhasish Bhowmick, AOR

Mr. Bhargava V. Desai, AOR

Ms. Suruchii Aggarwal, AOR
Mr. Prashant Chauhan, Adv.

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Mr. Ranjan Mukherjee, AOR
Mr. P.D. Sharma, AOR
Mr. R.C. Kaushik, AOR
Ms. Minakshi Vij, AOR
Mr. Somnath Mukherjee, AOR
Mr. Shailendra Bhardwaj, AOR
Mr. Arun Kumar Beriwal, AOR
Mr. Naresh Bakshi, AOR
Mr. Rana Ranjit Singh, AOR
Mr. Shree Pal Singh, AOR
Mr. Abhijit Sengupta, AOR
Ms. Chitra Markandaya, AOR
Mr. Vishwajit Singh, AOR
Mr. B. K. Pal, AOR
Mr. K.S. Rana, AOR
Mr. Arun K. Sinha, AOR
Mr. Sudhir Kumar Gupta, AOR
Mr. R. Gopalakrishnan, AOR
Mr. A.P. Mohanty, AOR
M/S. AP & J Chambers, AOR
Mr. Harpal Singh Sahani, Adv.
Mr. Soumo Palit, Adv.
Mr. Sayan Ray, Adv.
Mr. Yash Pal Dhingra, AOR
Mr. Ramesh Babu M. R., AOR
Mr. S. Ravi Shankar, AOR
Mr. Ranjan Mukherjee, AOR
Mr. Alok Gupta, AOR

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Mr. Somnath Mukherjee, AOR
Dr. Surender Singh Hooda, AOR
Mr. Rameshwar Prasad Goyal, AOR
Mr. Surya Kant, AOR
Mr. Rajiv Goel, Adv.
Mr. Rajesh Sharma, Adv.
Mr. Firoz Saifi, Adv.
Ms. Shalu Sharma, AOR
Mrs. S. Usha Reddy, AOR
Mr. Ashwani Kumar, AOR
Mr. M.C. Dhingra, AOR
Mr. Ashok Kumar Singh, AOR
Mr. Naresh Kumar Gaur, Adv.
Mr. Shantwanu Singh, Adv.
Ms. Pragya Singh, Adv.
Mr. Chander Shekhar Ashri, AOR
Mr. G. Ramakrishna Prasad, AOR
Ms. Varsha Singh, Adv.
Mr. Hitesh Kumar Sharma, Adv.
Mr. S.K. Rajora, Adv.
Mr. Akhileshwar Jha, Adv.
Mr. Kusum Chaudhary, AOR
Ms. Sunita Sharma, AOR
M/s. K.J. John and Co., AOR
Mr. D.N. Goburdhan, AOR
Ms. Tanuj Bagga, AOR
Mr. Ugra Shankar Prasad, AOR

UPON hearing the counsel the Court made the following
O R D E R

Heard learned counsel for the parties.
Ms. Suruchii Aggarwal, learned counsel appearing on behalf of
the Committee, submits that I.A. Nos.154673/2018, 148036/2018 &

156169/2018 have rendered infructuous.

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I.A. Nos.154673/2018, 148036/2018 & 156169/2018 are accordingly, disposed of as having become infructuous.

Mr. K. Radhakrishnan, learned senior counsel appearing on behalf of the Income Tax Department, has today handed over Status Report on behalf of Income Tax Department, which is taken on record. In the status report the following properties are mentioned:-

S. No.	Description of the Property
1.	Agricultural Land, Village Kishanpura Jind, Haryana
2.	Flat Bearing D. No.15-1-84, Flat No.6-A, 6 th Floor, Block B, Sea Doll Apartments, Opp. Grand Bay Hotel, Nowroji Road, Maharani Peta, Vishakhapatnam, Andhra Pradesh.
3.	Agricultural Land, Village Pargana and Tehsil Nazibabad, Distt. Bijnor, Uttar Pradesh
4.	Agricultural land, village Bunga, Haryana
5.	Agricultural Land Village Jagadhari Tehsil & Distt. Yamunanagar, Haryana
6.	House No.D-6, Residential Yojana, Begum Bagh, Meerut, Uttar Pradesh.
7.	SCF-21-P, Sector Diwan Khana, HUDA Jind, Haryana
8.	Agricultural Land, Village Parasoli, Gurugram, Haryana
9.	Agricultural Land, Village Bhakrakha, Gurugram, Haryana
10.	Agricultural Land, Bhorakhurd, Gurugram, Haryana
11.	Agricultural Land, Village Sidhrawali, Gurugram, Haryana
12.	Agricultural Land, Village Jaswantgarh, Haryana

13.	Agricultural Land, Village Billa, Haryana
14.	Semi Constructed building and open areas in agricultural land in village Billa, Haryana
15.	Agricultural Land, Village Kot, Haryana
16.	Agricultural Land, Village Panda, Tehsil Mhow, Indore, Madhya Pradesh.
17.	Agricultural Land, Village Nawda, Tehsil, Mhow, Indore, Madhya Pradesh.
18.	Homestead land comprises of two storeyed building Golden Complex, RS Plot No.3288, Street No.3, Pargana Baikunthapura, Mouza Siliguri, JL No.110(88), PS Siliguri, Ditt. Darjelling, West Bengal.
19.	Agricultural Land, Village Raau, Tehsil and District Indore, Madhya Pradesh.
20.	Flat No.601, GF Building, No.6, Ranka Park Apartment, Lal Bagh Road, Dodamavaal, Bangalore, Karnataka.
21.	Flat No.S-1, IInd Floor, Albert Court Corporation No.2/4, Albert Street Corporation Ward No.76, Bangalore, Karnataka.
22.	Under Cliff Estate, Mussoorie, Uttrakhand
23.	House No.C-6/359/1, Garhi Mundo, Jagadhari, Haryana.

Learned senior counsel has pointed out that five properties (mentioned at S. Nos.1 to 5) have been sold. Let the process be completed and the amount be transmitted in the account of the Committee.

With respect to property at S. No.6, learned counsel has prayed for time to furnish the details as to rights of the occupants, the Committee also to look into this aspect. Thereafter, matter will be heard and appropriate orders will be passed with respect to the said property.

Let fresh date(s) of auctions be notified in respect of the

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properties (mentioned at S. Nos.6 to 15) for which no bid has been submitted.

In respect of properties mentioned at S.Nos.7, 8, 9, 10, 11 and 22, let fresh valuation be done by the Valuation Committee.

With respect to properties at S.Nos.16 & 17, let the demarcation be done by the concerned Authorities, as early as possible and thereafter needful be done.

Let the encumbrances be ascertained with respect to property at S. No.18 and needful be done, as assured, as early as possible. With respect to the property at S. No.19, we direct the Government of Madhya Pradesh to cooperate and provide all necessary documents sought by the Income Tax Department, within a period of fifteen days from the receipt of the request from the Income Tax Department along with a copy of this order.

With respect to properties at S.Nos.20 and 21, let the committee look into the matter and submit its opinion as to the nature of the rights and whether the matter is covered by the orders passed by this Court. With respect to property at S.No.23, let the Bank charge be specified. The Committee also to submit its opinion in this regard.

It is submitted by the learned counsel appearing on behalf of the Investors that with respect to certain investors in Chart 'D' and 'E' of report is not complete. Let needful be done by the Committee and furnish the details on the next date of hearing.

It was stated by the learned counsel appearing for the State of Uttarakhand that the Uttarakhand Authorities are proceeding to take up the matter of Urban Land Ceiling Act, it is assured on behalf of the learned counsel that no final orders are going to be passed without the permission of this Court.

Statement of the learned counsel is placed on record. This is sufficient to take care of the grievance raised by Ms. Suruchii Aggarwal, learned counsel appearing on behalf of the Committee.

With respect to surplus land, counter affidavit has been filed. Let rejoinder to that, if any, be filed by the Committee within three weeks.

List in the last week of February, 2020.

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The Registry is directed to show the files to the learned counsel for the Committee.

(NARENDRA PRASAD)
COURT MASTER

(JAGDISH CHANDER)
COURT MASTER

Encl: A copy of Status Report on behalf of Income Tax Department.

Jagdish Chander
TRUE COPY

ITEM NO.11

COURT NO.8

SECTION X

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

Writ Petition(s)(Civil) No(s). 188/2004

M/S. RAIGANJ CONSUMER FORUM

Petitioner(s)

VERSUS

UNION OF INDIA . & ORS.

Respondent(s)

IA No. 33106/2019 - APPLICATION FOR PERMISSION
 IA No. 130757/2020 - APPROPRIATE ORDERS/DIRECTIONS
 IA No. 75903/2022 - APPROPRIATE ORDERS/DIRECTIONS
 IA No. 94012/2020 - APPROPRIATE ORDERS/DIRECTIONS
 IA No. 58091/2021 - APPROPRIATE ORDERS/DIRECTIONS
 IA No. 62733/2019 - APPROPRIATE ORDERS/DIRECTIONS
 IA No. 132630/2021 - CLARIFICATION/DIRECTION
 IA No. 45905/2019 - CLARIFICATION/DIRECTION
 IA No. 132614/2021 - CLARIFICATION/DIRECTION
 IA No. 110706/2021 - CLARIFICATION/DIRECTION
 IA No. 77270/2021 - CLARIFICATION/DIRECTION
 IA No. 132665/2021 - CLARIFICATION/DIRECTION
 IA No. 132657/2021 - CLARIFICATION/DIRECTION
 IA No. 132644/2021 - CLARIFICATION/DIRECTION
 IA No. 132638/2021 - CLARIFICATION/DIRECTION
 IA No. 75905/2022 - EXEMPTION FROM FILING O.T.
 IA No. 62731/2019 - INTERVENTION APPLICATION
 IA No. 84589/2022 - INTERVENTION APPLICATION
 IA No. 110701/2021 - INTERVENTION APPLICATION
 IA No. 130756/2020 - INTERVENTION APPLICATION
 IA No. 94002/2020 - INTERVENTION APPLICATION
 IA No. 58090/2021 - INTERVENTION APPLICATION
 IA No. 32653/2021 - INTERVENTION APPLICATION
 IA No. 27236/2021 - INTERVENTION/IMPLEADMENT
 IA No. 131614/2020 - MODIFICATION OF COURT ORDER
 IA No. 130807/2020 - WITHDRAWAL OF CASE / APPLICATION)

WITH

T.C.(C) No. 2/2004 (XVI-A)

(IA No. 80258/2020 - APPLICATION FOR PERMISSION
 IA No. 80260/2020 - APPROPRIATE ORDERS/DIRECTIONS
 IA No. 62749/2022 - APPROPRIATE ORDERS/DIRECTIONS
 IA No. 79102/2020 - APPROPRIATE ORDERS/DIRECTIONS
 IA No. 147187/2021 - APPROPRIATE ORDERS/DIRECTIONS
 IA No. 42747/2021 - APPROPRIATE ORDERS/DIRECTIONS
 IA No. 80264/2020 - EXEMPTION FROM FILING AFFIDAVIT
 IA No. 147188/2021 - EXEMPTION FROM FILING O.T.
 IA No. 147185/2021 - EXEMPTION FROM FILING O.T.
 IA No. 147184/2021 - INTERVENTION APPLICATION)

Signature Not Visible
 Digitally signed by
 Deepak Singh
 Date: 2022.11.23
 17:37:09 IST
 Reason: I am

IA No. 158706/2021 - PERMISSION TO FILE ADDITIONAL DOCUMENTS/FACTS/ANNEXURES) 74

CONMT.PET.(C) No. 701/2021 in T.C.(C) No. 2/2004 (XVI-A)
(FOR ADMISSION and IA No.35282/2021-EXEMPTION FROM FILING O.T.
IA No. 35282/2021 - EXEMPTION FROM FILING O.T.)

CONMT.PET.(C) No. 942/2021 in T.C.(C) No. 2/2004 (XVI-A)
(FOR ADMISSION)

Date : 24-01-2023 These matters were called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE B.R. GAVAI
HON'BLE MR. JUSTICE VIKRAM NATH

For Petitioner(s)

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Mr. Siddhartha Chowdhury, Adv.
Mr. Utkarsh Vats, Adv.
Mr. Deepanshu, Adv.

Mr. Pankaj Kumar Mishra, AOR

Ms. Surichi Aggarwal, Sr. Adv.
Mr. Viraj Kadam, Adv.
Mr. Prashant Chauhan, Adv.
Mr. Ajay Kumar, Adv.
Mr. Soumya Dutta, AOR

Mr. Ranjan Mukherjee, AOR

For Respondent(s)

Mr. Shailendra Bhardwaj, AOR
Ms. Minakshi Vij, AOR
Mr. Yash Pal Dhingra, AOR
Mr. Pankaj Kumar Mishra, AOR
Mr. Ranjan Mukherjee, AOR
Mr. Shubham Bhalla, AOR
Mr. Somnath Mukherjee, AOR
Ms. Ranjeeta Rohatgi, AOR
Mr. Surya Kant, AOR

Ms. Madhvi Divan, ASG
Ms. Sunita Sharma, Adv.
Ms. Shridha Mehra, Adv.
Mr. Ayush Puri, Adv.
Mr. A.K. Sharma, AOR

Mr. Harpal Singh Saini, Adv.

Mr. M. C. Dhingra, AOR
 Mr. Gaurav Dhingra, Adv.
 Mr. Arvind Kumar Gandhi, Adv.
 Mr. Vikrant Yadav, Adv.
 Ms. Madhvi Yadav, Adv.

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Mr. R. Gopalakrishnan, AOR

Mr. Varsha Singh Chaudhary, Adv.
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 Ms. Niharika Dewivedi, Adv.
 Ms. Shweta Sand, Adv.
 Mr. Narendra Pal Sharma, Adv.
 Mr. Ravish Kumar Goyal, Adv.
 Mr. Ravish Kumar Goyal, Adv.
 Mr. Nitin Sharma, Adv.

Mr. Kusum Chaudhary, AOR
 M/S. Ap & J Chambers, AOR
 Ms. Chitra Markandaya, AOR
 Ms. Shalu Sharma, AOR
 Mr. B. K. Pal, AOR
 Mr. S. Ravi Shankar, AOR
 Mr. Arun K. Sinha, AOR
 Mr. Alok Gupta, AOR
 Mr. A. P. Mohanty, AOR
 Mr. Rameshwar Prasad Goyal, AOR

Mr. Siddharth, AOR
 Ms. Ishita Farsaiya, Adv.
 Mr. Kartik Jasra, Adv.

Mr. Ashwani Kumar, AOR

M/S. K J John And Co, AOR
 Mr. Pratap Venugopal, Adv.
 Ms. Surekha Raman, Adv.
 Mr. Akhil Abraham Roy, Adv.

Mr. Abhijit Sengupta, AOR

Mr. Sanjay Jain, A.S.G.
 Mr. Padmesh Mishra, Adv.
 Ms. Swarupma Chaturvedi, Adv.
 Mr. Prashant Singh Ii, Adv.
 Mr. Raghav Sharma, Adv.
 Mr. Shashank Bajpai, Adv.
 Mr. R R Rajesh, Adv.
 Mr. Raj Bahadur Yadav, AOR

Mr. Ajay Pal, AOR
Mr. Mayank Dahiya, Adv.
Ms. Sugandh Rathor, Adv.
Ms. Aashna Gill, Adv.

Mr. K. S. Rana, AOR

Mr. Ashok Kumar Singh, AOR
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Ms. Pragya Singh, Adv.
Ms. Akshay Singh, Adv.
Mr. Sunny Singh, Adv.
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Mr. Rakesh Dwivedi, Sr. Adv.
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Mrs. Kirti R. Mishra, Adv.
Mr. Dhanjaya Mishra, Adv.
Mr. Navneet Dogra, Adv.
Mrs. Apurva Upmayee, Adv.

Mr. Rana Sandeep Bussa, Adv.
Dr. Wolf Chandra Paul Bussa, Adv.
Dr. Annie John, Adv.
Mr. Shashibhushan P. Adgaonkar, AOR

Mr. Omkar Jayant Deshpande, Adv.
Mrs. Pradnya S Adgaonkar, Adv.

Mr. Jagjit Singh Chhabra, AOR
Mr. Mohit D. Ram, AOR
Ms. Ranjeeta Rohatgi, AOR

Mr. Jatinder Kumar Sethi, Dy. A.G.
Mr. Ashutosh Kumar Sharma, Adv.
Mr. Himanshu Sethi, Adv.
Mr. Jatinder Kumar Bhatia, AOR

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Mrs. Tanuj Bagga Sharma, AOR
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Ms. Alka Goyal, Adv.

M/S. Lawyer S Knit & Co, AOR

Dr. Surender Singh Hooda, AOR
Mr. Narender Hooda, Sr. Adv.
Mr. Shaurya Lamba, Adv.
Ms. Bano Deswal, Adv.
Mr. Sunil Kumar Srivastva, Adv.
Mr. Aditya Mishra, Adv.

Mr. Aditya Hooda, Adv.

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Mr. Aditya Soni, AOR
Mr. Maninder Singh, Sr. Adv.
Mr. Surjeet Bhadu, Adv.

Mr. Siddharth, AOR
Ms. Ishita Farsaiya, Adv.
Mr. Kartik Jasra, Adv.

Mr. V. Giri, Sr. Adv.
Mr. Ravi Raghunath, Adv.
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Ms. Ankita Gupta, Adv.
Mr. Sanyat Lodha, AOR

Mr. A Nandkarni, Sr. Adv.
Mr. Aman Vachher, Adv.
Mrs. Anshu Vachher, Adv.
Mr. Abhishek Chauhan, Adv.
Mr. Jyotishman Kar, Adv.
Mr. Amit Kumar, Adv.
Mr. P. N. Puri, AOR

UPON hearing the counsel the Court made the following
O R D E R

1. There are various concerns shown by the various parties.
2. Shri Jatinder Kumar Sethi, learned Deputy A.G. appearing on behalf of the State of Uttarakhand submits that large pieces of land are surplus under the relevant agricultural land ceiling legislation of the State of Uttarkhand and thus, all these surplus lands are entitled to be vested in the State of Uttarakhand. However, on account of the statement made before this Court, which is recorded in the order dated 14.01.2020, the State of Uttarkhand is not in a position to pass orders in this respect though the proceedings are complete.

3. Mr. Harpal Singh Saini, learned counsel appearing on behalf of some of the allottees in I.A. Nos. 145179 of 2019 and 145178 of 2018 submits that such orders related to the land being surplus, could not be passed.

4. Mr. Maninder Singh, learned senior counsel appearing on behalf of the applicant in I.A. Nos. 56711 and 177449 of 2022 submits that insofar as his clients are concerned, their claims were already found to be justified by the Committee by an order dated 07.03.2022 and the Committee has already filed an application for ratification of the said decision of the Committee. We will consider these applications on the next date.

5. Mr. Jagjit Singh Chhabra, learned counsel appearing on behalf of the applicant in I.A Nos. 147184 and 147187 of 2022 submits that the applicants are *bona fide* purchasers of land from the Company and, therefore, they cannot be evicted.

6. Ms. Surichi Aggarwal, learned senior counsel appearing on behalf of the Committee submitted that insofar as the category of persons represented by Mr. Jagjit Singh Chhabra are concerned, the warrant of possession was issued but in furtherance of the observations made by this Court, no further steps have been taken.

7. She, however, submits that the claims of such persons have been already rejected by the Committee. Insofar as the

clients of Mr. Maninder Singh are concerned, she submits that the claim of such persons has been accepted by the Committee.

8. We find that it is not in dispute that the company owns huge pieces of land throughout the Country.

9. Indisputably, with regard to the certain pieces of land, there are competing claims and litigation pending.

10. We find that monitoring the auction of each and every property separately would be a herculean task. It will be difficult for the Committee to monitor such independent auctions. Equally, it will be difficult for us to review such decisions.

11. *Prima facie*, we are of the view that it will be in the interest of everyone that best price is received for the entire properties owned by the Company and in the least complicated manner.

12. We, therefore, find that it will be appropriate that the Committee gives a list of all such properties which could be auctioned to the Income Tax Department within a period of four weeks from today.

13. The Income Tax Authorities would make a valuation of such properties and submit the same to the Committee within a period of eight weeks which would thereafter be submitted to this Court.

14. We, *prima facie*, find that what is of paramount

importance is getting the best price in the least complicated manner, so that interest of the investors is safeguarded.

15. We further find it appropriate that if a composite auction of all the properties with the liabilities and encumbrances thereon is conducted, then the rigour of holding independent auctions will be avoided and, at the same time, it will fetch the best price.

16. We further find that the Committee, rather than being entrusted with the functions of supervising the auctions, should devote itself for distribution of the proceeds thereof to the investors.

17. Though, Shri V.Giri, learned senior counsel appearing for the applicant in I.A. No. 110706 and 110701 of 2021 has serious objection to this and urges for independent auction of each of the properties, we will consider the said objection while passing the final orders.

18. Insofar as the properties of which the auction is already completed by the Income Tax Authorities, the Income Tax Authorities are directed to take them to their logical end.

19. Needless to state that no further auction would be conducted, until further orders.

20. We request Mr. Sanjay Jain, learned Additional Solicitor General, who appears on behalf of the Union of India, to inform about the direction in para 13 to the concerned income

tax authorities.

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21. Ms. Surichi Aggarwal also submitted that the disbursement of the amount to the investor has been done through an agency, namely, M/s. Karvy Fintech Private Limited. It is, however, reported at the bar that the said company is now in trouble and proceedings by the Enforcement Directorate have been initiated against its Directors.

22. We, therefore, find that it will be appropriate for the Committee to identify some other agency through whom the disbursement of further amount can be done.

23. Shri Narender Hooda, learned senior counsel appearing on behalf of the investors in I.A. Nos. 176824 and 188455 of 2022 submits that after the attachment by Income Tax Department, the Committee has received an amount of Rs. 700 Crores. However, vide order date 05.09.2018, the Income Tax Department has been stayed from making any further attachments.

24. Shri Hooda submits that, in compliance of the order dated 30.07.2018 directing distribution of 70% of the principal amount invested by the investor, out of the said Rs. 700 Crores, Rs. 463 Crores has been paid to 9,59,388 claimants. He further submits that there is an amount of Rs. 253 Crores still available with the Committee to be paid to the claimants. He submits that said amount of Rs. 253 Crores can be disbursed to the 9,59,388 claimants in settlement of the

remaining 30% of their invested principal amount and the same arrangement would be require an amount of Rs. 220 Crores approximately.

25. Since we have observed that a new agency for disbursement of amount is to be identified, we will consider passing of an order in this regard on the next date.

26. Shri Narender Hooda, learned senior counsel also submits that while conducting the auction, the Earnest Money Deposit (EMD) that is required to be paid is a meagre amount of Rs. 2,00,000/- which gives scope for cartel bargaining. We, *prima facie*, find that the submission is well merited.

27. We are, *prima facie*, of the view that, at least, 10 per cent of the upset price should be directed to be deposited as the EMD for participating in the auction.

28. List I.A. Nos. 141055, 141059, 167937, 87335, 167941 of 2018 and 80958, 143211 of 2021 in T.C.(C.) No. 2 of 2004, I.A. Nos. 75467 of 2020 in W.P.(C) No.188 of 2004 and C.A. No. 3134-37 of 2017 on 07.02.2023.

29. List the main matter on 25.04.2023.

(DEEPAK SINGH)
COURT MASTER

(ANJU KAPOOR)
COURT MASTER (NSH)

Handwritten signature
TRDE/CSY