

Mr. Chauhan

7/2/23

NOT LISTED WITHIN FIVE DAYES

SECTION - XVI-A

**IN THE SUPREME COURT OF INDIA**

CIVIL APPELLATE JURISDICTION

I.A. NO. <sup>188455</sup> OF 2022

IN

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

IN THE MATTER OF:

THE SECURITIES & EXCHANGE BD. OF INDIA

...PETITIONER

Versus

THE GOLDEN FORESTS (I) LTD.

....RESPONDENTS

FILING INDEX


| <u>Sl. No.</u> | <u>PARTICULARS OF DOCUMENT</u>   | <u>SPARE COPIES</u> | <u>COURT FEE</u> |
|----------------|--|---------------------|------------------|
| 1.             | Application for Directions with affidavit<br><br>Proof of service through email<br><br>MR. BHARGAVA V. DESAI, ADVOCATE<br>bhargavadesai@gmail.com<br><br>M/S. K J JOHN AND CO, ADVOCATES<br>mail@kjjohnco.in | 1 + 3               | 120/-            |

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**IN THE SUPREME COURT OF INDIA**

**CIVIL ORIGINAL JURISDICTION**

**I.A. NO. \_\_\_\_\_ of 2022**

**IN**

**TRANSFERRED CASE (CIVIL) No. 2 OF 2004**

**IN THE MATTER OF:**

The Securities & Exchange Board of India

...PETITIONER

VERSUS

Golden Forest (I) Ltd.

...RESPONDENTS

**APPLICATION FOR DIRECTION**

**(PAPER BOOK)**

**(FOR INDEX PLEASE SEE INDEX)**

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

**I.A. NO. \_\_\_\_\_ of 2022  
IN  
TRANSFERRED CASE (CIVIL) No. 2 OF 2004**

**IN THE MATTER OF:**

SECURITIES & EXCHANGE BOARD OF INDIA ...PETITIONER

VERSUS

GOLDEN FORESTS LTD. ...RESPONDENTS

**AND IN THE MATTER OF:**

**GPL INVESTORS FORUM  
THROUGH ITS PRESIDENT/AUTHORIZED SIGNATORY  
MR. SHYAM LAL S/O LT. SH. RAJA RAM  
HAVING OFFICE AT  
VPO, BILLA DISTRICT,  
PANCHKULA, HARYANA - 134118**

**APPLICATION FOR DIRECTIONS**

To,

THE HON'BLE CHIEF JUSTICE OF INDIA  
AND HIS COMPANIES JUSTICES OF THE  
HON'BLE SUPREME COURT OF INDIA

THE HUMBLE APPLICATION  
THE APPLICANT ABOVE NAMED

**Most Respectfully showeth:**

1. That the present Application for directions is being filed by Applicant herein M/s. Golden Project Limited Investor forum which is one of the investor forums of investors of Golden Forest's (India) Ltd and Golden Project Ltd. The Applicant herein is being represented through its president/authorized signatory vide authority letter dated 14.07.2015 having its registered office at VPO, Billa District, Panchkula, Haryana - 134118. The copy of the authority letter authorizing dated 14.07.2015 is herewith annexed as **ANNEXURE - A1 (Page No. 17)**.
  
2. It is most respectfully submitted that in the present case, this Hon'ble Court vide order dated 19.08.2004 was pleased to constitute a committee to take into its custody all assets of Golden Forests (India) Ltd. ("GFIL") and its subsidiaries companies, wherever they may be and to issue advertisements in newspapers calling upon all the creditors of GFIL and its subsidiaries companies to submit their claims before the said committee. The said committee was to comprise of Hon'ble Mr. Justice K.T. Thomas (Retired Judge of Hon'ble Supreme Court of India) and an officer to be nominated by the Reserve Bank of India (RBI) and an

officer to be nominated by the Securities and Exchange Board of India (SEBI). The true copy of the order dated 19.08.2004 passed by this Hon'ble Court in T.C (Civil) No. 2 of 2004 is annexed herewith and marked as **ANNEXURE A-2 (Page No. 18 to 23).**

3. That as per the directions of this Hon'ble Court, the Committee in respect of GFIL was handed over accounts and assets of Golden Forest (India) Ltd. and Golden Projects Ltd. and their subsidiaries companies. The Committee has been in process of liquidating the assets of Golden Forest (India) Ltd. and using the funds to pay back the Creditors and Depositors of Golden Forest (India) Ltd and Golden Project Limited and their subsidiaries companies.

It is submitted that a list of properties of Golden Forest (India) Ltd. and its group of companies was filed before this Hon'ble Court and vide Order dated 15.10.2008, the said committee was permitted to sell the properties subject to the confirmation of this Hon'ble Court. A true copy of order dated 15.10.2008 passed by this Hon'ble Court in T.C.

(Civil) No. 2 of 2004 is annexed herewith and marked as

**ANNEXURE A-3 (Page No. 24 to 28).**

4. That pursuant to the directions of this Hon'ble Court, the said committee itself and through the Income Tax Department, has made various attempts, to auction the properties of GFIL, GPL and its subsidiaries companies.
  
5. That this Hon'ble Court by Order dated 30.07.2018 constituted a three-member team to submit correct valuations of the subject land and also directed the concerned District Collector to identify the particulars of the property within a period of 2 months from the date of the order. That accordingly a fresh chart as per category A, B, C and D were published with details of land/building, location, approximate area, Collector's rate and value of the property land. A true copy of Order dated 30.07.2018 passed by this Hon'ble Court in Writ Petition (Civil) No. 188 of 2004 is annexed herewith and marked as **ANNEXURE A-4 (Page No. 29 to 65).**



The true copy of the Chart dated 08.06.2018 showing particulars of land classified into A, B, C and D categories is annexed herewith and marked as **ANNEXURE A-5 (Page No. 66 to 71)**.

6. That this Hon'ble Court vide order dated 25.09.2019 passed in Writ Petition (Civil) No. 118/2004 titled "M/s. Raiganj Consumer Forum Vs. Union of India & Ors." passed certain directions with regard to holding of auctions by the Income Tax Department, which are as follows:

*"1. The demand draft will be prepared in the name of "The Chairman, Committee – GIFL" and the account number is 55024544491.*

*2. The expenses incurred in auction to be defrayed by the committee on the demand being raised by the Income Tax Department.*

*3. Let 30 days' notice be issued in the advertisement. Prayer to reduce the period is hereby declined. Advertisement be issued for auctioning the property in national newspapers having wide circulation in the country as well as in the local newspaper.*

*a. TDS need not be deducted at this stage.*

*b. The Income Tax Department, in any case to ensure that auction takes place at an early date."*

As such, the Applicant by way of this Application praying that the advertisement for auction of the subject land be made in two (2) daily newspapers (one in Hindi language and one in English language) and in two (2) regional language newspapers per state wherever the auction is being held, so that every person, whether an investor or not, can be made aware/informed of the auction process. It is submitted that the request of the applicant is also in terms of the order dated 25.09.2019 passed by this Hon'ble Court in the aforesaid WP (C) 118/2004. The true copy of the order dated 25.09.2019 passed by this Hon'ble Court in Writ Petition (Civil) No. 118/2004 titled "M/s. Raiganj Consumer Forum Vs. Union of India & Ors. is annexed herewith as **ANNEXURE - 6 (Page No. 72 to 82)**.

7. That vide order dated 14.01.2020 passed by this Hon'ble Court in Writ Petition (Civil) No. 188 of 2004 has confirmed the auction of some of the properties. It is submitted that a fresh demarcation of the subject land or area may be done/conducted before the actual auction of the properties in order to ascertain the correct area of land which belongs

to Golden Forest (India) Ltd. and Golden Project Ltd. and their subsidiaries companies.

8. That as per the order dated 14.01.2020 passed by this Hon'ble Court, auction of certain properties has been confirmed and auction of other properties is underway. A true copy of Order dated 14.01.2020 passed by this Hon'ble Court in Writ Petition (Civil) No. 188 of 2004 is annexed herewith and marked as **ANNEXURE A-7 (Page No. 83 to 96)**.

9. That is further submitted that the short affidavit filed by Committee in respect of GFIL in T.C. (C) No. 2 of 2004 in para 19 categorically stated as under:

*"...The correct facts are that the Hon'ble Supreme Court vide order dated 31.7.2018 & 7.5.2019 directed the Committee to pay 70% of the investment amount to investor from the funds collected....*

*...The present status of disbursement of the funds is that the committee has paid about Rs.459 Crore to about 9,55,000 investors and payment cheques sent*

*to 2,40,000 investors returned undelivered to whom the committee has written letters separately as well."*

It is submitted that the Applicant is seeking a direction for release of the remaining 30% of the investment amount to the investors from the funds collected by way of auction in the interest of the investors of GFIL and GLP and their subsidiaries companies.

10. It is further submitted that the Committee in respect of GFIL in their replies to I.A No. 58091/2021, I.A. No. 110706/2021 and I.A. No. 84594 of 2022 in Writ Petition (Civil) No. 188 of 2004 have filed copies of the interim progress reports by the Income Tax Department with regard to the valuation of the subject land of the Golden Forests Ltd. and its subsidiaries companies. The said interim progress reports of the Income Tax Department are of the year 2019 and a period of 3 years has elapsed since the last valuation of the properties/subject land of Golden Forest (India) Ltd., Golden Projects Ltd and their subsidiaries companies. It is submitted that in view of the replies of the Committee in respect of GFIL and the said interim progress reports of the Income Tax Department, it

is imperative that a fresh valuation of the properties of Golden Forests (India) Ltd., Golden Projects Ltd. and its subsidiaries companies, which are required to be auctioned be done in order to attain the correct and updated marketable value of the properties. As such, the Applicant is praying for a direction for fresh valuation of the properties of Golden Forests (India) Ltd., Golden Projects Ltd. and its subsidiaries companies.

11. That is pertinent to mention here that recently on 09.06.2022 an auction was conducted by the Income Tax Department for land admeasuring 72 acres situated at Village Billa, District, Panchkula, Haryana which is part of an urban area whereas in the advertisement it had been wrongly mentioned as agricultural land because of which the said land was sold for a lower price than what it would have been sold for if the correct details had been mentioned in the advertisement. The copy of the advertisement for auction is annexed herewith **ANNEXURE - A8 (Page No. 97 to 101).**

It is necessary to mention that the said auction held on 09.06.2022 has been challenged before this Hon'ble vide Diary No. 134873 of 2022 & Diary No. 134874 of 2022.

12. It is important to point out that the "Present Claim status" reflected on the website of [www.goldenforestcommittee.com](http://www.goldenforestcommittee.com) reveals that as on 01.03.2022, out of total 14,73,828 claims, 9,55,943 have been paid back 70% of their investments. The cheques sent to 2,33,098 investors against their investment have not been presented to the bank for encashment nor have the said cheques been received back. Further, the committee of in respect of GFIL had sent the investors reminders but no reply has been received by the said committee so far. Furthermore, the "Present Claim Status" also reflects that 46,700 claims of investors are under scrutiny.

13. It is submitted that in order to safeguard the interest and to benefit the investors, the subject land ought to be sold at the best possible price and as such, in furtherance of the foregoing, the applicant is praying for certain directions to be passed, which are as follows:

- a. *The Income Tax Department conduct/undertake fresh valuation of the property/subject land sought to be auctioned;*
- b. *The time period between valuation and auction of the properties/subject lands not be more than 3 months (90 days);*
- c. *A government approved bank valuator be appointed to fix the value of the property/subject land after conducting market survey taking into account the average of a minimum of 10 highest priced registrations/sale deeds of the area for the past 1 year and that the said government approved bank valuator also consult with the Income Tax Department for fixing the reserve price of the property/subject land to be auctioned;*
- d. *The Earnest Money Deposit (EMD) should not be less than 20% of the reserve price;*
- e. *Correct details of property sought to be auctioned such as land use, area of land, government development plan, master plan of the city be mentioned in the advertisements;*

- f. It be specified whether the subject land is an agricultural land or urban land or commercial land;*
- g. Timely updates regarding the process of auction be updated on the website of the Committee which is [www.goldenforestcommittee.com](http://www.goldenforestcommittee.com) .*

It is submitted that the aforesaid directions being prayed by the applicant ought to be passed in order to streamline the auction process, safeguard the interest of the investor as well as to ensure a smoother and more transparent functioning of the auction process.

14. That it is also prayed for that in order to ensure a transparent auction process and also to secure the interest of the investors, the said committee in respect of GFIL be directed to have an e-auction portal where all the interested bidders are required to register themselves in order to take part in the bidding process and also to make bids. It is submitted that it is a tendency of the property mafia or the property dealers in the neighboring area of the auction site to form groups or cartels in order to reduce the price of the property and then buy the same at a lesser rate than the



market value. It is further submitted that this Hon'ble Court also direct that the link for registration for the e-Auction be displayed on the website of the committee i.e. [www.goldenforestcommittee.com](http://www.goldenforestcommittee.com).

15. That the present Application is made bonafide and in the interest and towards the end of justice.
16. It is humbly prayed that no prejudice whatsoever would be caused to any party if the present application for directions is allowed by this Hon'ble Court.

#### **PRAYER**

It is therefore most respectfully prayed that this Hon'ble Court may graciously be pleased to:

- a) Direct publication of the advertisement of auction subject land in 2 daily newspapers (one in Hindi Language and 1 one in English language) and also in 2 regional language newspapers of the State where the auction is being held;
- b) Direct release of the remaining 30% of the investment amount to the investors of GFIL, GPL and its subsidiaries companies;

- c) Direct fresh valuation of the properties/subject lands of GFIL, GPL and its subsidiaries companies;
- d) Issue directions sought in paragraph no. 13 of the present application be granted in favour of the applicant;
- e) Direction the committee in respect of GFIL to create an e-auction portal for registration of interested bidders and for making bids and also direction for uploading the e-auction portal link be displayed on the website of the committee ([www.goldenforestcommittee.com](http://www.goldenforestcommittee.com));
- f) Pass such further order or orders as this Hon'ble Court may deem fit and necessary in the circumstances of the case.

FOR THIS ACT OF KINDNESS THE APPLICANT AS IN DUTY BOUND  
SHALL FOREVER PRAY.

Date: 25.11.2022  
Place: New Delhi

**Filed by:**

**Dr. Surender Singh Hooda**  
**Advocate on Record**  
**AOR CODE**  
**Advocate for the Applicant**

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

**I.A. NO.        OF 2022  
I N  
Transferred Case No. 2 of 2004**

**IN THE MATTER OF:**

SECURITIES & EXCHANGE BOARD OF INDIA     ...PETITIONER

VERSUS

GOLDEN FOREST INDIA LTD.                             ...RESPONDENT

**AND**

**IN THE MATTER OF:**

**GPL INVESTORS FORUM                             ...APPLICANT**

**A F F I D A V I T**

I, Sh. Shyam Lal S/o Late. Sh. Raja Ram, aged about 55 years, president and authorized signature of the Applicant, do hereby solemnly affirm and state as follows:-

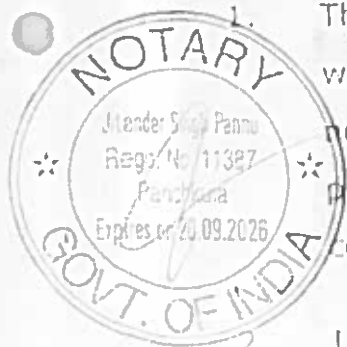
1. That I am the president and the authorized signatory with the Applicant/ GPL Investor Forum in the above noted application, well conversant with the facts, proceedings and circumstances of the case and competent to swear this affidavit.

2. I say that I have read and understood the contents of the accompanying application which has been drafted under my instructions.

*Shyam Lal*

**DEPONENT**

15 NOV 2022



**VERIFICATION:**

I, the deponent abovenamed, do hereby verify that the contents of the foregoing affidavit are true to my knowledge and belief. No part of it is false and nothing material has been concealed therefrom.

Verified at Panchkula on this the 15<sup>th</sup> day of November, 2022.

*[Handwritten Signature]*

**DEPONENT**

*Adhar-520222850879.*

Entered at Sr. No. 1516  
on 15/11/22 in my  
presence of (5)  
Notary Justice: Singh Pannu  
Panchkula



**ATTESTED**  
*[Handwritten Signature]*  
Jitender Singh Pannu  
NOTARY, Panchkula

**15 NOV 2022**