

I-A 32653/21
IN THE SUPREME COURT OF INDIA

CIVIL ORIGINAL JURISDICTION

I.A. No. 3263 OF 2021

IN

WRIT PETITION (C) 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:

**M/S. SVAS INFRA PROJECTS PRIVATE LIMITED,
THROUGH IT'S, CMD MR. SHYAM SUNDER REDDY,
HAVING IT'S REGISTERED OFFICE AT:
H. NO. 5-35/169, SONY BUSINESS COMPLEX,
2ND FLOOR, NO. 39 & 40, PRASHANT NAGAR,
HYDERABAD, TELENGANA - 500072**

**..... APPLICANT
/ INTERVENOR**

**I.A. No. of 2021
(APPLICATION FOR INTERVENTION)**

**PAPER-BOOK
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Advocate for the Applicant: Dr. Kedar Nath Tripathy

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IN THE SUPREME COURT OF INDIA
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H. NO. 5-35/169, SONY BUSINESS COMPLEX,
2ND FLOOR, NO. 39 & 40, PRASHANT NAGAR,
HYDERABAD, TELEANGANA - 500072 APPLICANT
/INTERVENOR

APPLICATION FOR INTERVENTION

TO,

THE HON'BLE CHIEF JUSTICE OF INDIA
AND HIS COMPANION JUDGES OF THE
SUPREME HON'BLE COURT OF INDIA

THE APPLICATION OF THE ABOVENAMED APPLICANTS

MOST RESPECTFULLY SHEWETH:

1. That the Applicant herein M/s. Svas Infra Projects Private Limited is a Private Limited Company incorporated under the Indian Companies Act, 1956 having, it's registered office at: H. No. 5-35/169, Sony Business Complex, 2nd floor, no. 39 & 40, Prashant Nagar, Hyderabad, Telangana - 500072. Having sufficient experience, expertise and financial capabilities and turnover, the Applicant Company intends to build a township in the State of Telangana; for which, it has been looking for suitable lands in the State and ready to purchase certain lands belong to the Golden Forest (India) Ltd.

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2. In order to repay the investors of Golden Forest (India) Ltd., this Hon'ble Court constituted a Committee; wherein, besides other responsibilities, it was directed that the Committee should put on sale the properties of the Golden Forest Group of Companies, under the supervision and confirmation by this Hon'ble Court.
 3. That, this Hon'ble Court vide its order dated 09.05.2018, was pleased to direct the valuation Committee for disposing of the land purchased by Respondent No.3 i.e Golden Forest (India) Ltd., so that the sale proceeds can be paid to the investors, who have invested their funds in the Company for purchase of the land.
 4. Subsequently, vide order dated 11th April, 2018, this Hon'ble Court directed that the valuation Committee to furnish a list of properties showing the available particulars. Accordingly, the Committee has filed a compliance report furnishing the details of properties available for sale. The available details include nature of the land/building, location, approximate area, Collector's rate and the valuation. The Committee was also directed to upload the particulars of the properties furnished to this Court.
 5. In continuance to the said Order dated 11.04.2018, this Hon'ble Court passed an order on 09.05.2018 wherein properties available for Sale - was specified in Part-A; in Part -B 'Properties/lands under litigation before Court/Committee' was detailed, in Part-C 'Surplus Land declared by the State of Punjab and Uttarakhand' was mentioned; and in Part-D - Properties/Lands yet to be identified (as per Dr. Nanavati's Report) was mentioned. All the properties were for sale.
 6. Subsequently, after hearing the counsel for the parties at length, vide order dated 30.07.2018, this Hon'ble Court constituted a team

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of three members, namely, Shri S.S. Rathore, Principal Chief Commissioner of Income Tax, Delhi, Shri Sanjay Kumar Mishra, Principal Chief Commissioner of Income Tax-4, Delhi and Shri Anup Kumar Dubey, Commissioner of Income Tax (OSD), Delhi, to submit a correct valuation of the properties. Further, for identifying the particular property, the concerned district Collector was directed to nominate the Revenue Officer of the rank of Sub-Divisional Officer or Tehsildar, of the concerned district and the valuation report was to be submitted and the plot numbers etc. was also to be furnished before this Hon'ble Court. The Existing Committee was also directed to submit the details of the property to this Hon'ble Court on affidavit as well as give a copy of the same to the team of Valuers appointed so as to make the proper valuation of the property and also for its proper identification. Concerned District Magistrate was directed to assist the team of the Valuers to make the identification of the property for the purpose of its valuation and also as per Dr. Nanavati's reports if possible. The Committee appointed by this Court was also asked to furnish the relevant data to this Hon'ble Court as well as to the team of the Valuers, so appointed. After dealing with certain other aspects of the matter, this Hon'ble Court finally directed as under:

"Let the report of the Valuer be submitted. The rate prescribed by the Collector for the property be also furnished along with report within a period of two months from today."

7. Accordingly, a fresh chart as per category part A, B, C and D was published and uploaded in the website under a tabular chart having separate columns for the land/building, location, approximate area, Collector's rate and value of the property/land. A copy of the said Tabular Chart dated nil downloaded from the website having

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separate columns for the land/building, location, approximate area, Collector's rate and value of the property/land is enclosed herewith and marked as ANNEXURE - A/1. (8-9)

8. That in the said tabular chart showing category wise details of the Properties in various states, Andhra Pradesh (Now Telangana) has got two separate landed properties totaling about 1322 acres sited, one at Mandal Choutuppal for 1091.331 Acre and second at Mandal Bibinagar for 231.30 Acre at Nalgonda district (Now Yadadri District). The Collector's value of the property/land has been stipulated as Rs.218 Cr. And Rs.46 Cr. respectively for both the above lands. The Applicant Company being into the real estate business, was looking for a suitable lands for their next project. After coming across of the aforementioned land of Golden Forest, published in the website, the Applicant Company became interested to procure the said land against genuine consideration for the same.

9. That it is respectfully submitted that so far there is no buyer for the proposed lands/properties, in which, the Applicant Company is interested to purchase. All those lands are located in outskirts of the main city where the proposed township to be built upon by the Applicant Company. The Applicant is offering the rate as fixed by the Committee and genuinely interested to buy.

10. Consequently, the Applicant preferred the present Application praying to direct the Committee to allow the Applicant Company to negotiate for the sale of the aforementioned land available in Yadadri district in the state of Telangana. That the present Application is made bonafide.

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11. That the Intervener/applicant Company reserves the liberty to place on record additional material, if so directed by this Hon'ble Court.

12. The present Application has been filed in the interest of justice and to assist this Hon'ble Court in the effective adjudication of the present matter.

13. That, in view of the above fact and circumstances and for the interest of justice the Intervenor Applicant may kindly be allowed to negotiate for the sale of the aforementioned land available in Nalgonda district (Now Yadadri District) in the state of Telengana.

P R A Y E R

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

(a) allow the present Application for intervention and be pleased to allow the Applicant Company to before the Committee for the sale of the aforementioned land mentioned in para 8 above negotiate available in Nalgonda district (Now Yadadri District) in the state of Telengana;

(b) Any other order or further orders as this Hon'ble Court deem fit and proper under the circumstances of the case.

AND FOR THIS ACT OF KINDNESS THE APPLICANTS
SHALL AS IN DUTY BOUND EVER PRAY.

Filed by

New Delhi

Date: 03.03.2021

**DR. KEDAR NATH TRIPATHY
ADVOCATE FOR THE APPLICANT
/ INTERVENOR**

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IN THE SUPREME COURT OF INDIA
CIVIL ORIGINAL JURISDICTION

I.A. No. OF 2021

IN

WRIT PETITION (C) 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:

M/S. SVAS INFRA PROJECTS PRIVATE LIMITED,
THROUGH IT'S, CMD MR. SHYAM SUNDER REDDY,
..... APPLICANT
/INTERVENOR

AFFIDAVIT

I, Ch. Shyam Sunder Reddy, aged about 60 years, S/o: Shri Late Ch. Yella Reddy R/o H.No 2-23-11/6 HMT Hills Kukatpally, Hyderabad, Telengana – 500072; at present at New Delhi do hereby solemnly affirm and declare as under: -

1. That I am the Chairman & MD of the above Intervenor/ Applicant Company in the present Intervention Application and am well conversant with the facts of the case based upon my knowledge as derived from record and having been duly authorised am competent to depose to this affidavit.
2. That I have gone through and understood the contents of the accompanying Intervention Application contained in para No. 1 to 3 at page from 1 to 5, which have been drafted by my Advocate under my instructions and I state that the facts stated therein are true and correct to the best of my knowledge and belief and nothing material has been concealed there from.

For SVAS INFRA PROJECTS PVT. LTD.


DEPONENT Director

IN THE SUPREME COURT OF INDIA
CIVIL ORIGINAL JURISDICTION

I.A. No. 32653 of 2021

IN

Writ Petition (civil) No. 188 of 2004

In the Matter of :

M/S RAIGANJ CONSUMER FORUM

.... Petitioner

Versus

UNION OF INDIA & ORS.

.... Respondents

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New Delhi
Date:

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

IN THE SUPREME COURT OF INDIA
CIVIL ORIGINAL JURISDICTION

I.A. No. 32653 of 2021

IN

Writ Petition (Civil) No. 188 of 2004

In the Matter of :

M/S RAIGANJ CONSUMER FORUM

.... Petitioner

Versus

UNION OF INDIA & ORS.

.... Respondents

REPLY ON BEHALF OF THE COMMITTEE-GFIL
APPOINTED BY THE HON'BLE SUPREME COURT.

Most Respectfully Sheweth:-

1. That the applicant- M/s SVAS Infra Projects Private Limited has filed this application for the purchase of lands of the Golden Forests Group companies measuring 1322 acres in villages District Yadadri (formerly Nalgonda) Telangana by negotiation.
2. The applicant has prayed for the following:
 - a) Allow the present Application for intervention and be pleased to allow the Applicant Company to before the Committee for the sale of the aforementioned land mentioned in para 8 above negotiate available in Nalgonda district (Now Yadadri District) in the state of Telangana;

- b) Any other order or further orders as this Hon'ble Court deem fit and proper under the circumstances of the case.
3. The Applicant - M/s SVAS Infra Projects Private Limited has not offered any bid amount but has shown its willingness to purchase the lands for a genuine consideration, however, it has referred to the document Part D filed by the Committee before this Hon'ble Court in which the value of lands in Nalgonda were presumed to be Rs. 218 Crore and Rs.46 crore @ Rs. 20 Lakh per acre.
4. It is pertinent to bring to the kind attention of the Hon'ble Court that vide orders dated 19.8.2004, 5.9.2006 and 15.10.2008 passed in T.C. (C). No. 2 of 2004 this Hon'ble Court directed this Committee to take into its custody all the assets of Golden Forests Group and sell the properties after taking over possession through public auction.
5. That vide Order dated 5.9.2006, the Hon'ble Supreme Court directed the Committee to decide the matter of illegal sale of properties by Golden Forests Group after the restraint order dated 23.11.1998 passed by the Bombay High Court and restraint order dated 17.8.2004 passed by the Hon'ble Supreme Court. This Hon'ble Court also directed this Committee to ignore the sales and settlement made after 20.6.2003 (the date of appointment of Provisional Liquidator by Punjab and Haryana High Court).
6. That apart from the above orders, the Committee has come across a number of cases where properties of Golden Forests Group have been sold and resold. The Committee after giving proper hearing

opportunities to illegal purchasers and occupants, rejected the sale deed and has with great difficulties taken possession of properties/lands with the help of district administration.

7. That the Hon'ble Court vide order dated 03.02.2010 transferred TC(C) No.2 of 2004 to the Hon'ble Delhi High Court for passing further orders. As per the guidelines given vide orders dated 5.9.2006 and 15.10.2008, the Committee has till today sold 42 properties/lands and collected about Rs.548 Crore.
8. Therefore it is an established fact that the properties of Golden Forests Group companies can only be sold by public auction. Copies of order dated 5.9.2006 & 15.10.2008 passed by this Hon'ble Court are annexed as **ANNEXURE R-1** (Pg No. 7 to Pg. No.34) & **ANNEXURE R-2** (Pg No.35 to Pg. No.46) respectively.
9. That it appears that applicant is not aware that Income Tax Department, under the orders of this Hon'ble Court, has identified the lands of Golden Forests Group in Telangana. Vide fourth interim progress report dated 4.7.2019 Income Tax department has filed consolidated valuation of Rs.379,89,93,750/- for 1193 acre lands of Chhotupal Mandal, and Rs.58,91,45,508/- for 242 acre lands of Golden Forests Group in Bibinagar Mandal, Yadadri district. However, the valuation was done in the year 2019 and therefore subject to revision. Copy of the Fourth interim progress report dated 4.7.2019 filed by the Income Tax Department is annexed herewith as **ANNEXURE R-3** (Pg No. 47 to Pg. No.56).

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10. That the prayer of applicant to permit it to negotiate before the Committee for sale of land in Telangana is liable to be rejected as the properties can only be sold through public auction.
 11. In view of the above the Committee prays to the Hon'ble Court to dismiss the present application as the same is contrary to the orders dated 5.9.2006 and 15.10.2008 passed by this Hon'ble court and also not in public interest.

Filed on

Filed By

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

I.A. No. 32653 of 2021

IN

Writ Petition (civil) No. 188 of 2004

In the Matter of :

M/S RAIGANJ CONSUMER FORUM


.... Petitioner

Versus

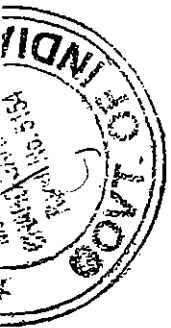
UNION OF INDIA & ORS.

.... Respondents

AFFIDAVIT



Shri Brij Mohan Bedi, S/o Shri Sadhu Ram Bedi, aged about 71 years,
R/o H. No. 22, Sector-4, Panchkula, do hereby solemnly affirm and state
as under:-

- 
1. That I am one of the members of the Committee appointed by the Hon'ble Supreme Court. I am duly authorised and being fully competent and fully conversant with the facts and circumstances of the case, I am competent to swear this affidavit.
 2. That I have read the contents of accompanying reply which has been prepared under my instructions.
 3. That the contents of the accompanying reply are true and correct to the best of my knowledge and are derived from record of the case.
- Annexure are true copy of its original.


DEPONENT

29 SEP 2022

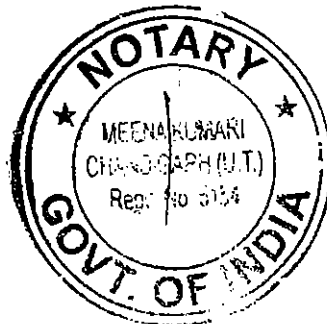
VERIFICATION:-

I, the deponent above named, do hereby verify and state that the contents of paragraph 1 to 11 of the affidavit are true to my knowledge based on records of the case, no part of it is false and nothing material has been concealed there from.

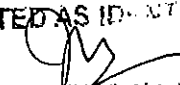
Verified by me at on this the 29 day of September, 2022.


DEPONENT

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



ATED AS IDENTIFIED


MEENA KUMARI
NOTARY, CHANDIGARH

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

1301 R.No. 29/9/2022

29 SEP 2022

Identity the deponent who has Signed/thumb marked in my presence


Signature



SUPREME COURT OF INDIA
RECORD OF PROCEEDINGS

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I.A. NOS.28, 36, 41, 42, 43, 44, 45, 46 & 47-49 and IA No. 50 in IA No. 33

IN TRANSFER CASE (CIVIL.) NO. 2 OF 2004

THE SECURITIES & EXCHANGE BD. OF INDIA

Petitioner(s)

VERSUS

THE GOLDEN FORESTS (I) LTD.

Respondent(s)

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

[For urgent direction]

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

NO.68/2003

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

With

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

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

CORAM :

HON'BLE MR. JUSTICE ASHOK BHAN

HON'BLE MR. JUSTICE MARKANDEY KATJU

For Petitioner(s)

Mr. Altaf Ahmed, Sr. Adv.

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Mr. Bhargava V. Desai, Adv.

Mr. Rahul Gupta, Adv.

Ms. Varuna Bhandari Gughani, Adv.

Mr. Rameshwar Prasad Goyal, Adv.

In IA 23

Mr. Harpal Singh, in person.

For the Committee

Ms. Suruchii Aggarwal, Adv.

Mr. Prashant Chouhan, Adv.

For Respondent(s)

Mr. S.K. Passi, adv.

Ms. Naresh Bakshi, Adv.

For Drive-in Tourist
Resorts Pvt. Ltd.

Mr. Alok Gupta, Adv.

Mr. Ranjan Mukherjee, Adv.

Mr. N.R. Choudhury, Adv.

Mr. Somnath Mukherjee, Adv.

Ms. Kiran Suri, Adv.

Ms. Minakshi Vij, Adv.

Mr. Ugra Shankar Prasad, Adv.

Mr. Abhijit Sengupta, Adv.

Mr. K.C. Dua, Adv.

Mr. Subramonium Prasad, Adv.

Mr. G. Ramakrishna Prasad, Adv.

Mr. Khwairakpam Nobin Singh, Adv.

For intervenor(s)

Mr. M.C. Dhir, 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.

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Mr. B. Sridhar, Adv.
M/S. K. Ramkumar & Associates, Adv.

Mr. Makarand D. Adkar, Adv.
Mr. Vijay Kumar, Adv.
Mr. Vishwajit Singh, Adv.

Mr. Bimal Chakraborty, Adv.
Mr. B.K. Pal, Adv.

Ms. Sunita Sharma, Adv.

Mr. S.K. Sabharwal, Adv.

State of Punjab

Mr. R.K. Rathore, AAG PB
Mr. Arun K. Sinha, Adv.

State of Uttaranchal

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

For Golden Forest

Mr. R.K. Jain, Sr. Adv.
Mr. Ashok Kumar Singh, Adv.
Mr. S.B. Meitei, Adv.
Mr. Deepak Jain, Adv.
Mr. Arjun Singh, Adv.

Mr. Naresh Kumar Adv.

Mr. Surender Sharma, Adv.

Mr. S.N. Pandey, Adv.

For M.A. Shah

Mr. D.K. Garg, Adv.

For State of W.B.

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

UPON hearing counsel the Court made the following

ORDER

1. On our direction the counsel appearing for the Securities & Exchange Board of India [SEBI] has filed the Note dated 4th of September, 2006 containing the factual history of the case along with the

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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. 15 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

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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

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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;

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- 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

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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:"

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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 ¹⁶
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 19 properties but could not sell or negotiate and moved the High Court. Thereupon, the High Court Bombay appointed Hon'ble Mr. Justice M.L. Pendse (retired Chief Justice) as private receiver vide its order dated 16th February, 2000 to sell the 19 properties as given in Annexure to the affidavit filed by GFIL.

13. After the appointment of Justice Pendse as private receiver for disposing of 19 properties of the GFIL to repay to the investors, a number of writ petitions came to be filed in various High Courts along

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with applications for rescission 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.

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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.

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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

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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.

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- (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

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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

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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.

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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 GHIL 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

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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:

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(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:

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(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

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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

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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.

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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.

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

(Kanwal Singh)
Court Master

//TRUE TYPED COPY//

SUPREME COURT OF INDIA RECORD OF PROCEEDINGS

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

THE SECURITIES & EXCHANGE BD. OF INDIAPetitioner(s)

VERSUS

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

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

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

CORAM :

HON'BLE THE CHIEF JUSTICE

HON'BLE MR. JUSTICE P. SATHASIVAM

HON'BLE MR. JUSTICE J.M. PANCHAL

For Petitioner(s)

Mr. Bhargava V. Desai, Adv.

Mr. Rahul Gupta, Adv.

Ms. Reema Sharma, Adv.

Mr. Ajay Majithia, Adv.

Mr. Rajesh Kumar, Adv.

Dr. Kailash Chand, Adv.

For the Committee

Ms. Suruchii Aggarwal, Adv

Mr. Prashant Chauhan, Adv.

Mr. Arvind Gopal, Adv.

WP(C) 188/04

Mr. Ranjan Mukherjee, Adv.

For Applicant(s)

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

Mr. Shagir Khan, Adv.

TC(C) 1/04

Mr. Somnath Mukherjee, Adv.

Mr. S. Ravishankar, Adv.

Mr. Vivek Shukla, Adv.

For Respondent(s)

Mr. Anil Kumar Sharma, Adv.

Mr. Shailendra Bhardwaj, Adv.

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

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Mr. Anand Prakash, Adv.

Mr. T.D. Kashar, Adv.

For Ms. S. Usha Reddy, Adv.

Mr. S.K. Nandy, Adv.

Mr. Y.P. Dhingra, Adv.

Ms. Kusum Chaudhary, Adv.

Mr. Subodh Markandeya, Sr. Adv.

Mr. Alok Gupta, Adv.

Ms. Shalu Sharma, Adv.

Mr. Manoj Swarup, Adv.

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

Mr. Anandeshwar Gautam, Adv.

Mr. Joseph Pookkatt, Adv.

Mr. Prashant Kumar, Adv.

For M/s AP & J Chambers

Mr. D.N. Goburdhan, Adv.

Mr. Arun Kumar Sinha, Adv.

Mr. Ranjan Mukherjee, Adv.

Mr. Ajay Majithia, Adv.

Mr. Rajesh Kumar, Adv.

Dr. Kailash Chand, Adv.

Mr. S. Ravi Shankar, Adv.

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

Mr. Ashwani Kumar, Adv.

Mr. Kuljeet Rawal, Adv.

Mr. Subramonium Prasad, Adv.

Ms. Sunita Sharma, Adv.

Mr. Rana Ranjit Singh, Adv.

Mr. Somvir Singh Daswal, Adv.

Mr. Shreepal Singh, Adv.

Mr. S.K. Sabharwal, Adv.

Mr. Jatinder Kumar Bhatia, Adv.

Ms. S. Usha Reddy, Adv.

Ms. Naresh Bakshi, Adv.

Mrs. Varuna Bhandari Gugnani, Adv.

Mr. Rameshwar Prasad Goyal, Adv.

Mr. S.N. Pandey, Adv.

Mr. C.S. Ashri, Adv.

Ms. Shalu Sharma, Adv.

Mr. N.R. Choudhury, Adv.

Mr. Tara Chandra Sharma, Adv.

Ms. Neelam Sharma, Adv.

UPON hearing counsel the Court made the following

ORDER

Dr. Namavati has filed the list of immovable properties owned and possessed by the Golden Forests (I) Ltd and its group of companies. These properties were allegedly purchased by

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Golden Forest (I) Ltd. and other group of companies. It is said that the title deeds vest with these respondents.

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

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

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

to the confirmation by this Court. As soon as the sale is over, the details including the purchase price and all the details shall be made over to this Court for the purpose of confirmation.

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

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

List in the month of March, 2009.

(R.K.Dhawan)
Court Master

Veera Verma)
Court Master

(CIVIL ORIGINAL JURISDICTION)

WRIT PETITION (CIVIL) NO. 188 OF 2004
AND CONNECTED MATTERS

IN THE MATTER OF:

M/s Raiganj Consumer Forum Petitioner

Versus

Union of India and Ors. Respondents

AFFIDAVIT TO PLACE ON RECORD THE
FOURTH INTERIM PROGRESS REPORT ON
VALUATION OF PROPERTIES PURSUANT TO
THE ORDER DATED 30.8.2018 PASSED BY
THIS HON'BLE COURT.

PAPER BOOK

*Recd
12/7/2019*

(FOR INDEX: PLEASE SEE INSIDE)

.. (MRS. ANIL KATDIYAR)
ADVOCATE FOR THE RESPONDENTS

Work Order No. 889/2019

Rkg59

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IN THE SUPREME COURT OF INDIA

(Civil Original Jurisdiction)

Writ Petition (Civil) No. 188 of 2004

And connected matters

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IN THE MATTER OF:

M/s Raiganj Consumer Forum

...Petitioner

Versus.

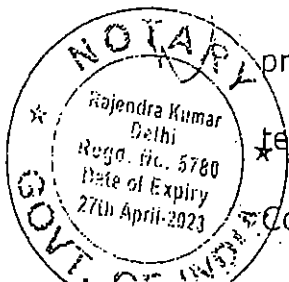
Union of India and Ors.

...Respondents

**AFFIDAVIT TO PLACE ON RECORD THE FOURTH
INTERIM PROGRESS REPORT ON VALUATION OF
PROPERTIES PURSUANT TO THE ORDER DATED
30.07.2018 PASSED BY THIS HON'BLE COURT.**

I, Anup Kumar Dubey, aged about 55 years working as
Special Director, Directorate of Enforcement having office at
5th floor, Lok Nayak Bhawan, Khan Market, New Delhi -
110003 do hereby solemnly affirm and state as under:-

1. That I am the deponent and part of the valuation team
constituted by this Hon'ble Court vide order dated
30.07.2018 to submit a correct valuation of the
properties mentioned in the auction notice issued in
terms of the order dated 17.05.2018 of this Hon'ble
Court.

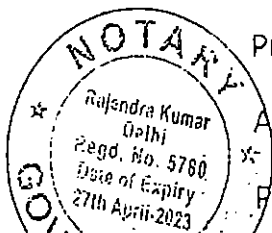


2. That an interim report in the form of first interim progress report has already been filed before this Hon'ble Court on dated 28.09.2018 and the second interim progress report on valuation of properties pursuant to the order dated 30.07.2018 passed by this Hon'ble Court has also been submitted on dated 26.10.2018. It is stated that the third interim report was filed on 06.03.2019 before this Hon'ble Court.

3. That on 07.05.2019, this Hon'ble Court directed to complete the valuation job on or before 30.06.2019 and further directed to submit complete valuation report within 1st week of July. Accordingly, the valuation team is hereby filing the fourth Interim report. The fourth interim report in original is annexed herewith and marked as **ANNEXURE - A**.

4. That the deponent filed valuation report with regard to properties in Part - A and 4 sets of properties out of 9 properties under Part - D along with affidavit dated 23.02.2019. It is submitted that the valuation of

Properties which could be identified by District Authorities out of remaining 5 set of properties of the Part 'D' have been completed and same has been



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named as Part 'D-1'. Copy of the valuation report via Part 'D-1' of properties, out of 5 set of properties, which could be identified by District Authorities along with the details of the properties is annexed herewith and marked as **ANNEXURE - B**.

5. That the deponent crave leave of this Hon'ble Court for submitting further valuation report with regard to remaining properties of Part 'D' which are yet to be identified.

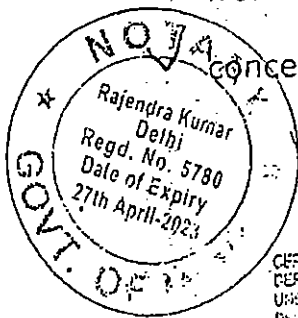
6. That the contents of the above affidavit are true and correct information derived from official record.


DEPONENT

VERIFICATION:-

I above named deponent do hereby verify that the contents of the above affidavit are true and correct to my knowledge based on the information derived from official record and nothing material has been concealed there from.

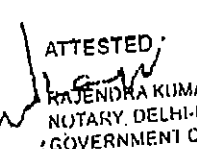
Verified at Delhi, on this the 4 day of July, 2019.




CERTIFIED THAT THE CONTENTS EXHIBITS TO THE DEPONENT'S AFFIDAVIT WHO IS SEENED IDENTICAL TO UNDERSTAND & AFFIRMED BY THE DEPONENT.

IDENTIFIED BY THE EXECUTIVE/DEPONENT WHO HAS SIGNED IN MY PRESENCE

ATTESTED


RAJENDRA KUMAR
NOTARY, DELHI-R-5780
GOVERNMENT OF INDIA
SUPREME COURT OF INDIA
COMPOUND, NEW DELHI
Register Pg./Sl. No. 1/2019


DEPONENT

Fourth Interim progress report on valuation of Properties in pursuance to the judgment of Hon'ble Supreme Court vide order dated 30.07.2018 in W/P No. (C) 188 of 2004

Result Achieved:

Part 'A' Properties

1. On the basis of available information, all the properties pertaining to part 'A' properties have been located and identified by the DVOs and the valuation of the properties have been completed and the status report have been submitted before the Hon'ble Supreme Court.

Part 'D' Properties

2. On the basis of available information, the remaining properties pertaining to Part 'D' which have been located and identified by District Authorities and valued by the DVOs is named as **Part 'D-1'**
3. The valuation details of all the identified property out of the 9 set of property in Part 'D' till now have been identified by District Valuation Offices (**Part-'D-1'**) may be summarized as under:-

Sr No.	Land / Building	Location	Value as Determined	As on Date of Inspection	Remarks
1	Lands in Andhra Pradesh (Now	Telangana	379,89,93,750/-	Valuation report dated 25.09.2018	<ul style="list-style-type: none">• Property to be valued 1091.331 acre• Property valued

	known as (adadri), Mandal Choutup pal, Dirstrict Nalgonda			(a) 25.09.2018 (b) 26.09.2018 (c) 26.09.2018 (d) 24.09.2018 (e) by VO, Hyderabad	1195 acre 47
2	Land in Haryana	District Ambala	15,41,59, 500/-	Valuation report dated 25.06.2019 by DVO, Chandigarh	<ul style="list-style-type: none"> Property to be valued 505.658 acre Property valued 87.882 acre Remaining properties to be valued 417.776 acre
3	Lands in Haryana	District Panchkula	47,96,68, 350/-	Valuation report dated 18.05.2019 by DVO, Chandigarh	<ul style="list-style-type: none"> Property to be valued 261.661 acre Property valued 114.752 acre 93.95 acre (property already valued under Part 'A' at Sl.no. 1, 5, 6, 8, 21, 22 and 23) Remaining properties to be valued 52.959 acre

4	Lands in Madhya Pradesh	Garl Piplaya, District Indore	1,32,46,864/-	Valuation report dated 28.012.2019 by VO Indore	<ul style="list-style-type: none"> Property to be valued 10.911 acre Property valued 10.911 acre
5	Land in Orissa	Khurda	36,99,76,000/-	Valuation report dated 24.06.2019 by DVO Kolkata	<ul style="list-style-type: none"> Property to be valued 90.24 acre Property valued 90.24 acre
6	Land in Karnataka	Kolar	3,91,00,000/-	Valuation report dated 25.01.2019 by DVO Bangalore	<ul style="list-style-type: none"> Property to be valued 17 acre Property valued 17 acre
7	Land in Andhra Pradesh	Mandal Bibinagar, District Nalgonda	58,91,45,508/-	Valuation report dated 26.09.2019 by VO Hyderabad	<ul style="list-style-type: none"> Property to be valued 231.30 acre Property valued 242 acre
8	Land in Himachal Pradesh	Vill. Garkhal, Kasuli	5,01,70,400/-	Valuation report dated 17.05.2019	<ul style="list-style-type: none"> Property to be valued 7.50 acre Property valued 5 acre Remaining properties to be valued 2.5 acre

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9	Office Room - 2 nd Floor	181/1 AJC Bose Road, Kolkata	1,56,68,6 06/-	Valuation report dated 21.06.2019	<ul style="list-style-type: none"> Property to be valued 1242 Sq.ft. Property valued 1242 Sq.ft.
Total			5,51,01, 28,978/-		

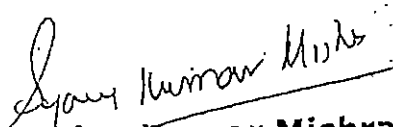
Copy of the Valuation Report qua identified properties submitted by the DVOs are enclosed for ready reference as **Annexure-B**

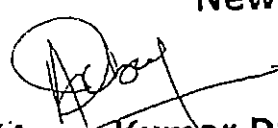
4. The above referred progress report along with suggestions to speed up the process of valuation may kindly be brought to the notice of Hon'ble Apex Court for appropriate directions.

Encls: As above.

Dated: 04.07.2019

S. S. RATHORE
Vice Chairman,
Income Tax Settlement Commission
Additional Bench-II, Ground Floor, Mahatma Chambers,
S.K. Rathod Marg, Mahatma, Mumbai - 400 034. (S.S. Rathore)
**Vice Chairman, Income Tax Settlement,
Addl. Bench - II, Mumbai**


(Sanjay Kumar Mishra)
**Director, Enforcement Directorate,
New Delhi**


(Anup Kumar Dubey)
**Special Director (SD), Enforcement Directorate,
New Delhi**

PART 'D-1'

The details of the all Properties of Part 'D-1' and valuation done are tabulated below and copy of the relevant valuation reports are given as per page Nos. mentioned below:

S.No.	Details of Properties	Location	Value as determined	Documents enclosed	Page No. (Annexures-)
1.	Lands in Andhra Pradesh (Now known as Yadadri), Mandal Choutuppal, District Nalgonda (1091.331 Acre)	Telangana	379,89,93,750/-	Report filed in Part 'D' earlier	
2.	Land in Haryana, District Ambala (505.658 Acre)	Haryana	15,41,59,500/-	Valuation report dated 25.06.2019 by DVO, Chandigarh	1 to 4
3.	Lands in Haryana, District Panichkula (261.661 Acre)	Haryana	47,96,68,350/-	Valuation report dated 18.05.2019 by DVO Chandigarh	5 to 13
4.	Lands in Madhya Pradesh, Gari Piplaya, District Indore (10.911 Acre)	Madhya Pradesh	1,32,46,864/-	Report filed in Part 'D' earlier	
5.	Land in Orissa, Khurda (90.24 Acre)	Orissa	36,99,76,000/-	Valuation report dated 24.06.2019 by DVO Kolkata	14 to 16
6.	Land in Karnataka, Kolar (17 Acre)	Karnataka	3,91,00,000/-	Report filed in Part 'D' earlier	
7.	Land in Andhra Pradesh Mandal Bibinagar, District Nalgonda (231.30 Acre)	Andhra Pradesh	58,91,45,508/-	Report filed in Part 'D' earlier	
8.	Land in Himachal Pradesh Vill. Garkhal, Kasuli (7.50 Acre)	Himachal Pradesh	5,01,70,400/-	Valuation report dated 17.05.2019	17 to 26
9.	Office Room - 2 nd Floor, 181/1 AJC Bose Road, Kolkata (1242 Sq. ft.)	Kolkata	1,56,68,606/-	Valuation report dated 21.06.2019	27 to 31
Total			5,51,01,28,978/-		