IN THE SUPREME COURT OF INDIA
CIVIL ORIGINAL JURISDICTION

I.A. No. 117348 of 2026

IN

W.P. (c) 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 Committee – GFIL
(Appointed by Hon'ble Supreme Court)

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

MOST RESPECTFULLY SHEWETH:

1. That the present application has been moved to allow the applicant to sell the properties of Golden Forest Group that too at 90% of the prevailing collector rates, as applicable on the date of execution and registration of sale deed.
2. That a careful perusal of the application suggests that some of the facts have been presented in a distorted manner to achieve personal gain. In para 2, it has been falsely stated that IA 134873 of 2022 has been preferred by the applicant seeking impleadment. The correct fact is that it has been filed by Aditiya Kumar Sinha allegedly on behalf of promoter shareholders of Golden Project Limited, Golden Forest India Limited

and its subsidiaries to highlight the anomalies and transgressions on the part of Income Tax Department while executing the mandate of this Hon'ble Court to sell the properties of Golden Forest Group. However, the applicant in that application no. 137873 of 2022 has neither filed any authority letter/ Power of attorney executed by any of the promoters/shareholders of Golden Forest India Limited or Golden Project Limited or any of its subsidiary companies in his favour nor has he disclosed as to how he is related to these companies and got authority to file this application. The Committee has filed its reply to that application also.

3. That it is pertinent to mention that the Golden Forests India Limited is a flagship company of a group of about 110 companies, societies and trusts which was promoted by a single family known as Syals consisting of R.K. Syal (DOB: 3.12.1951), his father Amrit Lal Syal (DOB: 12.11.1928), his wife Neena Syal (DOB: 20.6.1956), his sister Pamila Syal (DOB: 17.8.1955) and his brother in law H.K. Sinha (husband of Romila Syal), who is applicant in this application.

4. That the company Golden Forest India Limited was incorporated in 1987 with authorised capital of 10 lac equity shares of Rs. 10 each valued at Rs. One Crore. The issued, subscribed and paid up capital was only 30000 shares of Rs.10 each, amounting to total Rs.300000/-. The promoters of the company and the subscribers were Lamber Singh (7500 shares), Vinod Mahajan (7500 shares), Harbhajan Singh Padda (2500 shares),Neena Syal (2500 shares), A. L. Syal (2500 shares), H. K.

Sinha (2500 shares) Rajesh Syal (2500 shares) and R.K. Syal (2500 shares).

5. That as per last filed audit report (as on 30.9.2000) filed by Golden Forest India Limited with ROC, the directors of the company were R.K Syal, Neena Syal & K.S. Rawat and paid up capital was. 1,00,000 shares of Rs. 10/- each held by Neena Syal (18300), A.L.Syal (32500), R.K.Syal (4300), Pamila Syal (9400), Madhulika Syal (11900), Madhurima Syal (11200) and Nikhil Syal (12400).

It is worth noting that the audit report (as on 30.9.2000) filed by Golden Forest India Limited with ROC, also mentioned that the applicant H.K. Sinha and his wife Romila Sinha transferred their respective 2500 shares to Pamila Syal. Therefore, the applicant ceased to be shareholder of the company. As per the information available with the Committee, he was never appointed as director of any of the companies and was also not involved in business affairs of the companies. Copy of Audit report for the year 2000 showing transfer of shares by the applicant is annexed as **ANNEXURE R-1 (Pg 10 to Pg. 19)**

6. That the applicant has absolutely no locus to claim any vested rights in the management of the companies or its properties. Even the promoters/ directors had a very negligible and minuscule investment in the companies and evidently, all the properties were purchased with the deposits of lakhs of gullible investors who were cheated by the promoters as their promised returns were never paid back, with the result that SEBI had to initiate action against the defaulting companies. Despite having committed most egregious fraud, the applicant and

other promoters has the audacity to come to the Court and say that they be now allowed to repay the principal amount invested by the depositors 25/30 years ago, which would be an absolute farce and great injustice to the depositors, who lost their valuable and hard earned savings and were financially ruined. The applicant or the other surviving promoters of the companies cannot be allowed to unduly enrich themselves simply because the prices of the lands have inflated manifold over the years and the value of money has depreciated. Here one cannot be oblivious of the fact that some of the promoters/directors were prosecuted for having duped the depositors and were convicted also in case FIR Nos. 64, 65 & 66 dated 23.12.2000 registered with PS Punjab Vigilance Bureau Patiala under sections 420, 406, 467, 468, 471 & 120 B of IPC. That being so, the necessary implication is that the properties were acquired with sale proceeds of crime and as per the provisions of Prevention of Money Laundering Act, 2002, such properties are required to be attached and forfeited. Here it is further worthwhile to point out that in the states of Himachal Pradesh, Telangana and UT Chandigarh where properties are situated, the provision of Protection of Interest of Depositors Act are applicable and such properties are required to be attached and sold to repay the depositors as the attachment under the said legislation overrides any other charge or right which is to be treated as subservient to the statutory charge under the said legislation.

7. That it further needs to be brought to the notice of this Hon'ble Court that the companies never transacted any business generating revenue

other than collecting deposits from gullible investors offering attractive returns nor the companies made any real profits out of any legitimate business. Thus, the promoters, much less the applicant, have absolutely no locus standi to claim any right in the companies or the properties as he has never been a director in any company nor he holds any shares.

8. That the applicant alleges himself to be a promoter shareholder who invested only Rs.25000 i.e 2500 shares of Rs. 10 each and having already sold his share holdings, he cannot now claim any right in the properties which are worth crores of rupees and which were purchased with the money invested by lacs of poor investors who are still waiting for their money to be refunded even after a lapse of more than 25 years.

9. That Punjab Vigilance Bureau conducted investigations into the affairs of the company, registered FIR no's 64, 65 & 66 dated 23.12.2000 under sections 420, 406, 467, 468, 471 & 120 B of IPC against the applicant H.K. Sinha along with members of Syal family. The applicant along with other members of Syal family and some other persons were arrested on 23.12.2000.

The applicant filed an application before CJM Patiala in which he categorically stated that he was only a shareholder and that he was neither appointed director nor an office bearer of the company. He further stated in that application that he never had any responsibility in the company's affairs in any capacity. It was on that basis that he was discharged. Having taken the aforesaid stand before the criminal court to secure an order of discharge, the applicant cannot now be allowed to take a complete somersault to claim any beneficial interest in the affairs of the companies especially when after selling his total share holding of 2500 shares, as stated above, he is not left with any right, title or claim of any nature in the company. Copy of Order dated 17.09.2008 passed by CJM, Patiala is annexed as **ANNEXURE R-2 (Pg 20 to Pg. 23)**

Therefore in view of above it would not be out of place to say that he is only misleading the court and has no locus standi in the matter of Golden Forest India Limited and its group companies.

10. That the applicant is only taking advantage of the situation that the value of the properties has increased multifold. The motive of the applicant is clear to have undue gains from sale of properties of the companies by negotiation with private parties along with taking 2% as expenses like a property dealer does. This is totally unjustified and against the interest of lacs of investors.

11. That apart from this, the applicant is not even willing to sell the properties at market rate. He is seeking permission to sell even below the collector rate which is usually less than the actual market rate of the property and the market value of the property is always more that collector rates.

12. That another ridiculous proposal which has been made by the applicant is that he has questioned the valuation of properties of golden forest group which has been valued at about Rs.4882 crores by Income Tax Department. As per the applicant, the realistic value of all the properties of golden forest group would be around Rs.2800 crores and he should be allowed to sell it for Rs.2500 crores only as against Rs.4882 crores

evaluated by Income Tax Department. The valuation given by the applicant is only a hypothetical one without any basis. This proposal of the applicant is nothing but absolutely bizarre.

15. That the applicant is not having any investors readily available to pay fair value of the properties nor has he any proper mechanism to carry out sale/auctions of the properties of the defaulting companies. On the contrary, in pursuance of the orders of this Hon'ble Court, the properties would be sold through a proper and legal mechanism under the auspices of the Income Tax Department and an Advisory body like SBICAPS. This Hon'ble Court has directed Income Tax Department to conduct e-auction in a fair and transparent platform whereas the applicant is seeking permission to sell properties by private negotiations for which he is claiming expenses as well which would be highly impractical. In fact, by way of present application, the applicant is trying to substitute himself with the Income Tax Authority and SBICAP who are in process of being assigned with the duty of auction of properties by this Hon'ble Court.

16. Therefore, in view of the above stated facts and circumstances, the application deserves to be dismissed being baseless, vexatious in nature with special and exemplary costs.

New Delhi
Date:

Filed by

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

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CIVIL ORIGINAL JURISDICTION

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Versus

UNION OF INDIA & ORS. .... Respondents

AFFIDAVIT

I, Shri Brij Mohan Bedi, S/o Shri Sadhu Ram Bedi, aged about 75 years, o/o Chairman Committee-GFIL, Flat No. 1065/1, Sector-39-B, Chandigarh, 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

9

VERIFICATION:-

I, the deponent above named, do hereby verify and state that the contents of paragraph 1 to 3 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 20th day of August, 2026.

DEPONENT

Certified that the Affidavit/SPA/GPA has been read [illegible] explained to the Deponent/ E[illegible] who seems perfectly to understand the same at the time of making thereof

I identify the deponent / declarant executent has signed the document in my presence
Govind Singh
Signature

Attested
MEENA KUMARI
Notary, Chandigarh (U.T),

The contents of this Affidavit / Document have been explained to the deponent / executant. He / She has admitted the same to the correct. The deponent / executant has signed Register at Sr No. 622 Reg. No. 39 dated 20/8/2026

20 AUG 2026

ANNEXURE R-31

10

Form of Annual Return of a Company Having a Share Capital

ANNUAL RETURN

THE COMPANIES ACT (1 OF 1956)
SCHEDULE V PART II
(See Section 159)

I. REGISTRATION DETAILS

Registration No. 0 7 3 1 0

State Code 5 3 (Refer Code List 1)

Registration Date 2 3 (Date) 0 2 (Month) 8 7 (Year)

Whether shares listed on recognised Stock Exchange(s) Y–Yes N–No: N

If Yes, Stock exchange code (Totals) (Refer Code List 2) A ☐☐☐☐ B ☐☐☐☐

AGM Held Y (Y-Yes N-No)

Date of AGM/ Due Date 2 9 (Date) 0 9 (Month) 0 2 (Year)

II. NAME AND REGISTERED OFFICE ADDRESS OF COMPANY

Company Name GOLDEN FORESTS (INDIA) LTD

A

REC.NO.: SCO 834 SHIVALIK ENCLAVE

REG.NO.: MANIMAJRA

CHANDIGARH

U T

Pin Code 1 6 0 1 0 1

0 1 7 2 (Area Code)

Number

Email Address

For Golden Forests (India) Ltd

27/8/03

Director

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III. CAPITAL STRUCTURE OF THE COMPANY (AMOUNT IN RS. THOUSANDS)

Authorised Share Capital Breakup

Type of Shares	No. of Shares	Nominal Value (in Rs.)
(i) Equity	1000000	10
(ii) Preference	270	10000
Total Authorised Capital	260000	

Issued Share Capital Breakup

Type of Shares	No. of Shares	Nominal Value (in Rs.)
(i) Equity	100000	10
(ii) Preference	264	1000000
Total Issued Capital	265000000	

Subscribed Share Capital Breakup

Type of Shares	No. of Shares	Nominal Value (in Rs.)
(i) Equity	100000	10
(ii) Preference	264	100000
Total Subscribed Capital	265000	

For Golden Forests (India) Ltd

Director

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3. Paid-up Share Capital Breakup

Type of Shares	No. of Shares	Nominal Value (in Rs.)
(i) Equity	1000000	10
(ii) Preference	264	10000 00
Total Paid-up Capital	265000	

Debentures Breakup

Type of Debenture	No. of Debentures	Nominal Value (in Rs.)
(i) Non Convertible		
(ii) Partly Convertible		
(iii) Fully Convertible		
Total Amount		

For Golden Forests (India) Ltd.

Director

IV. DIRECTORS/MANAGER/SECRETARY INFORMATION (PAST AND PRESENT)

[Refer clause 6 of Part I Schedule V]

Name: SYAL (Surname) K (Middle Name) R (First Name)

Nationality: I — I–Indian, F–Foreign

Date of birth: 03 (Date) 12 (Month) 52 (Year)

Designation: C — C–Chairman cum Managing Director, W–Whole Time Director, S–Secretary, R–Manager, D–Director, M–Managing Director

Date of Appointment ✓ 23 (Date) 02 (Month) 87 (Year)

Date of Ceasing: ☐☐ (Date) ☐☐ (Month) ☐☐ (Year)

Election Commission Identity Card No. (if issued): ☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐

Name: SYAL (Surname) (Middle Name) NEENA (First Name)

Nationality: I — I–Indian, F–Foreign

Date of birth: 20 (Date) 06 (Month) 56 (Year)

Designation: D — C–Chairman cum Managing Director, W–Whole Time Director, S–Secretary, R–Manager, D–Director, M–Managing Director

Date of Appointment ✓ 25 (Date) 11 (Month) 98 (Year)

Date of Ceasing: ☐☐ (Date) ☐☐ (Month) ☐☐ (Year)

Election Commission Identity Card No. (if issued): ☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐

Name: RAWAT (Surname) S (Middle Name) K (First Name)

Nationality: I — I–Indian, F–Foreign

Date of birth: 12 (Date) 11 (Month) 52 (Year)

Designation: D — C–Chairman cum Managing Director, W–Whole Time Director, S–Secretary, R–Manager, D–Director, M–Managing Director

Date of Appointment / ✓ 28 (Date) 08 (Month) 99 (Year)

Date of Ceasing: ☐☐ (Date) ☐☐ (Month) ☐☐ (Year)

Election Commission Identity Card No. (if issued): ☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐

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Residentia

Town/City

District

State

Pin Code

Residential

Town/Ci

District

State

Pin Cod

Resid

Town Ci

District

State

Pin C de

Note : Ac

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IV. DIRECTORS/MANAGER/SECRETARY INFORMATION (CONTD.)

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Residential Address: 570 SECTOR 12
Town/City: PANCHKULA
District: HARYANA
State: HARYANA
Pin Code:

Residential Address: 570 SECTOR 12
Town/City: PANCHKULA
District:
State: HARYANA
Pin Code:

Residential Address: 128 NEW MODEL TOWN
Town/City: PANIPAT
District:
State: HARYANA.
Pin Code:

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* Note : Additional Sheets may be attached if needed.

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. DETAILS OF SHARES/DEBENTURES HELD AT DATE OF AGM*

edger Folio of Share/Debenture Holder 04

hare/Debenture Holder's Name SYAL NEERA

Surname Middle Name First Name

ather's/Husband's Name SYAL K R

ype of Share/Debenture I 1--Equity, 2--Preference Shares, 3--Debentures, 4--Stock

umber of Shares/Debentures Held/Stock, 18300 Amount per share (in Rs.) 10
any

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edger Folio of Share/Debenture Holder 05

hare/Debenture Holder's Name SYAL L A

Surname Middle Name First Name

ather's/Husband's Name SYAL L G

pe of Share/Debenture I 1--Equity, 2--Preference Shares, 3--Debentures, 4--Stock

umber of Shares/Debentures Held/Stock, 32500 Amount per share (in Rs.) 10
any

---

edger Folio of Share/Debenture Holder 08

hare/Debenture Holder's Name SYAL K R

Surname Middle Name First Name

ather's/Husband's Name SYAL L A

pe of Share/Debenture I 1 Equity, 2 Preference Shares, 3 Debentures 4 Stock

mber of Shares/Debentures Held/Stock, 4300 Amount per share (in Rs.) 10
any

ote : Separate sheet may be attached, if needed. If number of such share holders exceeds 10, if so desired a text file may be submitted on a floppy or a cartridge tape in the format given in Annexure-III

Address

Town/City

District

State

Pin code

Address

Town/City

District

State

Pin code

Address

Town/City

District

State

Pin code

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* V. DETAILS OF SHARES/DEBENTURES HELD AT DATE OF AGM (CONTD.)

Address 570 SECTOR 12

Town/City PANCHKULA

District

State HARYANA

Pin code

Address 573 SECTOR 12

PANCHKULA

Town/City

District PANCHKULA

State HARYANA

Pin code

Address 570 SECTOR 12

Town/City PANCHKULA

District

State HARYANA

Pin code

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VI. DETAILS OF SHARES/DEBENTURES TRANSFERS SINCE DATE OF LAST AGM

(or in the case of the first return at any time since the incorporation of the company)*

Date of Previous AGM: 30 (Date) 09 (Month) 99 (Year)

Date of Registration of Transfer of Shares: 29 (Date) 09 (Month) 02 (Year)

Type of transfer: I — 1-Equity, 2-Preference Shares, 3-Debenture, 4-Stock

Number of Shares/Debentures Transferred: 2500 — Amount per Share (in Rs.): 10

Ledger Folio of Transferor: 06

Transferor's Name: SYAL (Surname) — (Middle Name) — PAMILA (First Name)

Ledger Folio of Transferee: 14

Transferee's Name: SSNHA (Surname) — K (Middle Name) — H (First Name)

Date of Registration of Transfer of Shares: 29 (Date) 09 (Month) 02 (Year)

Type of transfer: I — 1-Equity, 2-Preference Shares, 3-Debenture, 4-Stock

Number of Shares/Debentures Transferred: 2500 — Amount per Share (in Rs.): 10

Ledger Folio of Transferor: 06

Transferor's Name: SYAL (Surname) — (Middle Name) — PAMILA (First Name)

Ledger Folio of Transferee: 13

Transferee's Name: SINHA (Surname) — (Middle Name) — PDMILA (First Name)

Note : Separate sheet may be attached, if needed. If number of such transactions exceeds 10, if so desired a text file may be submitted on a floppy or a cartridge in the format given in Annexure-IV.

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V DETAILS OF SHARES/DEBENTURES HELD AT DATE OF AGM*

Ledger Folio of Share/Debenture Holder: 14
Share/Debenture Holder's Name: SYAL (Surname) | (Middle Name) | CAMILA (First Name)
Father's/Husband's Name: SYAL L A
Type of Share/Debenture: E   1-Equity, 2-Preference Shares, 3-Debentures, 4-Stock
Number of Shares/Debentures Held/Stock, if any: 9400   Amount per share (in Rs.): 10

Ledger Folio of Share/Debenture Holder: 39
Share/Debenture Holder's Name: SYAL (Surname) | (Middle Name) | MADHULIKA (First Name)
Father's/Husband's Name: SYAL L A
Type of Share/Debenture: E   1-Equity, 2-Preference Shares, 3-Debentures, 4-Stock
Number of Shares/Debentures Held/Stock, if any: 11900   Amount per share (in Rs.): 10

Ledger Folio of Share/Debenture Holder: 41
Share/Debenture Holder's Name: SYAL (Surname) | (Middle Name) | MADHURIMA (First Name)
Father's/Husband's Name: SYAL K R
Type of Share/Debenture: E   1-Equity, 2-Preference Shares, 3-Debentures, 4-Stock
Number of Shares/Debentures Held/Stock, if any: 11200   Amount per share (in Rs.): 10

*Note: Separate sheet may be attached, if needed. If number of such share holders exceeds 10, if so desired a text file may be submitted on a floppy or a cartridge tape in the format given in Annexure-III

V DETAILS OF SHARES/DEBENTURES HELD AT DATE OF AGM CONTD.

Address: 573
SECTOR 12
Town/City: PANCHKULA
District:
State: HARYANA
Pin code:

Address: 573
SECTOR 12
Town/City: PANCHKULA
District:
State: HARYANA
Pin code:

Address: 570
SECTOR 12
Town/City: PANCHKULA
District:
State: HARYANA
Pin code:

V. DETAILS OF SHARES/DEBENTURES HELD AT DATE OF AGM*

Ledger Folio of Share/Debenture Holder: 40

Share/Debenture Holder's Name: SYAL NIKHIL
Surname Middle Name First Name

Father's/Husband's Name: SYAL K R

Type of Share/Debenture: 1 — 1-Equity, 2-Preference Shares, 3-Debentures, 4-Stock

Number of Shares/Debentures Held/Stock, if any: 12400 Amount per share (in Rs.): 10

Ledger Folio of Share/Debenture Holder: 01

Share/Debenture Holder's Name: GOLDEN PROJECTS LTD
Surname Middle Name First Name

Father's/Husband's Name:

Type of Share/Debenture: 1 — 1-Equity, 2-Preference Shares, 3-Debentures, 4-Stock

Number of Shares/Debentures Held/Stock, if any: 264 Amount per share (in Rs.): 100

Ledger Folio of Share/Debenture Holder:

Share/Debenture Holder's Name:
Surname Middle Name First Name

Father's/Husband's Name:

Type of Share/Debenture: ☐ 1-Equity, 2-Preference Shares, 3-Debentures, 4-Stock

Number of Shares/Debentures Held/Stock, if any: Amount per share (in Rs.):

*Note : Separate sheet may be attached, if needed. If number of such share holders exceeds 10, if so desired a text file may be submitted on a floppy or a cartridge tape in the format given in Annexure-III

For Golden Forests (India) Ltd.

Director

V. DETAILS OF SHARES/DEBENTURES HELD AT DATE OF AGM (CONTD.)

Address: 570
SECTOR 12
Town/City: PANCHKULA
District:
State: HARYANA
Pin code:

Address: 36 MILES STONE NH 22
CHD DELHI HIGHWAYS
Town/City: JHARMARI TEH DERABASSI
District: PATIALA
State: PUNJAB
Pin code:

Address:

Town/City:
District:
State:
Pin code:

For Golden Forests (India) Ltd.

Director

ANNEXURE-R-2

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Vs. A.L.Syal and others

Present: APP for the State

Accused Rajesh Syal, Lehmbar Singh, H.K.Sinha, Romila Sinha on bail Sh. Ranjit Singh Kamboj, Advocate.

R.K.Syal, A.L.Syal and Pomila Syal in custody with Sh.Ranjit Singh Kamboj.

ORDER

1. This order of mine shall dispose of six applications for discharge of accused moved by accused Rajesh Syal, Neena Syal, A.L.Syal, Lehmbar Singh, H.K.Sinha and Romila Sinha. All these applications have been moved on same grounds and these applications have been contested by the prosecution on the same grounds. The facts of applications are common and as such facts taken from application of moved by A.L.Syal, which are as under -

> "The accused/applicant is not a Director. He is only a shareholder and he is not an office bearer of the said Company. The applicant does not have any liability or had any liability in the past. The applicant has been falsely implicated in this case. Moreover, under Section 5 of the Companies Act, the Managing Director, who is responsible for all the acts and omissions of the company, is liable for the acts done by the company. The report under Section 173 Cr.P.C. submitted by

Rajan

the prosecution does not disclose any offence having been committed by the applicant/accused and there is no allegations leveled against applicant/accused by the witnesses, whose statements have been recorded under Section 161 Cr.P.C. Applicant/ accused was also arrested in the FIR Nos.65 and 66 dated 23.12.2000, which is of the identical nature and in that cases also, the applicant/accused has been discharged by the Court. A prayer is made for the discharge of applicant/accused.

2. Upon notice of these applications, the same are contested by the prosecution and prosecution filed replies. Replies are similar to all the applications. As such, facts as taken in reply to application of A.L.Syal are hereby taken.

> "The applicant is a shareholder of the company and is very much responsible for all the activities of the Company. He is not liable to be discharged at this stage and there is sufficient and cogent evidence against the applicant/accused.

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3. I have heard the learned APP for the State and learned defence counsel and perused the judicial file.

4. There is document on record issued under Companies Act ~~and~~ and ~~Registration of~~ Resolution and agreements is also there on record showing that accused Pomila Syal was working as Managing Director of M/s Golden

ourist Resorts and Developer Limited and other accused are simply Directors of the company. The law has been settled by the Hon'ble High Court of Punjab & Haryana cited as **2002(1) RCR (Criminal) 210 (P&H)**, wherein it is held that all individual partners cannot be prosecuted and only Managing partner is liable for prosecution and conviction. Similar, is view taken by Hon'ble Supreme Court in **1997-(SC2)-GOX-1267-SC Ashim Kumar Roy Vs. Bipinbhai Vadilal Mehta and others,** wherein Hon'ble Supreme Court has laid down that ordinary Directors cannot be prosecuted. As per Section 5 of the Companies Act, it is the managing director or whole time director, who is responsible for the prosecution of criminal act of the Company and not ordinary directors. In this case, accused Pomila Syal is Managing Director and whole time officer, who is responsible for criminal acts of the Company. Similarly, Hon'ble Supreme Court has laid down the law in case State **of Haryana Vs. Brij Lal Mittal cited as 1998 (2) RCR (Criminal) 608,** vide which Hon'ble Supreme Court has laid down that where the offences by Company, vicarious liability is not of all the Directors of the Company, but it is the officer, who is responsible to run the affairs of the Company. In the case in hand, Pomila Syal is responsible to run the affairs of the Company. So other accused have no vicarious liability regarding any offence committed by the Company. In this view, all these applications are hereby allowed and accused Rajesh Syal, Neena Syal, A.L.Syal, Lehmbar Singh and H.K.Sinha, Romila Sinha and R.K.Syal are hereby discharged. There is a prima facie case made out against accused Pomila Syal punishable under sections 420, 467, 468 & 471 of IPC. Hence I order to frame charge against her.

17-9-08

Pronounced.
September 17, 2008

Chief Judicial Magistrate,
Patiala.