20 to 30
13.01.2026

<u>Rose Valley</u>
W.P.A. 27005 of 2016
CAN 1 of 2019 (Old No. CAN 4506 of 2019)
(CAN 4 of 2021)
(CAN 5 of 2022)
(CAN 6 of 2022)
(CAN 7 of 2023)
(CAN 8 of 2024)
(CAN 9 of 2024)
(CAN 10 of 2024)
(CAN 11 of 2024)
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(CAN 28 of 2025)
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(CAN 31 of 2025)
(CAN 33 of 2025)
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(CAN 35 of 2025)
(CAN 36 of 2025)
(CAN 37 of 2025)
(CAN 38 of 2025)

With original side matters:
WP 275 of 2015, GA 896 of 2017, GA 315 of 2016,
GA 2291 of 2015, GA 3765 of 2015, GA 4015 of 2015
with
APOT 287 of 2015, GA 2255 of 2015, GA 2256 of 2015
with
GA 1552 of 2018
with
GA 5 of 2022
With
GA 7 of 2023
with
GA 8 of 2024
with
GA 9 of 2024
with
GA 10 of 2025

Kalipada Pal
Vs.
Union of India & Ors.

with

W.P.A 18257 of 2023

Brand Value Communications Ltd.
Vs.
Directorate of Enforcement, GOI & Ors.

With

W.P.A 20812 of 2023

Samir Kumar Hazra & Anr.
Vs.
Union of India & Ors.
With

W.P.A 20822 of 2023

Suvash Maji & Ors.
Vs.
Union of India & Ors.

with

W.P.A 20947 of 2023

Lipika Chanda
Vs.
Union of India & Ors.

With

W.P.A 24932 of 2023

Asit Pramanik & Ors.
Vs.
Union of India & Ors.

With

W.P.A 25845 of 2016
CAN 1 of 2018 (Old CAN 4643 of 2018)

Rose Valley Fields Employees Union (WB Circle) & Anr.
Vs.
Union of India & Ors.

with

W.P.A 3268 of 2016

Sarmistha Singha & Anr.
Vs.

Union of India & Ors.

With

W.P.A 6975 of 2024

Utpal Chanda
Vs.
Union of India & Ors.

With

W.P.A 7837 of 2022

Chitra Malik & Ors.
Vs.
Union of India & Ors.

With

W.P.A 17346 of 2024

Mahijas Infra Pvt. Ltd.
Vs.
State of West Bengal & Ors.

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Ms. Sreetama Biswas
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Mr. Pronay Basak
.... for the applicants in CAN 24 of 2025
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Mr. Rishav Dutt
Ms. Patrali Ganguly
... ... for the applicant in CAN 28 of 2025
Mr. Tanmoy Sett
Ms. Sucheta Das
... ... for the applicants in CAN 36 of 2025 & CAN 37 of 2025
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Mr. S. Goswami
Mr. Partha Ghosh
Ms. Amrita Pandey
Mr. S. Sarkhel
Mr. S.S. Prasad
Ms. Riya Agarwal
Mr. D. Shaw
… … for the ED in item No.20
Ms. Debjani Ray
… … for the ED in item No.22
Mr. Ashok Kumar Chakraborty, Ld. ASGI
Mr. Vipul Kundalia, Sr. Adv.
Ms. A. Pandey
Mr. G. Pandey
Ms. A. Kanan
Mr. S. Auddy
… … for the SFIO/Union of India in item No.20
Mr. Rajeep Mazumder, DSGI
… … for the Union of India in item No.25
Mr. Tulshidas Ray
… … for the State in item Nos.20 to 30
Mr. Kallol Mondal, Sr. Adv.
… … for the respondent Nos.2 & 3 in item No.22
Mr. Prasanta Kumar Dutt
Mr. Susanta Kumar Dutt
Mr. Syamantak Banerjee
…for the SEBI in item Nos. 20 to 30

In Re. : WPA 27005 of 2016

1. Heard learned counsel for the parties at length. Written submissions have been filed on behalf of Respondent Nos. 11 and 12 being the Serious Fraud Investigation Office (hereinafter referred to as 'SFIO'), which have been taken on record.

2. These submissions meticulously outline the statutory framework governing SFIO's operations under the Companies Act, 2013. SFIO, established as a statutory body under Section 211 of the said Act, derives its investigative powers exclusively from Section 212(1), which empowers the Central Government to direct an investigation into the affairs of a "company" under specific circumstances:

> *"(1) Without prejudice to the provisions of section 210, where the Central Government is of the opinion, that it is necessary to investigate into the affairs of a company by the Serious Fraud Investigation Office —*
>
> > *(a) on receipt of a report of the Registrar or inspector under section 208;*
> >
> > *(b) on intimation of a special resolution passed by a company that its affairs are required to be investigated;*
> >
> > *(c) in the public interest; or*
> >
> > *(d) on request from any Department of the Central Government or a State Government, the Central Government may, by order, assign the investigation into the affairs of the said company to the Serious Fraud Investigation Office and its Director, may designate such number of inspectors, as he may consider necessary for the purpose of such investigation.*
>
> *(2) Where any case has been assigned by the Central Government to the Serious Fraud Investigation Office for investigation under this Act, no other investigating agency of Central Government or any State Government shall proceed with investigation in such case in respect of any offence under this Act and in case any such investigation has already been initiated, it shall not be proceeded further with and the concerned agency shall transfer the relevant documents and records in respect of such offences under this Act to Serious Fraud Investigation Office.*
>
> *(3) Where the investigation into the affairs of a company has been assigned by the Central*

Government to Serious Fraud Investigation Office, it shall conduct the investigation in the manner and follow the procedure provided in this Chapter; and submit its report to the Central Government within such period as may be specified in the order.

(4) The Director, Serious Fraud Investigation Office shall cause the affairs of the company to be investigated by an Investigating Officer who shall have the power of the inspector under section 217.

(5) The company and its officers and employees, who are or have been in employment of the company shall be responsible to provide all information, explanation, documents and assistance to the Investigating Officer as he may require for conduct of the investigation."

3. The submissions further emphasize that the term "company" as defined under Section 2(20) is restrictively confined to entities incorporated under the Companies Act, 2013. This Court has carefully perused these submissions and finds them to be a correct exposition of the statutory scheme, which circumscribes SFIO's jurisdiction to corporate affairs alone.

4. This Court clarifies at the outset that no direction has been or is being issued to SFIO to conduct any audit or assessment of the receipt and payments of Asset Disposal Committee per se. The grievances raised by SFIO regarding jurisdictional limitations over the ADC, which is not a "company" within the meaning of Section 2(20), are therefore rendered academic. The directions previously issued by this Court, vide orders dated December04, 2025 and particularly December16, 2025 at Para 12, were never intended to task SFIO with auditing the ADC as an independent entity. Rather, the forensic audit mandate pertains squarely to the attached assets of the Rose Valley Group of Companies, which indisputably qualify as "companies" incorporated under the relevant company laws. These assets, valued between Rs. 20,000 to 30,000 crores and presently under attachment by the Enforcement Directorate, form the corpus central to the multi-crore chit fund scam that has defrauded thousands of innocent depositors. The ADC's role has been supervisory, i.e., overseeing identification, valuation, auction, sale and disbursement of proceeds from the Rose Valley company assets for the benefit of depositors. Consequently, any forensic scrutiny of asset trails, sales transactions, financial records and money flows necessarily implicates the "affairs of the company" as contemplated under Section 212, rendering SFIO's specialized multi-disciplinary expertise apt and invocable under the public interest limb of Section 212(1)(c).

5. The backdrop of these proceedings underscores the compelling public interest imperative. These writ petitions and connected matters before this Court since 2016, revolving around the Rose Valley Group's financial malpractices that ensnared depositors across multiple states. The attached assets constitute public money in every sense, held in trust for restitution to victims. Vide order dated September 19, 2025, this Court noted the Central Bureau of Investigation's preliminary report flagging delays, transparency deficits and procedural lapses in ADC managed asset monetization, prompting directions to the Securities and Exchange Board of India (SEBI) for forensic audit. SEBI's subsequent declination, citing lack of in-house forensic personnel, led to explorations of alternatives including the Comptroller and Auditor General (CAG), which refused vide letter dated November 20, 2025 on constitutional mandate grounds under Articles 148, 149 and 151, and the State Finance Department, which lacked expertise. Private chartered accountant firms, despite a list furnished by the Enforcement Directorate, were eschewed to avert perceptions of bias, given the ED's adversarial stake and an ED officer's involvement in the ADC. This exhaustion of options culminated in the December 04, 2025 order assigning the task to SFIO, a Central Government statutory body under the Ministry of Corporate Affairs with proven prowess in unravelling corporate frauds.

6. The order dated December 16, 2025, at Para 12, reiterated this assignment while urging the Union of India through MCA to issue expeditious orders under Section 212(1)(c) designating SFIO officers, with all stakeholders such as SEBI, CBI, ED, ADC, Rose Valley representatives and depositors being mandated to extend unconditional cooperation including supply of documents, data and access within 7 days of requisition and the final report due within 90 days. SFIO's objections, as voiced through the Learned Additional Solicitor General's report dated December 11, 2025, were duly considered therein, acknowledging the procedural precondition of a formal MCA order but overriding hyper-technical hurdles in light of the public interest enshrined in Section 212(1)(c). Judicial precedents such as ***Subrata Chattoraj vs. Union of India*** reported in ***(2014) 8 SCC 768***fortify this approach, where the Supreme Court transferred investigations in a analogous chit fund scam to CBI for comprehensive probes including forensic audits to trace illicit money trails.

7. In consonance with the foregoing reasons and to infuse momentum into the stalled process, the previous directions are hereby reaffirmed with pointed clarifications and accelerated timelines. The Union of India, through the Ministry of Corporate Affairs, shall forthwith issue a formal order under Section 212(1)(c) of the Companies Act, 2013, directing the SFIO to investigate and submit a comprehensive report exclusively on the attached assets of the Rose Valley Group companies. This report shall encompass all sales transactions (movable and immovable), financial records, valuation reports, auction processes, disbursement trails, and any linked company affairs under Enforcement Directorate (ED) attachment and

Adjudicating Authority (ADC) oversight. All concerned parties, including SEBI, CBI, ED, ADC, Rose Valley representatives, and depositors, shall extend full and unconditional cooperation, furnishing all requisite documents, electronic data, physical access, and clarifications within 7 days of SFIO's requisition. Upon submission, SFIO shall promptly file the comprehensive report with this Court through Ministry of Corporate Affairs, Union of India. Thereafter, the Central Government shall, upon due consideration of the report, take an informed decision on whether to give direction to the SFIO to proceed with forensic auditing under the relevant provisions.

8. The SFIO is directed to deploy requisite multi-disciplinary personnel and resources and submit a comprehensive report within four weeks from date.

9. Let the matter be listed on February 12, 2026 along with all other applications.

(Uday Kumar, J.) **(Rajarshi Bharadwaj, J.)**