

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

Civil Appeal No(s). 2538-2540/2020

MANJAY PRAKASH SHAH

Appellant(s)

VERSUS

UNION OF INDIA &amp; ORS.

Respondent(s)

IA No. 316131/2025 - APPROPRIATE ORDERS/DIRECTIONS

WITH

C.A. No. 4645-4647/2021 (XVII-B)

FOR APPROPRIATE ORDERS/DIRECTIONS ON IA 316546/2025

IA No. 316546/2025 - APPROPRIATE ORDERS/DIRECTIONS

C.A. No. 4648-4649/2021 (XVII-B)

FOR APPROPRIATE ORDERS/DIRECTIONS ON IA 315978/2025

IA No. 315978/2025 - APPROPRIATE ORDERS/DIRECTIONS

C.A. No. 2555-2556/2020 (XVII-B)

IA FOR APPROPRIATE ORDERS/DIRECTIONS ON IA 316068/2025

IA No. 316068/2025 - APPROPRIATE ORDERS/DIRECTIONS

C.A. No. 1000/2021 (XVII-B)

FOR APPROPRIATE ORDERS/DIRECTIONS ON IA 316307/2025

IA No. 316307/2025 - APPROPRIATE ORDERS/DIRECTIONS

Date : 13-04-2026 These matters were called on for hearing today.

CORAM :

HON'BLE MRS. JUSTICE B.V. NAGARATHNA

HON'BLE MR. JUSTICE UJJAL BHUYAN

For Appellant(s) : Mr. Abhimanyu Bhandari, Sr. Adv.  
Ms. Shagufa Salim, AOR

Dr. A.M. Singhvi, Sr. Adv.

Mr. Mukul Rohatgi, Sr. Adv.

Mr. Navin Pahwa, Sr. Adv.

Mr. Mahesh Agarwal, Adv.

Mr. Ankur Saigal, Adv.

Mr. Rishi Agrawala, Adv.

Mr. Devansh Srivastava, Adv.

Ms. Rajshree Jaiswal, Adv.

Mr. E. C. Agrawala, AOR

Mr. Amar Dave, Sr. Adv.

Mr. Navin Pahwa, Sr. Adv.  
Ms. Misha Rohatgi, AOR

Mr. Nakul Mohta, Adv.  
Mr. Amulya Upadhyay,, Adv.

For Respondent(s) :Mr. Mahesh Agarwal,, Adv.  
Mr. Rishi Agrawala, Adv.  
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Mr. E. C. Agrawala, AOR

Mr. Joel, AOR  
Mr. Raj Bahadur Yadav, AOR  
Mr. Sudarshan Lamba, AOR  
Mr. Amrish Kumar, AOR

Mr. K.M.nataraj, A.S.G.  
Mr. Vatsal Joshi, Adv.  
Mr. Rajat Nair, Adv.  
Mr. Shailesh Madiyal, Adv.  
Mr. A.k.kaul, Adv.  
Ms. Prerna Dhal, Adv.  
Ms. Madhulika Upadhyay, AOR

Ms. Misha Rohatgi, AOR  
Mr. Nakul Mohta, Adv.  
Mr. Amulya Upadhyay,, Adv.  
Mr. Amulya Upadhyay, Adv.

Mr. Anshuman Srivastava, AOR

Mr. Abhinav Agrawal, AOR  
Mr. Piyush Bhardwaj, Adv.  
Mr. Shivam Sengupta, Adv.

Ms. Radhika Gautam, AOR

Mr. Abhimanyu Bhandari, Sr. Adv.  
Ms. Shagufa Salim, AOR

UPON hearing the counsel the Court made the following

O R D E R

We have heard Dr. A.M. Singhvi, learned senior counsel for the appellant(s) in Civil Appeal Nos. 4648-4649/2021; learned senior counsel and learned counsel for the appellant(s) in the connected matters, learned senior counsel and learned counsel for the respondent(s)/ Union of India and ors.

During the course of submissions, Dr. Singhvi, learned senior counsel has pointed out to a Scheme whereunder the investors would be paid the amounts that are due to them. The Scheme has been approved by the National Company Law Tribunal (NCLT), National Company Law Appellate Tribunal (NCLAT) as well as by this Court. However, the difficulty expressed was that the impugned order(s) may come in the way of the implementation of the Scheme. Hence, it was submitted that the impugned order(s) may be kept in abeyance in order to give effect to the Scheme in letter and spirit and in case the Scheme is not effectively implemented then this Court may in its discretion modify the order keeping the impugned order(s) in abeyance and dispose of the appeals in accordance with law.

The gist of the Scheme as propounded and approved reads as under -

i. Payments of the settlement amount of Rs.1950 crores in proportion to the outstanding claims as on 31.07.2024, *inter alia*, from the properties of the Appellant.

ii. Distribution of the settlement amount through a Settlement Account operated solely by an Escrow Agent (Universal Trustee) under the supervision and direction of a Monitoring Authority namely Justice S.C. Gupte, (Retd.).

ii. After all conditions in clause 14 are fulfilled (Effective Date) the payment would be made to the Specified Creditors by the Escrow Agent under the supervision and direction of the monitoring Authority.

iv. The distribution of the Settlement Amount has to be made to

the Specified Creditors within 90 days of the Effective Date. For Specified Creditors who have not come forward with their bank account details etc., a window of 3 years is open for payment through to Escrow Agent after which any balance Settlement Amount shall be transferred to the Competent Authority under the MPID Act for distribution.

Learned senior counsel submitted that all efforts would be made to implement the Scheme. However, there are proceedings pending before the designated Court, MPID Act, Sessions Courts, Mumbai and once there is de-freezing of the accounts which have been attached by the said Court then immediately the amount shall be deposited with an Escrow Agent who shall thereafter ensure that the said amount is paid to the investors who are entitled under a Monitoring Authority headed by Justice S.C. Gupte, Retired Judge of the Bombay High Court.

Learned counsel for the respondent(s)/Union of India submitted that any order to be made by this Court ought not to result in the appellant(s) seeking a complete stay of the directions passed in the impugned order(s) and therefore, all endeavour must be made by the appellant(s) herein to implement the Scheme at the earliest. He therefore, submitted that a time frame may be stipulated for the implementation of the Scheme and appropriate orders may be made in this regard.

We have considered the submissions advanced at the Bar and noted the gist of the Scheme in the aforesaid terms.

One of the difficulties which may arise for the appellant(s) in giving effect to the Scheme expressed is the operation of the

impugned order(s) although there is stay of the same granted by this Court. Secondly, orders that have to be passed by the designated Court and other Courts and approval to be sought as per the Scheme.

We find, at this stage, that the appellant(s) herein are keen and interested to give a quietus to all controversies and therefore they intend in right earnest to give effect to the terms of the Scheme.

In the circumstances, the impugned order(s) is/are kept in abeyance. Secondly, the designated Courts as well as other Courts and Authorities shall pass appropriate orders as expeditiously as possible for the implementation of the Scheme as it is intended to make payment to the entitled investors.

Once there is de-freezing of the account by the aforesaid designated Court, within a period of two weeks thereafter the amount of Rs.1950 crores shall be deposited/transmitted in an Escrow Account/Account to be maintained by the Escrow Agent (Universal Trustee) maintained with Axis Bank, MIDC Andheri East branch, Mumbai 400093.

Parties are also at liberty to mention in case of any difficulty in the implementation of the Scheme.

(NEETU SACHDEVA)  
DEPUTY REGISTRAR

(DIVYA BABBAR)  
COURT MASTER (NSH)