

IN THE SUPREME COURT OF INDIA
CIVIL APPELLATE JURISDICTION

INTERLOCUTORY APPLICATION NO. 10 OF 2016
IN
CIVIL APPEAL NO. 6572 OF 2004

M/S. P.G.F. LTD. & ORS. . . . APPELLANT(S)

VERSUS

UNION OF INDIA & ANR. . . . RESPONDENT(S)

O R D E R

We have heard learned counsel for the parties in respect of I.A. No. 10 of 2016 wherein the appellant-company has prayed for a clarification in the following terms:

In light of the facts and circumstances set out hereinabove, the Appellant NO. 1 Company most respectfully prays that this Hon'ble Court may most graciously be pleased to clarify that in case the Appellant No. 1 Company intimates to SEBI, Respondent NO. 1, particulars of such of any property which according to it can be sold above a minimum price of 110% of the prescribed circle rate, and for which it can produce a deposit of 10% of the offered price for the property, the said property shall be excluded from the process of auction which is to be conducted under the supervision of the Id. Special Committee constituted by this Hon'ble Court;

and

Pass such other orders/directions as may be deemed fit and proper in the interest of justice.

Mr. Kapil Sibal, learned senior counsel appearing on behalf of the appellant-applicant submits that the Committee appointed by this Court has not been able to conduct e-auction of the properties of the applicant so far and such

delay can be avoided and better price can be obtained if the appellant-company is permitted to negotiate and sell its properties through private negotiation, of course keeping the whole negotiations and prices finally determined transparent and within the knowledge of the Committee. He has cited orders passed in the case of Sahara as a precedent.

Learned counsel appearing on behalf of the SEBI opposes the aforesaid prayer mainly on the ground that course of action adopted in Sahara Case was at the later stage when e-auction could not be successful in respect of some of the properties and realizing that situation, the Court permitted the Company itself to go ahead with sale after private negotiations. In other words, according to the learned counsel for SEBI, it is pre-mature to hold that procedure of e-auction will not fetch the appropriate prices.

In the facts and circumstances of the case, we would not like to interfere with the discretion and wisdom of the Committee constituted by this Court which has been authorized with the aforesaid task. We expect the Committee to keep the ground realities and the offer already made in mind and proceed with e-auction for selling the viable and available properties which may bring sufficient amount to clear the outstanding liabilities of the company.

The only precaution which in our view the Committee should take is not to finalize the bids without satisfying

itself that it reflects the best price which can be had for the concerned properties.

We are confident that the Committee shall proceed with the matter keeping in view the interest of all the concerned in mind. In case the Committee is of the view that the process of e-auction has not been successful, it can revert back to this Court for further directions.

Interlocutory application is disposed of.

.....J.
[SHIVA KIRTI SINGH]

NEW DELHI
OCTOBER 28, 2016

.....J.
[R.BANUMATHI]

ITEM NO.3

COURT NO.12

SECTION IV

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

I.A. 10/2016 in Civil Appeal No(s). 6572/2004

M/S. P.G.F. LTD. & ORS.

Appellant(s)

VERSUS

UNION OF INDIA & ANR.

Respondent(s)

(For clarification of directions and office report)

Date : 28/10/2016 This matter was called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE SHIVA KIRTI SINGH
HON'BLE MRS. JUSTICE R. BANUMATHI

For Appellant(s) Mr. Kapil Sibal, Sr. Adv.
 Mr. Debesh Panda, Adv.
 Mr. Abhay Kumar, Adv.

Mr. P. N. Puri, Adv.

For Respondent(s) Ms. Pinky Anand, ASG
 Mr. S.A. Haseeb, Adv.
 Mr. R.K. Verma, Adv.
 Ms. Anil Katiyar, Adv.
 Mr. R.K. Rathore, Adv.
 Mr. R.S. Jena, Adv.
 Ms. Sandamini Sharma, Adv.
 Mr. Mukesh Kumar Maroria, Adv.

Mr. Milind Kumar, Adv.

Ms. Suruchii Aggarwal, Adv.

UPON hearing the counsel the Court made the following
O R D E R

Interlocutory application is disposed of in
terms of the signed order.

(Madhu Bala)
Court Master
(Signed order is placed on the file)

(Madhu Narula)
Court Master