

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

I N D I A

I.A. 8/2014 in Civil Appeal

No(s). 6572/2004

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

Appellant(s)

VERSUS

UNION OF INDIA & ANR.

Respondent(s)

(Application for directions and office report)

Date : 18/03/2015 This matter was called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE FAKKIR MOHAMED IBRAHIM KALIFULLA
HON'BLE MR. JUSTICE SHIVA KIRTI SINGH

For Appellant(s)

Mr. Kapil Sibal, Sr. Adv.
Mr. Satish Haneshinde, Adv.
Mr. Subramonium Prasad, Adv.
Mr. Debesh Panda, Adv.
Ms. Amrita Panda, Adv.

Mr. P. N. Puri, Adv.

For Respondent(s)

Mr. Arvind P. Datar, Sr. Adv.
Ms. Suruchii Aggarwal, Adv.Mr. S.A. Haseeb, Adv.
Mr. B. V. Balaram Das, Adv.Ms. Niranjana Singh, Adv.
Mr. R.K. Verma, Adv.
Mr. S.A. Haseeb, Adv.
Mr. B.K. Prasad, Adv.

Mr. Milind Kumar, Adv.

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

Signature Not Verified

Digitally signed by
Narendra Prasad
theDate: 2015.03.18
17:27:44 IST

Reason:

Heard Mr. Kapil Sibal, learned senior counsel appearing for

appellants, Mr. Arvind P. Datar, learned senior couns
el
appearing for Respondent No.2/S.E.B.I., Mr. S.A. Haseeb, learnedcounsel representing Mr. B.V. Balramdas, 1 for C.B.I., and
Ms. Niranjana Singh, learned counsel representing Ms. Pinky Anand,
learned ASG, for Union of India.The applicant/Respondent No.2-SEBI prays for appropriate
orders/directions for ensuring compliance of our order 12.3.2013
passed in C.A. No.6572 of 2004. Pursuant to our orders in the said
appeal, Central Bureau of Investigation (hereinafter referred to as

the CBI) stated to have attached the cash deposits made by the appellants in different banks in the value of Rs.79,91,79,324.71 somewhere in the month of February, 2014. The additional affidavit filed by the appellants discloses that the CBI has also attached the immovable properties which were part of the so-called Collective Investment Scheme promoted by the appellants and an indicative list of 25 such properties have also been disclosed in the said additional affidavit.

While hearing learned counsel for the respective parties it was felt that the implementation of our order dated 12.3.2013 in the Civil Appeal can be worked out by disposing of the immovable properties and the money collected from such disposal along with the cash deposits available in the Banks can be disbursed to the investors and thereby the judgment can be implemented. It was also suggested that as a large number of investors, numbering several thousands are existing and the properties are also large in number, it is preferable that the said exercise of disposal of the properties and disbursement will have to be entrusted to some Special Committee consisting of a retired Judge of the Supreme Court or the High Court to be assisted by a retired District Judge of his/her choice.

However, since the properties were attached by the CBI for the purpose of proceeding with the prosecution against the appellants, as directed in our judgment dated 12.3.2013 passed in the Civil Appeal, the response of the CBI as to in what manner its interest can be protected for the purpose of proceeding with the prosecution while lifting the attachment made by the CBI. In that perspective, in our order dated 11.3.2015, we impleaded CBI also as a party

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respondent to enable this Court to pass appropriate orders in this application in the presence of the CBI. Pursuant to the said order, Mr. B.V. Balram Das, learned counsel, seeks to appear for CBI. We direct CBI to file its response taking into account the above course of action which this Court wants to adopt for the implementation of our judgment dated 12.3.2013.

We also direct Respondent No.2/S.E.B.I. to submit its proposals as to the safeguards or appropriate directions to be issued while appointing a Special Committee for carrying out the exercise of disposal of the properties and the disbursement to be ultimately effected to the investors, both from out of the funds collected from the sale of the immovable properties as well as the amounts lying in various bank accounts of the appellants. Such proposal may be submitted by Respondent No.2/S.E.B.I. by furnishing The a copy in advance to the appellants as well as Union of India. The appellants are also directed to file their response to the proposal of Respondent No.2/S.E.B.I. before the next hearing date.

To enable the parties to submit their proposals as well as for the CBI to positively file its response to this application, list this matter on 1.4.2015. We also direct that a responsible officer of CBI be present in Court on that day.

(NARENDRA PRASAD)
COURT MASTER

(PARDEEP KUMAR)
A.R.-CUM-P.S.

P.S. - copy of this order be given dasti.