

S U P R E M E C O U R T O F I N D I A  
RECORD OF PROCEEDINGS

CONMT.PET.(C) Nos.1820-1822/2017 in  
CONMT.PET.(C) Nos.412 and 413/2012 In  
C.A. Nos.9813 and 9833/2011  
AND  
CONMT.PET.(C)No.260/2013 in C.A.No.8643/2012

SECURITIES AND EXCHANGE BOARD OF INDIA

Petitioner(s)

VERSUS

SUBRATA ROY SAHARA &amp; ORS.

Respondent(s)

(with I.A. No.88721/2017 (application for directions) and I.A. No.54921/2018, 48224 and 48235 of 2018 (application for extension of time of payment, impleadment and direction) in Ct. Pt. 412 and 413/2012 and 260/2013 in C.A.NOS. 9813 AND 9833/2011 AND 8643/2012, MR. SHEKHAR NAPHADE, SR. ADV.(AC), MR. GAUTAM AWASTHI)

WITH

[ITEM NO.301.1 - M.A.Nos.1364-1365/2017 in C.A. Nos.9813/2011 and 9833/2011 (XVII) (FOR APPROPRIATE ORDERS/DIRECTIONS ON IA 123568/2017)].

Date : 12-07-2018 These matters were called on for hearing today.

CORAM :

HON'BLE THE CHIEF JUSTICE  
HON'BLE MR. JUSTICE RANJAN GOGOI  
HON'BLE MR. JUSTICE A.K. SIKRI

Amicus Curiae(s) Mr. Shekhar Naphade, Sr. Adv.  
Ms. Shubhangi Tuli, Adv.  
Mr. Vikram Sobti, Adv.

For Petitioner(s) Mr. Arvind P.Datar, Sr. Adv.  
Mr. Pratap Venugopal, Adv.  
Ms. Surekha Raman, Adv.  
Mr. Purushottam Kumar Jha, Adv.  
Mr. Anuj Sarma, Adv.  
Ms. Niharika, Adv.  
Ms. Kanika Kalaiyaran, Adv.  
for  
M/s. K J John And Co., Advs. [AOR]

Mr. Danius Khambatta, Sr. Adv.  
Mr. C.S. Vaidyanathan, Sr. Adv.  
Mr. Rashmikant, Adv.  
Mr. Aniruddha P. Mayee, Adv. [AOR]  
Mr. Chirag Jain, Adv.

For Respondent(s) Mr. Vikas Singh, Sr. Adv.  
Mr. Gautam Awasthi, Adv. [AOR]  
Mr. Ayush Choudhary, Adv.  
Mr. Simranjeet Singh, Adv.  
Ms. Deepika, Adv.  
Mr. Varun Singh, Adv.  
Mr. Rahul Tripathi, Adv.  
Mr. Vijay Kumar, Adv.  
Mr. Ram Sajan Yadav, Adv.  
Mr. Devanshu Yadav, Adv.  
Ms. Mahima Deepak, Adv.  
Mr. S. Venkatesh, Adv.

Mr. Aditya Gupta, Adv.  
Ms. Alya Khan, Adv.  
Mr. Vivek Vashi, Adv.

Mr. Biswajit Bhattacharya, Sr. Adv.  
Mr. Pawan Upadhyay, Adv.  
Mr. Sarvjit Pratap Singh, Adv.

Mr. Vishnu Sharma, Adv.  
Ms. Anupama Sharma, Adv.  
Ms. Sonali Negi, Adv.  
Mr. Mohit Rai, Adv.  
Mr. Akhileshwar Jha, Adv.

Mr. D.L. Chidananda, Adv.  
Ms. Sadhana Sandhu, Adv.  
Ms. Anil Katiyar, Adv./  
Mr. Arvind Kumar Sharma, Adv. [AOR]

Mr. Ramesh Babu M.R., Adv.  
Ms. Manisha, Adv.  
Ms. Swati Setia, Adv.

For Applicant(s) Mr. Paras Kuhad, Sr. Adv.  
Mr. Jitin Chaturvedi, Adv.  
Ms. Aditi Tripathi, Adv.  
Mr. Shuaib Hussain, Adv.

Mr. Dhruv Mehta, Sr. Adv.  
Mr. Rajesh Kumar-I, Adv.  
Mr. Gaurav Kumar Singh, Adv.  
Mr. Anant Gautam, Adv.  
Mr. Aakash Sehrawat, Adv.  
Mr. V. Govinda Ramanan, Adv.  
Mr. Anmol Mehta, Adv.

Mr. Vinod Kapoor, Adv.  
Ms. Vijayalakshmi Menon, Adv. [AOR]

Mr. Kunal Cheema, Adv.  
Mr. Apoorv Shukla, Adv.

Mr. Manoj K. Mishra, Adv.  
Mr. Umesh Dubey, Adv.  
Mr. Pradeep Kumar Dubey, Adv.  
Mr. Bheem Singh, Adv.

Ms. Jasmine Damkewala, Adv.

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

On a perusal of the latest Report submitted by the Court Receiver as well as the Official Liquidator, the High Court of Bombay, it is noticeable that the properties situated in Aamby Valley City are not in a position to be auctioned because there has been no response with regard to the notice inviting tender.

At this juncture, Mr. Vikas Singh, learned senior counsel appearing for the respondent-contemnor submitted that it has entered into negotiation with M/s. Sai Rydam Realtors Pvt. Ltd. and M/s. Prime Downtown Estates Pvt. Ltd. Mr. Paras Kuhad, learned senior counsel represents the said companies.

In the course of hearing it has been accepted by Mr. Kuhad that a Demand Draft amounting to Rs.99 crores has been handed over to Mr. Pratap Venugopal, learned counsel assisting Mr. Arvind P. Datar, learned senior counsel appearing for SEBI. Be it noted, the agreed amount is Rs.982.80 crores. He further submits that a sum of Rs.200

crores shall be deposited in the SEBI-Sahara Refund Account on or before 24.07.2018 and another sum of Rs.200 crores shall be deposited on or before 16.08.2018. The balance amount shall be deposited on or before 12.09.2018. Needless to say, the TDS and other applicable taxes can be deducted as per rules.

Be it clarified that if the abovementioned companies violate the time limit indicated above, they shall be liable for contempt of this Court and this Court may think of sending all the Directors to jail. Needless to say, the amount deposited shall be forfeited. Once we have directed for transaction to take place, no one shall create any obstruction in the same.

As far as maintenance is concerned it is submitted by Mr. Singh that the revenue generating activities should be allowed. Mr. Khambatta and Mr. Vaidyanathan, learned senior counsel appearing for the Official Liquidator / Court Receiver have no objection to this request. Needless to say, the said activities shall be carried on subject to furnishing of account and fixation of royalty to the Receiver. The account shall be furnished within two weeks.

At this stage, another aspect needs to be noted. We have been apprised by Mr. Datar that a hotel by the name 'Plaza Hotel' in New York has already been sold. The respondent-contemnor shall file an affidavit explaining the basis for the said sale and as to how the sale proceeds have been utilised.

In view of the obtaining fact situation, the Receiver and the Official Liquidator are discharged. It is, however, made clear that they shall be discharged after the furnishing of account, as noted above.

SEBI is permitted to replenish the expenses made by it. SEBI shall also pay the expenses incurred by the Receiver as

well as the Liquidator. Needless to say, the account of the same shall be furnished to the contemnor.

Let the matter be listed at 02:00 p.m. on 14.09.2018.

(Subhash Chander)  
AR-cum-PS

(H.S. Parasher)  
Assistant Registrar