

ITEM NO.301

COURT NO.1

SECTION XVII

**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 of 2012 and 260 of 2013

In

C.A. Nos.9813 and 9833 of 2011 and 8643 of 2012

SECURITIES AND EXCHANGE BOARD OF INDIA

Petitioner(s)

VERSUS

SUBRATA ROY SAHARA AND ORS. & ORS.

Respondent(s)

WITH M.A. Nos.1364-1365/2017 In C.A. Nos.9813 AND 9833 OF 2011  
I.A. No.88721/2017 In CONT.PET.(C) Nos.412 & 413 of 2012 & 260/2013)  
(With appln.(s) for appropriate directions)

Date : 07-02-2018 These petitions 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

Mr. Shekhar Napahade, Sr. Adv. (A.C.)  
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. Anuj Sarma, Adv.  
Ms. Niharika, Adv.  
Mr. Aman Shukla, Adv.  
Ms. Kanika Kalaiyarasan, Adv.  
M/s. K J John And Co.

For Respondent(s) Mr. Vikas Singh, Sr. Adv.  
Mr. Narender Huda, Sr. Adv.  
Mr. A.K. Gupta, Sr. Adv.  
Mr. Gautam Awasthi, AOR

Mr. Simranjeet Singh, Adv.  
Mr. Ayush Choudhary, Adv.  
Mr. Tushar Gupta, Adv.  
Mr. Rahul Tripathi, Adv.  
Mr. Vijay Kumar, Adv.  
Ms. Mahima Deepak, Adv.  
Mr. Vishnu Sharma, Adv.  
Ms. Deepika, Adv.

Mr. Darius Khambatta, Sr. Adv.  
Mr. Rashmikant, Adv.  
Mr. Aniruddha P. Mayee, AOR  
Mr. Chirag Jain, Adv.  
Mr. Avnish Oza, Adv.

Mr. Sunil Fernandes, Adv.  
Mr. Prakash Shinde, Adv.  
Ms. Astha Sharma, Adv.

Mr. D.L. Chidananda, Adv.  
Ms. Sadhna Sandhu, Adv.  
Mrs. Anil Katiyar, Adv.  
Mr. B.K. Prasad, Adv.  
Mr. M.K. Maroria, Adv.

Mr. Ramesh Babu, Adv.  
Ms. Swati Setia, Adv.

Mr. Saiby Jose Kidangoor, Adv.  
Mr. C.K. Sasi, Adv.  
Mr. Manukrishnan G., Adv.  
Ms. Sumi P.S., Adv.

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

Mr. Darius Khambatta, learned senior counsel, appearing on behalf of the Official Liquidator and the Court Receiver, has submitted that despite best efforts, the entire Aamby Valley City is not in a position to be sold. Various difficulties have been pointed out in the Note given by the learned Company Judge. Learned counsel has also filed two status reports. We think it appropriate to reproduce the same. They read as follows:-

"REPORT OF THE COURT RECEIVER 28TH DECEMBER 2017 ON THE ACTIONS ALREADY TAKEN AND THE FURTHER IMMEDIATE ACTIONS REQUIRED TO BE TAKEN FOR COMPLIANCE AND IMPLEMENTATION OF THE ORDER OF THE HON'BLE SUPREME COURT DATED 23RD NOVEMBER 2017

AND

COMPLIANCE/STATUS REPORT OF THE OFFICIAL LIQUIDATOR DATED 6TH FEBRUARY 2018 IN RELATION TO THE DIRECTIONS OF HON'BLE SUPREME COURT OF INDIA VIDE ORDER DATED 12.10.2017 AND 23.11.2017:

FURTHER ORDERS AND DIRECTIONS REQUIRED FROM THE HON'BLE SUPREME COURT OF INDIA ON THE ABOVE TWO REPORTS.

Court Receiver

(a) Symbolic possession taken by the Court Receiver, Bombay High Court, of the properties of Aamby Valley Limited on 11<sup>th</sup>, 12<sup>th</sup>, 13<sup>th</sup> and 14<sup>th</sup> December 2017 may be confirmed till further orders;

(b) Court Receiver may be conferred with all the powers under Order XL, Rule 1 of the Code of Civil Procedure, 1908, to deal with all situations and events prevailing and occurring in Aamby Valley City on an almost daily basis and/or in relation to its properties so that the actions already taken and/or proposed to be taken are not impeded or obstructed in any manner by any person;

(c) Court Receiver may be permitted to take such actions as may be necessary for compliance of the orders and directions of this Hon'ble Court in relation to Aamby Valley City and the movable and immovable properties of which symbolic possession has been taken as aforesaid including appointment of the Aamby Valley Group of Companies or any of them or any other Agency as Agents of the Court Receiver on terms and conditions as may be fixed by the Court Receiver and for engaging and retaining services of existing professionals including Advocate(s)/Counsel(s)/Agencies/Architect/Chartered Accountants/Engineers, etc. to maintain Aamby Valley City and to ensure that no encroachments take place, valuation does not reduce and auction/sale of Aamby Valley City takes place in a peaceful manner;

(d) Respondents/Aamby Valley Limited may be directed to give the names of authorised persons to

the Hon'ble Court with whom Official Liquidator/Court Receiver can deal for further transactions/correspondence.

Official Liquidator

(e) Be pleased to permit the Official Liquidator to make lot(s) of the Aamby Valley City properties/utilities/fragments/options/plots/amenities/assets after demarcating and valuing the same with assistance of Special Experts including Valuers, Towner Planners and the like and for this purpose adopt modalities as may be approved by the Hon'ble Company Judge of the Bombay High Court acting in consultation with Hon'ble Mr. Justice A.S. Oka of the Bombay High Court;

(f) Be pleased to permit the Official Liquidator to dispose by sale or such other arrangements the lots of properties/utilities/fragments/options/plots/amenities/assets within the Aamby Valley City in one or more lot(s), jointly or separately or otherwise, in accordance with the modalities/fixation of the reserve price and/or terms by the Hon'ble Company Judge of the Bombay High Court acting in consultation with Hon'ble Mr. Justice A.S. Oka of the Bombay High Court;

(g) To permit the Official Liquidator, Bombay High Court to sell/auction all or any of the movable assets which are lying in the Aamby Valley City inclusive of luxurious cars, Trucks, electronic goods, air-glidors etc., with the approval of and after getting its reserve price fixed by the Hon'ble Company Judge of the Bombay High Court acting in consultation with Hon'ble Mr. Justice A.S. Oka of the Bombay High Court.

(h) To approve the action of Official Liquidator to take advice of Nitin Killawala & Associates, Architect and Town Planners on demarcation and valuation of various plots/utilities/properties/fragments/options/assets within the Aamby Valley City;

General

(i) The Court Receiver, High Court, Bombay and/or Official Liquidator, High Court, Bombay be directed to obtain such further directions including modalities for enabling compliance the orders of the Hon'ble Supreme Court of India from the Hon'ble

Company Judge of the Bombay High Court acting in consultation with Hon'ble Mr. Justice A.S. Oka of the Bombay High Court;

(j) The Respondents and/or the Aamby Valley Group of Companies or any one or more of them and all those in control, charge and management of the same be directed to duly comply without demur all directions as may be issued to them or any of them from time to time by the Court Receiver, High Court, Bombay, and/or the Official Liquidator, High Court, Bombay, with the approval of the Hon'ble Company Judge of the Bombay High Court acting in consultation with Hon'ble Mr. Justice A.S. Oka of the Bombay High Court, and for due compliance and implementation of all orders of the Hon'ble Supreme Court of India;

(k) To restrain any court/tribunal/authority, other than the Hon'ble Supreme Court, from passing any order/direction in respect of any actions/directions taken by the Court Receiver and/or the Official Liquidator pursuant to directions of the Hon'ble Company Judge of the Bombay High Court acting in consultation with Hon'ble Mr. Justice A.S. Oka of the Bombay High Court as appointed by this Hon'ble Court;

(l) The petitioner SEBI be directed to remit/make available funds as may be requisitioned from time to time by the Court Receiver and/or the Official Liquidator with the approval of the Hon'ble Company Judge of the Bombay High Court acting in consultation with Hon'ble Mr. Justice A.S. Oka of the Bombay High Court; for the purpose of action/s taken, required to be taken for implementation of the orders and directions of the Hon'ble Supreme Court of India; and

(m) To direct SEBI or the Ld. Amicus Curiae in the matter to assess the reasonability of the professional charges that may be paid to Shardul Amarchand Mangaldas (SAM) for the drafted terms and conditions of sale and the tender notice, which draft has the approval of Hon'ble Justice Shri B.N. Agrawal (Retd.);"

The prayer which relates to selling of parcel of the properties is:-

"(a) It will be easier to find buyers if Aamby Valley City is demarcated as plots/utilities/fragments and sell it in individual plots or as land parcels or

amenities wise. For example, (a) the international school can be sold as it is with all the facilities attached to the school; (b) the golf course can be sold as it is with all the facilities attached to the golf course; (c) the convention hall, hotels and restaurants can be sold as it is with all the facilities attached thereto; (d) developed or undeveloped plots of land could be sold as parcels or plots of minimum indicated size; (e) aerodrome with its infrastructures; (f) water sports area can be separately sold, etc."

In addition to the aforesaid immovables properties, there is also a prayer for selling the movable properties.

It is as under:-

"In addition, there are also movables like 23 Mercedes Benz cars, about 224 other vehicles like buses and cars, innumerable two wheelers, air gliders, water sports vehicles, office furnitures, hundreds of TV sets, etc."

Keeping in view the reports of the Court Receiver, the Official Liquidator and the other prayers made in general, we are inclined to pass the following directions:-

(i) The Official Liquidator, with the guidance of the Court Receiver and after obtaining appropriate directions from the learned Company Judge in consultation with Justice A.S. Oka, can go ahead to sell the movable properties and, thereafter, proceed to sell the immovable properties which find mention in paragraph (a) of the prayer clause.

(ii) The amount spent by the Official Liquidator and the Court Receiver shall be reimbursed by the SEBI after getting approval from the learned Company Judge in consultation with

Justice A.S. Oka and due intimation thereof shall be given to the contemnor.

(iii) The symbolic possession of the properties of the Aamby Valley Limited taken by the Court Receiver, Bombay High Court from 11<sup>th</sup> to 14<sup>th</sup> December, 2017, stands confirmed.

(iv) The Court Receiver is conferred with all the powers under the Code of Civil Procedure to deal with all the situations and events prevailing and occurring in Aamby Valley City on an almost daily basis and/or in relation to its properties so that the actions already taken and/or proposed to be taken are not impeded or obstructed in any manner by any person.

(v) The Court Receiver is permitted to take such actions as may be necessary for compliance of the orders and directions passed by this Court in respect of movable and immovable properties situate in the Aamby Valley City and also appoint the Aamby Valley Group of Companies or any of them or any other agency as agents of the Court Receiver on terms and conditions to be determined by the Court Receiver.

(vi) The Court Receiver is also authorized to engage and retain the services of existing professionals, including Advocates, Agencies, Architect, Chartered Accountants and Engineers to maintain Aamby Valley City and to ensure that no encroachments take place.

(vii) It shall be the duty of the Court Receiver to see that the valuation of the properties does not reduce and the auction, as directed today, shall take place in a peaceful manner. The steps taken by the Court Receiver shall be put forth before the learned Company Judge, who shall take a decision in consultation with Justice A.S. Oka.

(viii) As this Court is in *seisin* of the matter, no other court in the country shall entertain any litigation pertaining to Aamby Valley City.

On a query being made, Mr. Khambatta, learned senior counsel, submitted that after due survey is made, the sale proceeding shall start and it may take approximately two months.

In view of the aforesaid submission, let the matter be listed at 3.00 p.m. on 19<sup>th</sup> April, 2018.

The application filed by the contemnor, shall be considered on the next date of hearing.

(Chetan Kumar)  
Court Master

(H.S. Parasher)  
Assistant Registrar