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**BEFORE THE HON'BLE SUPREME COURT OF INDIA
(CIVIL APPELLATE JURISDICTION)
CIVIL APPEAL NO. 13301 OF 2015**

IN THE MATTER OF:-

Subrata Bhattacharya

...Appellant

Versus

Securities and Exchange Board of India

...Respondent

**SUMMARY OF OBJECTIONS ON BEHALF OF RESPONDENT NO. 6
TO REPORT OF HON'BLE JUSTICE (RETD.) R. M. LODHA
COMMITTEE PUBLISHED ONLINE ON 15.11.2019**

ADVOCATE FOR RESPONDENT NO.6: FARHAT JAHAN REHMANI

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SUMMARY OF OBJECTIONS BY RESPONDENT NO.6. MAHADEV PLANTATION AND PARKS PVT. LTD. TO REPORT OF HON'BLE JUSTICE (RETD.) R. M. LODHA COMMITTEE PUBLISHED ONLINE ON 15-11-2019

MOST RESPECTFULLY SHOWETH: -

The Respondent No.6 has filed I.A. No. 117057 / 2017 and 186190 / 2019 for directions which are pending. The detailed facts are stated in the said applications. In terms of the order dated 11.12.2019 passed by this Hon'ble Court permitting filing of objections to the report of the Hon'ble Justice (Retd.) R. M. Lodha Committee, the Respondent No. 6 submits the following summary of objections to the report of the Hon'ble Committee published online on 15.11.2019:

1. The Respondent No. 6 had bid for various properties situated in Telangana in auction conducted by the Hon'ble Committee in March, 2017.
2. In respect of 1 property MR No. 5768-16 the Respondent No.6 was the highest bidder with a bid offer of 73% above the reserve price. The bid of Respondent No.6 was accepted and the same is also mentioned at page No.593 Serial No.7 of the Volume - 3 of 2nd Status Report of the Hon'ble Committee filed before this Hon'ble Court. However, subsequently the bid has been wrongly rejected without giving any reason. It is relevant to note that the bid made by some other bidders in respect of 5 adjoining properties @ 1% above reserve price has been accepted by the Hon'ble Committee. The Respondent No.6 is entitled to acceptance of the bid in respect of MR No. 5768-16. It is also relevant to submit that ARCIL has now bid for the very same property i.e. MR No.5768-16 @ 50% below the bid which was submitted by Respondent No.6 over 30 months back. It is therefore apparent that even as on today the bid of Respondent No.6 is at 50%

higher rate offered by ARCIL in respect of MR No.5768-16. The rejection of the bid of Respondent No.6 which is @ 73% of the reserve price and more than 50% of bid of ARCIL is therefore arbitrary and wrong. The proposal of the Hon'ble Committee recommending consideration of bid of ARCIL, admittedly a SOLE BIDDER, in respect of the property i.e. MR No.5768-16, is not justified.

3. That in the Auction in March 2017 the Respondent No.6 had submitted highest bid for MR No. 6124-16 but the same was rejected by the committee without giving any reasons. This property falls in middle of 7 other properties for which the Respondent No. 6 was declared as successful bidder in auction in March 2017. The Respondent No.6 has thus become owner of discontinuous parcels of land with another property in middle. It is requested that the bidding may be restored for MR. 6124-16 in favor of the Applicant, in the interest of Justice.

4. That in the auction conducted in March 2017, the Respondent No.6 had also bid for 6 other properties at a rate which are above the reserve price prescribed by the Hon'ble Committee but the same were rejected without providing any reasons. Applicant is also aggrieved by the fact that during the said auction, multiple properties have been sold by the Committee at 0% above reserve price and at 1% over the reserve price, but the Bids of the Applicant in respect of 6 Properties which were above the reserve price have been cancelled without assigning any reason and the applicant seeks restoration of bidding in respect of 6 properties in his favor. The Applicant places reliance on the observation of this Hon'ble Court in "STATE OF PUNJAB Vs M/S. BANDEEP SINGH & ORS. 2016 (1) SCC 724" and "KALU RAM AHUJA VS DDA. 2008 (10) SCC 696". It is relevant to point of that it is admitted by the Hon'ble Committee that ARCIL is the SOLE BIDDER in respect of ALL 972 properties in State of Telangana, including the above mentioned properties.

5. Alternatively, The Respondent No.6 is willing to pay ARCIL the MARKET PRICE in respect of the above 8 properties as assessed by the Hon'ble Committee in reply to IA.No. 117057 / 2017. That the Market Price assessed by the Hon'ble Committee is approximately 50% more than the Current Bids placed by ARCIL as

Sole Bidder. It is submitted that if said offer of the Respondent No.6 is accepted it will generate more funds for disbursement to the defrauded investors and also result in more Commission to ARCIL. Subject to acceptance of this Offer for only 8 properties, the Respondent No.6 will have no objection against ARCIL's Bid.

6. Apart from the above mentioned bids the Respondent No.6 had participated in Auction in March 2017 conducted by the Hon'ble Committee and was the successful bidder in respect of 14 properties and has been issued the sale certificate by SEBI for MR Nos.: 5854/16, 5881/16, 5882/16, 5883/16, 6675/16, 6676/16, 6259/16, 6260/16, 6064/16, 6268/16, 6453/16, 26759/16, 26743/16, 26745/16.

7. The possession of the above 14 properties was also delivered and mutation was recorded in the name of Respondent No.6. However, the Link/Old documents mentioning the name of erstwhile owners who had sold the properties to PACL and which have been in turn sold to the Respondent No.6, are again being included in the bid/offer of ARCIL now submitted to the Committee and this bid/offer of ARCIL is further recommended for consideration for acceptance by the Hon'ble Committee at page no. 44 of the report published online on 15.11.2019.

8. The Respondent No.6 has submitted representations to the Hon'ble Committee objecting to the inclusion of old/Link documents pertaining to the 14 properties already sold by the Hon'ble Committee. However, no response has been received in his regard confirming the exclusion of the said properties from the committee.

8. The Respondent No.6 is also seeking direction to the Hon'ble Committee to issue "No objection Certificate" ("NOC") for registration of the 14 sale certificates given in Oct 2017 as the registering authority has not registered the 14 sale certificates for last 2 years on the plea that there is a "Stay Order" issued by the Committee restraining them from registering the properties of PACL.

DRAWN BY

(R.S. HEGDE)

Advocate

Filed on : 13.12.2019

FILED BY

(FARHAT JAHAN REHMANI)

Advocate for the Respondent No.6