

WP.No.8084 & 18371/2017 & CrI.OP.No.26454/2018

M.SATHYANARAYANAN, J.,
and
R.HEMALATHA, J.,

[Order of the Court was made by M.SATHYANARAYANAN, J.,]

- (1) This Court, in continuation and in conjunction with the earlier orders, more particularly, the orders dated 23.09.2019 and 05.11.2019, is passing the following order.
- (2) In the Memo dated 23.10.2019 filed by the learned counsel appearing for the Administrator Committee headed by the Hon'ble Mr. Justice N.PAUL VASANTHAKUMAR [Retired Chief Justice of Jammu and Kashmir High Court], it is stated among other things that despite two extensions were granted to call for the offers, not even a single offer has been received in respect of 10 properties and prays for appropriate direction to go for auctioning the said properties as per the guideline value.
- (3) Mrs.P.Bhagyalakshmi, learned counsel appearing for Mr.V.Janarthanan, Managing Director of Disc Assets, has filed an Objection Memo dated 23.01.2020, raising objections as to the fixing of the guideline value as upset price for auctioning the properties and it is relevant to extract the same:-

"1.At the outset, the company objects to the Memo filed on 23.10.2019 seeking reduction of upset price either to the

document value or guideline value for the reason not even a single offer has been received for the 10 properties stated therein.

2.The proposal stated in para 2 is objected that the upset or base prices should not be refixed as it paves way to buyers to offer the properties nearest to the base price and the original market value could not be analysed by the committee and it will really affect the investors claim amount."

- (4)A perusal of the above cited orders would disclose that despite the earnest and sincere efforts made by the Administrator Committee, no response is forthcoming.
- (5)It is also to be noted at this juncture that the amount said to have been cheated is about Rs.1137 Crores [approximately] and it appears that lakhs and lakhs of investors/members are left in lurch on account of the alleged illegal activities of the Managing Director and other Directors and persons associated with the Disc Assets and its sister concern.
- (6)Therefore, in the light of the above facts and circumstances, especially, in public interest, is of the view that the Administrator Committee is to be permitted to auction the properties, the details of which are given in the Memo dated 23.10.2019 by fixing the guideline value as the basis/upset price.
- (7)In order to have a wider participation, this Court directs the Administrator Committee to effect All India Publication as well as in

the website. It is made clear that whatever offers received in response to the advertisement / website information, it shall be submitted before this Court in a sealed cover.

(8)The learned Standing counsel appearing for the Registrar of Companies prays for further accommodation to file a comprehensive Status Report.

(9)Mr.K.Madhan, learned Government Advocate [CrI.Side] appearing for the Investigating Agency / EOW-II, on instructions would submit that there are about 10,40,000 investors are there and 2250 witnesses were already been examined and the investigation is also proceeding on right and fair lines and prays for further accommodation to file the status report.

(10) **Call on 12.03.2020.**

[MSNJ] [RHJ]
23.01.2020

AP

Internet : Yes

NOTES:- Communicate the above order to the official respondents.

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23.01.2020

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