

W.P(MD)Nos.8084 and 18371 of 2017
[THROUGH VIDEO CONFERENCING]

M.SATHYANARAYANAN,J.
AND
B.PUGALENDHI,J.

ORDER

(Order of the Court was made by **M.SATHYANARAYANAN,J.**)

This Court, in continuation and in conjecture with the earlier orders dated 28.03.2019 and 25.04.2019, is passing the following order.

2. Report No.8, dated 26.06.2019, is filed by the Honourable Mr.Justice N.Paul Vasantha Kumar, former Chief Justice of Jammu & Kashmir High court and the Chairman of the Committee to administer M/s.Disc Assets Lead (India) Limited, Chennai – 35, appointed by this Court. The following directions are sought for in the said report:

- I. In extending the period for inviting offers of the sale of properties (Except Item No.2) as per the advertisement dated 08.04.2019 & 09.04.2019.*
- II. In fixing the Upset price and EMD with respect to house property situated in K.K.Nagar, Madurai (2600 Sq. ft.); house site situated at K.K.Nagar, Madurai (2 grounds & 1400 Sq. ft.); House site at Reserve Line, Madurai; Property site in Aiyanadaipu (2 Acres 51 cents & 2 Acres 17 cents); Property site in Kayathar (Extent measuring 39 Acres 43 Cents) and property sites in Kidaripatti, Madurai District (Total extent of 205 Acres 83 Cents)) shown in the annexure.*
- III. To implead the Registrar of Companies, Southern Region, Office at Block No.6, B wing, 2nd Floor, Shastri Bhawan, No.26 Haddows Road, Chennai – 600 034, as a party respondent in Writ Petition No.8084 / 2017.*
- IV. To direct V.Janarthanan, Erstwhile Managing Director to produce 78 original documents of title to the Administrator Committee forthwith.*

3. Mr.M.S.Krishnan, learned Senior Counsel representing the Administrator Committee would submit that in respect of item No.2, an order of interim stay is in operation pursuant to the order dated 22.04.2019 in S.L.P(C)No.9692 of 2019, which is preferred against the order dated 28.03.2019 passed in W.P.No.8084 of 2017 and in respect of the rest of the properties auctioned, there were no bidders and therefore, prays for extending the period of inviting the tenders for the sale of the properties except item No.2 in terms of the advertisements dated 08.04.2019 and 09.04.2019 by making necessary publication in the website. The reason submitted by the learned Senior Counsel is that if a fresh advertisement is effected, the Committee may have to incur lakhs and lakhs of rupees and under the present circumstances, it may not be feasible and therefore, prays for directions in that regard.

4. This Court heard the submissions of Mr.S.Hameed Ismail, learned Counsel for the contesting respondents, who has no objections in issuing the said directions.

5. Accordingly, the following directions are issued:

Direction No.1:

5.1. The period is extended for inviting the offers of sale of properties except item No.2 as per the advertisements dated 08.04.2019 and 09.04.2019, by making necessary notification in the website.

Direction No.2:

5.2. Annexure of Report No.8, dated 26.06.2019, has been enclosed along with this report and valuation as per 2015 valuation report furnished by the erstwhile

Managing Director has been given and the learned Senior Counsel representing the Administrator Committee would pray that the upset price may be fixed as per the guideline valuation shown in the website.

5.3. This Court heard the submissions of Mr.S.Hameed Ismail, learned Counsel for the contesting respondents and on instructions, he would submit that the respondents have no serious objection for fixing the valuation as per the 2015 valuation report furnished by the erstwhile Managing Director.

5.4. Accordingly, the Administrator Committee shall fix the valuation of the properties mentioned as per 2015 valuation report indicated in the Annexure to Report No.8, dated 26.06.2019.

Direction No.3:

5.5. In paragraph 9 of the Report No.8, dated 26.06.2019, it is stated that as per the interim status report of the Economic Offences Wing filed before this Court, during the course of investigation, 34 companies have been identified as sister concerns and the investigation revealed that 19 companies were sister concerns of M/s.Disc Assets Lead (India) Limited and out of 34 companies, only 8 companies are active as on date and the balance 25 companies were struck off from the Registrar of Companies records.

5.6. In paragraph 11, it is stated that the Secretary cum Co-ordinator addressed a letter to the Enforcement Directorate on 22.05.2019 requesting the Directorate to conduct investigation of the sister concerns of M/s.Disc Assets Lead (India) Limited as it is an expert agency to investigate these kinds of matters and similarly, there is an investigating wing attached to the Registrar of Companies which could investigate the sister concerns of M/s.Disc Assets Lead (India) Limited and for that purpose, they seek to implead the Registrar of Companies, Southern Region, Office at Block No.6, B Wing, 2nd Floor, Shastri Bhawan, No.26, Haddows Road, Chennai – 600 034, as party.

5.7. Mr.S.Hameed Ismail, learned Counsel for the contesting respondents has no objection in ordering the impleadment of the Registrar of Companies in the writ petition in W.P.No.8084 of 2017 and accordingly, the Registrar of Companies, Southern Region, Office at Block No.6, B Wing, 2nd Floor, Shastri Bhawan, No.26, Haddows Road, Chennai – 600 034, is impleaded as party respondent in W.P.No.8084 of 2017 and the Registry is directed to carry out necessary amendments in the cause title.

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Direction No.4:

5.8. It pertains to the prayer for appropriate direction directing V.Janarthanan, the erstwhile Managing Director of M/s.Disc Assets Lead (India) Limited, to produce 78 original documents of title to the Administrator Committee forthwith.

5.9. In response to the same, Mr.S.Hameed Ismail, learned Counsel for the contesting respondents would submit that whatever documents in their possession have been handed over to the Administrator Committee and seeks time to file an affidavit in that regard.

5.10. Mr.Iyyapparaj, learned Additional Public Prosecutor representing the Investigating Agency, Economic Offences Wing, also prays for some accommodation to file a further status report with supporting documents as to the investigation being carried out, especially, with regard to the identification of the sister concerns pointed out in the typed set of documents filed in W.M.P.No.1910 of 2019 in W.P.No.18317 of 2017, filed by R.Vijayakumar, who claims to be one of the depositors with M/s.Disc Assets Lead (India) Limited.

5.11. Mr.M.Karunanithi, learned Counsel representing some of the depositors has also brought to the knowledge of this Court that on their behalf, the impleading petitions have been filed.

5.12. Registry is directed to number the said impleading petitions, if the papers are otherwise in order and list the same on the next date of hearing.

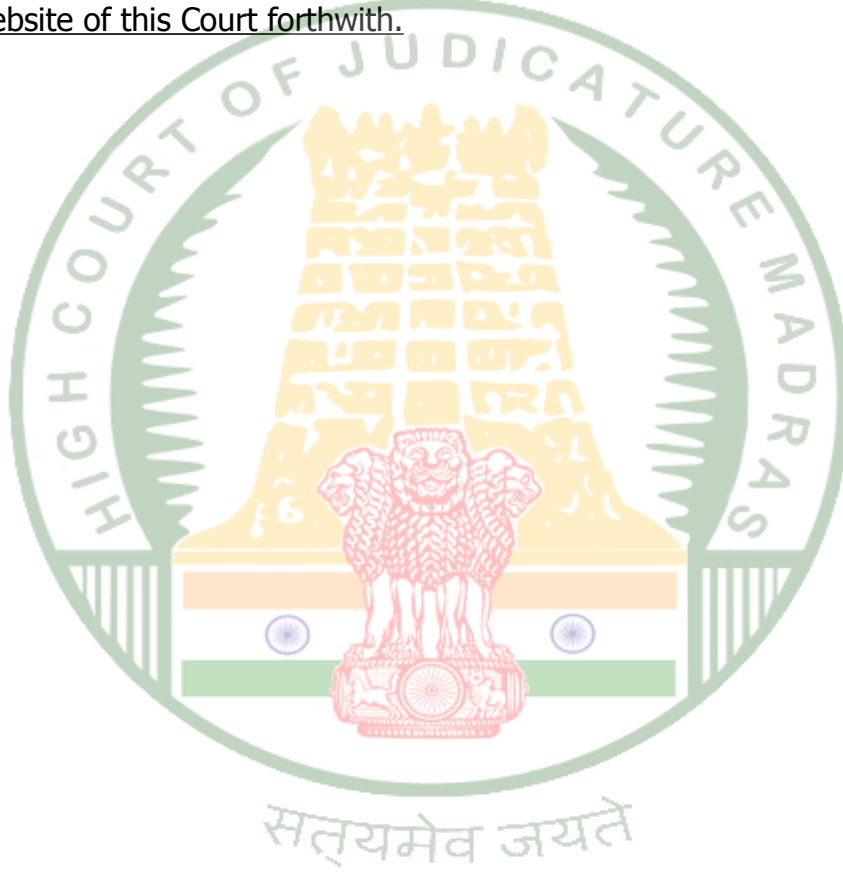
5.13. The respective learned Counsel for the parties are at liberty to apply for the certified copy of this order.

Call on **08.08.2019.**

Index : Yes/No
Internet : Yes/No
rsb

(M.S.N.,J.) (B.P.,J.)
27.06.2019

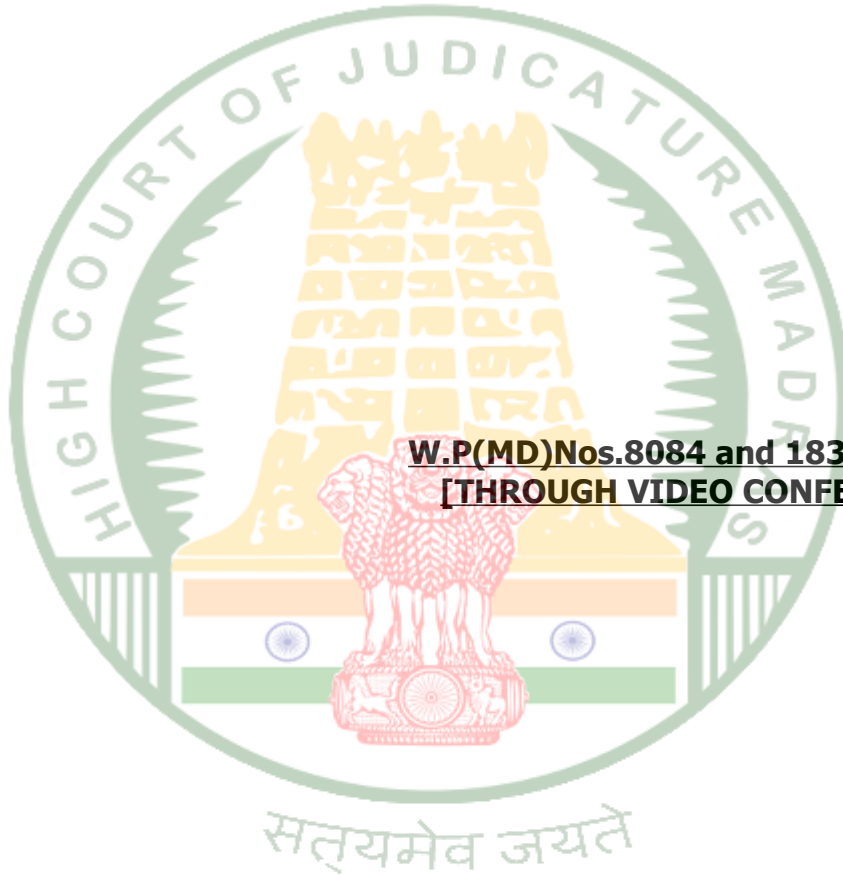
Note: Registry is directed to upload this order in the official website of this Court forthwith.



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