

(2014) 09 SC CK 0167

In the Supreme Court Of India

Case No : I.A. Nos. 19-21/2014 in Conmt. Pet.(C) No. 412/2012 and 413/2012
in C.A. No. 9813/2011 and C.A. No. 9833/2011 and Conmt. Pet.(C)
No. 260/2013 in C.A. No. 8643 of 2012

S.E.B.I.

APPELLANT

Vs

Sahara India Real Estate Corpn. Ltd.

RESPONDENT

Date of Decision : 08-09-2014

Acts Referred:

Citation : 2014 (13) SCALE 430

Hon'ble Judges : T.S. Thakur, J;Arjan Kumar Sikri, J;Anil R. Dave, J

Bench : Full Bench

Final Decision : Dismissed

Judgement

1. Heard. We had by order dated 14th August, 2014 extended the operation of our earlier order dated 1st August, 2014 for a period of fifteen working days commencing 20.08.2014, making it clear that we would not be inclined to grant any further extension of time for the contemnors to finalise the on-going negotiations with prospective buyers of properties, within India and outside the country. The contemnors have now filed the present applications (I.A. Nos. 19-21 of 2014) seeking a further extension of the arrangement made by us by another fifteen more working days. The applications inter alia point out that a deal for sale of the three off-shore properties has been almost finalised by the contemnors and even a memorandum of Master Agreement executed between a foreign purchaser. While the deal had yet to be clinched and acted upon, adverse reports, appearing in United States" print and electronic media, led to a panic situation in which the purchaser of the off-shore properties expressed their hesitation in finalising the deal. The contemnors assert that they have somehow persuaded the foreign purchaser to hold on and let the protests against the proposed sale of the assets to cool down and that the foreign purchaser has agreed to do so.

2. Appearing for the applicants, Mr. S. Ganesh, learned senior counsel, submitted

that given fifteen working days to negotiate the sale of off-shore properties they shall finalise the deal with the party concerned or with any other party, willing to purchase the same. Mr. Ganesh also points out that the contemnors are simultaneously making efforts to sell the remaining eight properties situate within the country through property agents/brokers/real-estate developers and that notwithstanding the slumps in the real-estate market expect to finalise such deals within the extended period.

3. Since the applications filed by the contemnors did not carry any documentary material suggesting that any deal had been finalised with anyone interested in purchasing the off-shore properties, we asked Mr. Ganesh whether he could make good that statement by reference to any document. Mr. Ganesh has, in response, filed before us a copy of the in principle Master Agreement as also copies of certain press clippings which suggest that there were some demonstrations against the proposed sale of the properties in-question to a particular entity, owned by a sovereign nation. A perusal of these documents does prima facie suggest that an attempt has been indeed made to finalise the deal and also that some protests have been raised on account of the proposed sale of the assets to that particular entity. At the request of Mr. Ganesh, we direct that the copies of the in principle Master Agreement and the documents enclosed therewith including the press clippings be taken on record but kept in a sealed cover to maintain confidentiality in regard to the proposed transactions. Having said so, we are of the view that a prayer for extension of another fifteen working days" further time to finalise the sale of the assets deserves to be granted. We must mention to the credit of Mr. Arvind P. Datar, learned senior counsel appearing for SEBI, say that even he did not in principle contest the prayer for an extension of time but only urged that the contemnors should finalise the deal as expeditiously as possible particularly when a large amount remains to be recovered from them, which will also have to be arranged after the conditions of bail are satisfied by the contemnors.

4. Mr. Ganesh in reply submitted that given fifteen working days" further time, the contemnors would not ask for any further extension. That statement is accepted.

5. In the circumstances, we allow these applications and extend the arrangement made by us by our Order dated 1st August, 2014 as extended by Order dated 14th August, 2014, for a further period of fifteen working days w.e.f. 10th September, 2014. I.A. Nos. 19-21 of 2014 are disposed of accordingly.