

Supreme Court of India

Jagriti Upbhogta Kalyan Parishad ... vs Union Of India & Ors on 20 March, 1998

Bench: S Agrawal, B Kirpal, V Khare

ORDER

1. We have perused the Office Report dated March 18, 1998 which gives information regarding compliance with the directions contained in our Order dated February 6, 1998. It appears that out of the properties of respondent no. 12 mentioned in the affidavit of Lalji Verma the properties at Mohanlal Ganj only could be attached and the properties at Meerut, Mainpuri, Mathura and Pippavot Port in Gujarat could not be attached on account of lack of full particulars of the said properties. The report of the District Judge, Amreli shows that there is no property in the name of the company nor there is any bank account in the name of the company. In the circumstances, we direct V. K. Tiwari, who was earlier the Managing Director of respondent No. 12 and is now a Director of the Company, to file an affidavit giving the full particulars of the immovable properties of respondent no. 12 which are located at Meerut, Mainpuri, Mathura and at Pippavot Port and other places in Gujarat. In the said affidavit V. K. Tiwari will also give full particulars of all the bank accounts of respondent No. 12 as well as the bank accounts of the directors of respondent No. 12. In the said affidavit V. K. Tiwari will also give particulars of the properties held by the various directors of respondent No. 12. The affidavit shall be filed within 10 days. As soon as the affidavit is filed by V. K. Tiwari in accordance with this direction, the Registry will send a copy of the said affidavit containing the particulars of the properties and the bank accounts to the respective District Judges of Lucknow, Meerut, Mainpuri, Mathura and Amreli for necessary action and for effecting the attachment of the said properties and the bank accounts as directed by this Court in the order dated February 6, 1998.

2. Having regard to the orders dated October 20, 1997, November 17, 1997 wherein the Court has felt that it is necessary that there should be an examination of the accounts of the company so that a current picture is available with regard to the amounts that have been collected by respondent no. 12 by way of deposits from the consumers, dealers and distributors and by way of cost of Application Forms and the amounts that have been allegedly refunded by respondent no. 12 to the consumers, dealers and distributors as claimed in the affidavit filed by Lalji Verma. Keeping in view the provisions contained in Section 233A of the companies Act 1956 and the peculiar facts and circumstances of this case, we consider it appropriate to direct the Central Government to have a special audit conducted by a reputed chartered accountant so as to find out the amounts which have been received by way of deposits by respondent no. 12 from the consumers, dealers and distributors and by way of cost of Application Forms and the amount that has been actually refunded by respondent no. 12 to the consumers, dealers, and distributOrs. The report of such special audit shall be submitted before this Court by May 4, 1998. The Central Government may also consider whether in the facts as disclosed in this petition, an order should be passed under Section 237(b) of the Companies Act 1956. 3. The amount of Rs. 15,00,000/- (Rupees Fifteen Lakhs only) which was deposited by respondent No. 12 in this Court shall be invested in a scheduled bank in a short term deposit.

4. M/s: A. M. Ferguson and Company Chartered Accountant are permitted to return the documents.

5. The matter may be listed on 8.5.1998.