

**BEFORE THE COMMITTEE CONSTITUTED UNDER THE BOMBAY HIGH  
COURT ORDER DATED 2nd SEPTEMBER 2014 IN SUIT NO. 173 OF  
2014 AND OTHER RELATED SUITS COMPRISING OF MR. JUSTICE  
V.C.DAGA (RETD.) CHAIRMAN, MR. J.S. SOLOMON (ADVOCATE AND  
SOLICITOR-MEMBER AND MR. YOGESH THAR (CHARTERED  
ACCOUNTANT MEMBER)**

MODERN INDIA LIMITED & ORS ...PLAINTIFFS

VS.

FINANCIAL TECHNOLOGIES (INDIA) LTD.

AND OTHERS

...DEFENDANTS

**APPEARANCES:**

Mr. Chirag Kamdar, Counsel, Ms. Purvi Doctor, Advocate i/b Naik Naik and Co. for NSEL

Mr. Rushikesh Sutawane, from NSEL.

Mr. Kevic Setalwad, Sr. Advocate with Mr. Vijay K.Singh for P.D. Agroprocessors Private Limited.

Mr. Deepak Lad i/b LOIL Group and Punjab Greenfields Resources Ltd.

Ms. Sarita Vishwakarma, Advocate i/b Mr. P. R. Yadav, Advocate for Shree Radhey Trading Co.

Mr. Padmakar Garad, Advocate for State Bank of India in Vimladevi Agrotech Ltd.

Mr. Devendra Jain i/b Devan Dwarkadas and Partners for NAARA

Mr. Ravi Warriar (client) for Modern India Ltd.

**ORDER SHEET NO. 74B**

**(Dated 7<sup>th</sup> December, 2017)**

1. Heard Learned counsel for State Bank of India. The Learned counsel for State Bank of India submitted before the Committee copy of a letter dated 21st November 2017 addressed by the Competent Authority to the State Bank of India in which it is stated that since any order for making attachment absolute or releasing from attachment can be given only by the MPID Court, State Bank of India may file an application in the MPID Court seeking permission of the MPID Court for conducting auction of the property of Vimladevi Agrotech Limited and the Competent Authority will provide positive support to any application filed by State Bank of India in MPID Court while also keeping in mind the best interest of the depositors

2. Both the Competent Authority and EOW agreed to sale of mortgaged properties in collaboration with State Bank of Bikaner & Jaipur now State Bank of India. Accordingly Report No. 6 of 2015 was submitted by the Committee on which Order dated 10th July, 2015 has been passed by the Hon'ble Bombay High Court accepting the below mentioned recommendation in para 21 of the Report as under:-

*“(21) The recommendations of the Committee on proceedings for recovery of amounts due from Vimladevi Agrotech Ltd. to NSEL which can be adopted at this stage are as under:-*

*(a) The State Bank of Bikaner and Jaipur may be permitted to proceed with enforcement of their security on factory land and buildings situate at Khasara No. 168, Village Pollai Kalan, NH 76, Baran Road, Tehsil Digod, District Kota mortgaged in favour of the Bank in exercise of the powers and in accordance with the procedure under the SARAFESI Act, along with the competent authority under the MPID Act, on condition that the Authorised Officer appointed for the purpose shall fix the reserve price and terms and conditions and method of sale and the terms and manner of publication of notices relating thereto in consultation with the competent authority under MPID Act and on condition that the sale shall be subject to sanction of this Hon'ble Court.*

*(b) The surplus, if any, available out of the sale proceeds of such sales after payment to the State Bank of Bikaner and Jaipur of its dues shall be deposited in Escrow Account No. 913020036726487 (IFS Code UTIB0000004) of NSEL with Axis Bank Ltd. on account of amounts due from Vimladevi Agrotech Ltd. to NSEL “*

Accordingly, the Bank has withdrawn the two Applications which they had moved before the Hon'ble MPID Court.


3. It appears that the Competent Authority is reluctant to follow the directions given by Committee based on the previous consent given by the Competant Auhtority to move an application before the Hon'ble MPID court for sale of the property by State Bank of India along with the Competent Authority under the MPID Act, in accordance with the Order dated 10<sup>th</sup> July 2015 passed by the Bombay High Court on Report No. 6 of 2015. The Competent Authority had compelled the Bank to withdraw their Application before MPID Court. The Competant Authority as of now has reluctantly refused to make an Application before Hon'ble MPID Court pursuant to the directions dated 10<sup>th</sup> July 2015 of Bombay High Court on Report No. 6 of 2015 and instead wants State Bank of India to make such an Application.

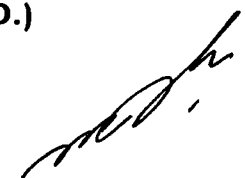
4. The Learned Counsel for State Bank of India has reluctantly agreed to move an Application before the Hon'ble MPID Court seeking permission to sell the property as provided under the order dated 10<sup>th</sup> July 2015 of Bombay High Court on Report No. 6 of 2015, NSEL has also undertaken to file similar application.

5. Both the above parties are permitted to file Applications with direction to bring the order of the Hon'ble Bombay High Court permitting sale of the property to the notice of the Hon'ble MPID Court.. We hope the Hon'ble MPID Court will consider such applications in their proper prospective.

5. S.O. to 5<sup>th</sup> January 2018 at 2.00 p.m.

  
JUSTICE V.C. DAGA (RETD.)  
CHAIRMAN

  
J.S. SOLOMON  
ADVOCATE AND SOLICITOR

  
YOGESH THAR  
CHARTERED ACCOUNTANT

MEMBERS

