

IN THE HIGH COURT OF JUDICATURE AT PATNA
Civil Writ Jurisdiction Case No.16842 of 2014

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Manager Singh, son of late Paras Singh, Resident of Village- Ratan Tola, P.S.-
Maner, District- Patna

... .. Petitioner/s

Versus

1. The Union of India through the Secretary, Department of Corporate Affairs, New Delhi
2. The Reserve Bank of India through its Governor, Mumbai
3. The Regional Manager, Reserve Bank of India, South Gandhi Maidan, Patna
4. The Securities and Exchange Board of India, Plot No. C4-A, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051
5. The Securities and Exchange Board of India, Udyog Bhawan, 3rd Floor, East Gandhi Maidan, Patna- 800 004
6. The Central Bureau of Investigation, CGO Complex, New Delhi, through its Director
7. The Joint Director, Central Bureau of Investigation, Patna
8. Kolkata Weir Industries Ltd., Jaydevpur through Director/Promoter, Sahajahan Khan P.O. Darikrishan Nagar, P.S. Diamond Harbour, District 24 Pergana (s), Pin 743368, West Bengal
9. Sahajahan Khan, son of Moksed Ali Khan, resident of village Jaydev Pur, Harin Danga, Diamond Harwar, South 24 Pergana
10. Samsul Alam Khan, son of Moksed Ali Khan, resident of village Jaydev Pur, Harin Danga, Diamond Harwar, South 24 Pergana
11. Ram Krishna Mondal, son of Gyanendra Mondol, resident of Kayala Para, Das Para, Sumati Nagar Van, Uttar Prubapara, P.S. Sagar, South 24 Pergana
12. Prabir Halder, son of Ram Pada Halder, resident of Bamuntala, Diamond Harwar, South 24 Pergana
13. Ratan Kumar, son of Gopal Manjhi, resident of 356, Durlabhdih, Nirsha, P.O. Birsinghpur, District- Dhanbad
14. Ajay Kumar Srivastav, son of Madan Lal Srivastav, resident of Dihiedecha P.O. Dakshinpara, 3 No. Tikashi, Khejuri, Purba Medinipur
15. Salim Laskar, son of Mosharaf Hossain Laskar, resident of Majherpara, Jaydev Pur, Diamond Harwar, South 24 Pergana
16. Lukaman Ansari, son of Ushaman Ansari, resident of Regudi, P.S. Parha, District Purulia
17. Chandan Choudhary, son of Kanai Choudhary, resident of Mahapara Bye Lane, Ward No. 13, Telinipara, Bhadreswar, Hooghly
18. Sahajamal Khan, son of Moksed Ali Khan, resident of village Jaydev Pur, Harin Danga, Diamond Harwar, South 24 Pergana
19. Lakshmi Kanta Gayen, son of Sarveshwar Gayen, resident of Chaturtha Gheripara, Vishalakshipur, Kakdwip, South 24 Pergana
20. Lal Babu Yadav, son of Sadanand Yadav, resident of Village Sri Nagar, P.O. and P.S. Salempur, District Dewariya and at present residing at House of Sunder Lal Gupta, K.S. Titagarh, Kolkata 119, West Bengal
21. Chandan Yadav, son of Satendra Prasad Singh, resident of village Kashipur Chakbibi, P.S. Rajapaker, District Vaishali
22. Bikas Singh, son of Nand Kishore Singh, resident of village + P.O. Netiya, Namaji Tola, P.S. Muiffasil Chowk, District Saran at present residing at Basudeopur, P.O. Balipur, P.S. Sakral, District Howrah, PIN 711307, West Bengal



23. Bhushan Kumar Singh son of Haribansh Singh, R/o vill. Musupur, P.S. Doriganj, District Chapra
24. Baby Kumari, daughter of Sanjay Kumar Gupta, resident of Mohalla Anisabad, P.S. Phulwari Sharif, District Patna
25. Quill Kisan Credit Producer Company Ltd. a company registered under the Companies Act, 1956 having its Registered Office at 36, Ballygunje Garden, Kolkata, 700009, West Bengal, through its Director Prasanta Mondal
26. Prasanta Mondal, son of Manoranjan Mandol, resident of Manaspur, Ramchandrapur, Vishnupur, South 24 Peregana
27. Sankar Kumal Kayal, son of Surdrabat Kayal, resident of Diyogipara, Khorddey, Diamond Harwar, South 24 Pergana
28. Dipak Kumar Naskar, son of Bantue Naskar, resident of Dakhinpara Taldih, South 24 Pergana
29. Alimuddin Khan, son of Alauddin Khan, resident of West Baohpara, Bishaushipur, South 24 Pergana
30. Dhrub Jyoti Haldar, son of Bikas Kumar Haldar, resident of Dakshin Govindpuri, South point Chitya Nagar, Kolkata
31. The State of Bihar through the Chief Secretary, Govt. of Bihar.
32. The Principal Secretary, Department of Prohibition, Excise and Registration, Govt. of Bihar.
33. The Collector- Cum- Registrar, Patna.
34. The Collector -Cum- Registrar, Hajipur.

... .. Respondent/s

Appearance :

For the Petitioner/s	:	Mr. Sandeep Kumar, Advocate
	:	Mr. Dhananjay Kr. Upadhyay, Advocate
For the SEBI	:	Mr. S.D. Sanjay, Advocate
For the UOI	:	Mr. Ravinder Kumar Sharma, CGC
For the RBI	:	Mr. Kaushal Jha, Advocate
For the CBI	:	Mr. Sanjay Kumar, SC, CBI
For the State	:	Mr. Lalit Kishore, Advocate General
	:	Mr. Manish Dhari Singh, AC to AG

CORAM: HONOURABLE THE CHIEF JUSTICE

and

HONOURABLE MR. JUSTICE ASHUTOSH KUMAR

ORAL JUDGMENT

(Per: HONOURABLE THE CHIEF JUSTICE)

Date : 18-09-2018

1. By way of this Public Interest Litigation, under Article 226 of the Constitution of India, the petitioner has prayed for the following reliefs:

(i) *For issuance of writ in the nature of mandamus for directing the respondents*



Securities & Exchange Board of India to take immediate steps for refund of the money collected by Kolkata Weir Industries Ltd. and its Directors/Promoters through issuance of redeemable preference shares issued on 19.10.2009, 01.06.2010, 10.01.2011, 30.03.2011, 10.04.2011 and 10.06.2011 including the money collected from investors, till date with interest of 15% per annum from the date of receipt of money from the investors till the date of payment.

- (ii) For issuance of writ in the nature of mandamus for directing the respondents Securities & Exchange Board of India to take immediate steps for restraining the Kolkata Weir Industries Ltd. and its Directors/Promoters not to transfer the investments of investors made in the company to any other company/society.*
- (iii) For issuance of writ in the nature of mandamus for directing the respondents Securities & Exchange Board of India to take immediate steps in the light of the order dated 30.04.2014 passed by the SEBI under Section 11(1), 11(4), 11A and 11B of the SEBI Act, 1992.*
- (iv) For issuance of writ in the nature of mandamus for directing the respondents Securities & Exchange Board of India to initiate a proceeding against Quill Kisan Credit Producer Company Ltd. and its Directors/Promoters and to take immediate steps for refund of the money collected by Quill Kisan Credit Producer Company Ltd. and its Directors and Promoters.*



- (v) *For issuance of writ in the nature of mandamus for directing the respondents Securities & Exchange Board of India to take immediate steps for restraining the Quill Kisan Credit Producer Company Ltd. and its Directors/Promoters not to transfer the investments of investors made in the company to any other company/society.*
- (vi) *For issuance of writ in the nature of mandamus directing the attachment of the properties belonging to Kolkata Weir Industries Ltd. and Quill Kisan Credit Producer Company Ltd.*
- (vii) *For issuance of writ in the nature of mandamus directing the Central Bureau of Investigation (C.B.I.) to register a case against Kolkata Weir Industries Ltd. Quill Kisan Credit Producer Company Ltd. and the Directors/Promoters of the aforesaid two companies and others including the officials of RBI and SEBI responsible for keeping a control over the activities of NBFCs and willfully allowing them to collect illegally huge sums of money from innocent investors and siphoning them of to monitor the case by this Hon'ble Court.*

2. We have heard learned counsel appearing on behalf of the respective parties at length. We have considered the counters filed by the concerned respective respondents. We have also gone through and considered the status report filed by the SEBI as well as the CBI.



3. At the outset, it is required to be noted that pursuant to the order passed by the High Court of Jharkhand, the cases are being investigated by the CBI and number of FIRs are lodged and the investigation by the CBI is going on. From the status report, it appears that the CBI has identified the properties of Kolkata Weir Industries Ltd. (KWIL) and necessary steps are taken. We are, at present, satisfied with respect to the same.

4. Now, so far as the reliefs against SEBI is concerned, Shri S.D. Sanjay, learned Senior Counsel appearing on behalf of the SEBI submits that with respect to those properties which are identified by the SEBI, appropriate steps are taken. He has stated at the bar that the SEBI will be in contact with the investigating agency and/or any other authorities with respect to any other property of the KWIL and as soon as the same is received, appropriate steps shall be taken for realizing the amount and/or other steps in accordance with law and on merits at the earliest.

5. It goes without saying that the Investigating Agency shall cooperate the SEBI with respect to the particulars of the properties of KWIL so that further steps can be taken by the SEBI, as observed hereinabove.

6. Considering the aforesaid facts and circumstances, the present writ petition stands disposed of as sufficient steps are



being taken by the CBI as well as the SEBI to protect the interest of the concerned depositors and others and even the investigation by the CBI is being monitored by the High Court of Jharkhand.

7. In view of the disposal of the main petition, respective Interlocutory Applications stand disposed of.

8. The reports which were submitted in sealed cover are returned to the learned counsel appearing on behalf of the CBI in sealed cover.

(Mukesh R. Shah, CJ)

(Ashutosh Kumar, J)

Sunil/-s.shukla

AFR/NAFR	NAFR
CAV DATE	NA
Uploading Date	20.09.2018
Transmission Date	

