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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

+ **CO.PET. 351/1999**

RE-HOFFLAND FINANCE LTD.

..... Petitioner

Through: Mr.Sanjeev Ralli, Advocate with
Ms.Mamta Mehra, Advocate with
Col. P.M.Dubey, Chairman of the
Court Appointed Committee.
Mr.Sanjay Katyal, Advocate for
Official Liquidator.

CORAM:

HON'BLE MR. JUSTICE SUDERSHAN KUMAR MISRA

ORDER

% **01.06.2016**

CA No.2185/2016 (for exemption)

Exemption, as prayed for, is allowed, subject to all just exceptions.

This application is disposed off.

CA No.2184/2016 (for directions)

This application has been moved by the Chairman for Court Appointed Committee praying for directions to the concerned Deputy Secretary, Home Department, Government of Maharashtra, and the Competent Authority under the Maharashtra Protection of Interests of Depositors Act, 1999 (hereinafter to be referred as 'MPID Act') to withdraw the notification dated 15th February, 2016 and the seizure order dated 6th May, 2016, in respect of the property being Flat No. 111, 1st Floor, Sagar Avenue, Opposite Shoppers Stop, S.V. Road, Andheri (West), Mumbai; or

CO.PET. 351/1999

Page 1 of 4



in the alternative to quash the said notification and order, *inter alia*, on the ground that the said flat stands attached in winding up proceedings before this Court and orders of sale of that flat, by the Official Liquidator, have also been issued on 3rd December, 2010 read with orders dated 8th December, 2015. It is pointed out that the latter order came to be passed by this Court after examining all relevant circumstances; and it was concluded by this Court that since the property had already been taken over by the Official Liquidator in terms of orders passed by this Court, much before any attachment orders by the respondents under the MPID Act, consequently, there could be no question of any subsequent attaching coming about to negate the earlier orders passed by this Court.

In that context, whilst directing the Official Liquidator to proceed with the sale of the said flat, specific directions were also issued to the concerned authorities on 8th December, 2015 as follows:-

“ Further, the Deputy Collector, Entertainment Tax, Mumbai City, who is the Competent Authority appointed under the MPID Act, 1999, is also restrained and directed not to proceed with any sale process in respect of the said flat being Flat No. 111, First Floor, Sagar Avenue Opposite Shoppers Stop, S. V. Road, Andheri (West), Mumbai-58 or to take any further steps in this regard, including, *inter alia*, in furtherance of the public notice for auction stated to have been taken out by the said Authority as stated in the aforesaid communication dated 21.11.2015 addressed to the Designated Court under the MPID Act, 1999.

The Special Judge, MPID Court, may also be apprised of this order by learned counsel for the applicant."



It is pointed out by counsel appearing for the Court Appointed Committee that notwithstanding the communication of these orders to both the respondents, the respondents have proceeded to pass the aforesaid orders on 15th February, 2016 and 6th May, 2016. Apart from the reliefs specifically sought in this application, *prima facie*, it would also appear that the respondents are also in contempt of the aforesaid orders passed by this Court on 3rd December, 2010 and 8th December, 2015.

Under the circumstances, issue notice to the respondents in this application, returnable for 14th September, 2016, the date already fixed.

At the same time, let further notice be also issued to Shri Suresh Khade, Deputy Secretary, Home Department, Government of Maharashtra, 2nd Floor, Mantralaya, Mumbai-400032 and Shri Devi Das Chaudhary, Deputy Collector Entertainment Tax, Office of Collector & District Magistrate, Mumbai City, Old Customs House, Shaheed Bhagat Singh Fort, Mumbai-400001, who are stated to be the concerned officers, who have issued the impugned orders, to show cause why proceedings in contempt be not initiated against them, returnable for the date fixed. The Registry of this Court is directed to open a separate file assigning fresh CCP number and place a copy of this order as well as this application on that file.

Till the next date of hearing, the respondents are directed to maintain the status quo and to ensure that no further steps are taken pursuant to notification dated 15th February, 2016 and the seizure order dated 6th May, 2016.

Looking to the overall circumstances at the matter and the manner in



which the respondents No. 1 and 2 appear to be acting in this matter, let a copy of this order alongwith this application be also communicated to the Secretary, Home Department, Government of Maharashtra and the Collector Entertainment Tax, Mumbai, for intimation and necessary action with further directions to ensure that the orders passed by this Court are strictly implemented whilst leaving it open to them to take all necessary steps, including initiation of any administrative enquiries that they deem appropriate in the matter.

List on 14th September, 2016, the date already fixed.

A copy of this order may be given *dasti* under the signature of the Court Master.

SUDERSHAN KUMAR MISRA, J.

JUNE 01, 2016

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