

BEFORE THE NATIONAL GREEN TRIBUNAL
WESTERN ZONE BENCH AT PUNE
ORIGINAL APPLICATION NO. 215 OF 2024

IN THE MATTER OF:

Uttam Manohar Mokal

...APPLICANT

Versus

State of Maharashtra and Ors.

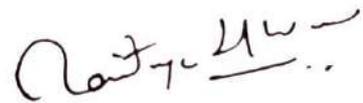
...RESPONDENT

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THROUGH



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Place: Pune

Date: 14.07.2025

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REJOINDER ON BEHALF OF THE APPLICANT IN CONSOLIDATED RESPONSE TO THE JOINT COMMITTEE REPORT DATED 1.03.2025 AND AFFIDAVITS-IN-REPLY FILED BY RESPONDENTS NOS. 2 AND 4

1. The present Application had been filed raising the substantial question regarding unauthorized discharge of effluents onto fields, and into mined-out stoned quarries, and wells and other waterbodies situated on and adjoining Gat Nos. 190, 191, 194/1, 194/2, 194/2, 195, 196, 200, 201/1, 201/2, 202, 203, 204/1, 204/2, 205/1, 207, 208, and 209/2 in the village of Kolgaon Mal, Taluka Sinnar, District Nashik (hereinafter referred to as the 'polluted lands'), by the Distillery Division of Respondent No. 4 M/s Karamveer Shankarrao Kale Sahakari Sakhar Karkhana Ltd. in violation of the provisions of the Section 24 of the Water (Prevention and Control of Pollution) Act, 1974, as well as the conditions imposed by virtue of Consent to Operate ('CTO') dated 11.10.2021 granted by Maharashtra Pollution Control Board ('MPCB'), which mandated that the impugned Distillery operate as a Zero-Liquid Discharge ('ZLD') plant.
2. That vide order dated 14.11.2024, this Hon'ble Tribunal was pleased to issue Notices to all the Respondents, as well as constitute a Joint Committee

comprising of one member each of the Maharashtra Pollution Control Board ('MPCB'), the Central Pollution Control Board ('CPCB') and the District Collector, Nashik, with the MPCB being the nodal agency of the Committee. Furthermore, this Hon'ble Tribunal had accordingly directed as follows:

"7. We deem it appropriate to constitute a Joint Committee comprising one member each of Maharashtra Pollution Control Board (MPCB), Central Pollution Control Board (CPCB), District Collector, Nashik, MPCB being the nodal agency of the Committee, with a direction that the Committee shall visit the site in question after issuing notice to the applicant about the date and time of its visit and submits its report with respect to the allegations made in the application, within a period of one month from the date of uploading of this order..."

3. Accordingly, the said Joint Committee have conducted a site inspection as on 19.12.2024, and the Joint Committee Report has been filed as on 1.03.2025.
4. That thereafter, Respondent No. 4 M/s Karamveer Shankarrao Kale Sahakari Sakhar Karkhana Ltd. (hereinafter referred to as the 'Project Proponent') have filed their Affidavit-in-Reply dated 30.05.2025, and Respondent No. 2 MPCB have filed their Affidavit-in-Reply dated 14.06.2025.
5. That vide the present Rejoinder, the Applicant seeks to submit a consolidated response to all the above-mentioned documents, i.e., Affidavits-in-Reply of Respondents nos. 2 and 4, along with the Joint Committee Report.
6. At the outset, the Applicant denies each and every averment and conclusion made in said Affidavits-in-Reply which is contrary to and/or inconsistent with what has been submitted on record in the present Application. Furthermore, nothing stated in the present Rejoinder on behalf of the Applicant shall be construed as an admission for the want of any specific and para-wise denial or non-traverse unless and until the same is specifically admitted hereinafter.

I. REJOINDER TO AFFIDAVIT-IN-REPLY BY RESPONDENT NO. 4
PROJECT PROPONENT

7. The Applicant submits that Respondent No. 4 Project Proponent has miserably failed to conclusively rebut and contest any of the submissions made by the Applicant in the present Original Application No. 215/2024/WZ.
8. That vide the said Affidavit-in-Reply dated 30.05.2025, the Project Proponent on **Para 6** at **Pg. 424**, has stated that no discharge of effluent was carried out by the Project Proponent on land at any point of time.
9. However, it is submitted that the said submission of the Project Proponent is contradicted by the Project Proponent themselves in the said Affidavit-in-Reply dated 30.05.2025 itself, wherein the Project Proponent has also admitted to discharging effluent on land. That such has been done as in **Para 12** at **Pg 428**, **Para 13** at **Pg 429**, and **Para 21** at **Pg 435** by the Project Proponent.
10. Furthermore, it is submitted that such submissions are also directly controverted by the contents of Joint Committee Report as on **Para 2.18**, **Para 2.19**, **Para 2.21**, at **Pgs. 272-273**, as well as in 'Findings of the Committee' on **Para 3.6** at **Pg 279**, wherein it has been observed by the Joint Committee that effluent generated by the Project Proponent has been discharged on lands.
11. That no conclusive rebuttal of such observations and findings of the Joint Committee Report has been submitted on record by the Project Proponent. That the Joint Committee on **Para 2.21** of **Pg. 273** has clearly observed that *"the sugar unit found violating conditions of the consent and discharging highly concentrated wastewater on the land which can be one of the potential source for the ground water pollution of the area."*

12. That in response thereto, the Project Proponent has stated that "*The incidents highlighted in the report are isolated cases*". However, the Applicant rejects such statement as being untenable in law and unsubstantiated with any documentation or evidence whatsoever. That mere statements are made by the Project Proponent, without any evidence substantiating such statements being submitted on record, and such must necessarily be rejected.
13. Notwithstanding the absence of evidence, the above-mentioned statement of the Project Proponent itself acts as an admission of offence, as the Project Proponent is stating that there *have been* instances wherein effluent was discharged by them, even if such were apparently 'isolated cases'.
14. Furthermore, the Joint Committee Report has clearly observed, as on **Para 2.11.6 at Pg. 270**, that out of the total land of 144 acres that belongs to the Project Proponent, only 26 acres thereof are being used for cultivation. Therefore, the Project Proponent cannot claim that the effluent is being discharged for the purposes of agricultural irrigation, as there is no cultivation being done on the vast majority of the lands owned by the Project Proponent.
15. That in response thereto, the Project Proponent has stated, as on **Pg. 461**, that "*relevant entries in the revenue records (7/12 extract) of the land should also be considered*". However, no such revenue records or any other document evidencing cultivation by Project Proponent on any area exceeding what has been identified by the Joint Committee has been placed on record by the Project Proponent. Thus, the submissions of the Project Proponent that cultivation of crops is taking place across an area in excess of what has been identified by the Joint Committee Report are liable to be rejected as unsubstantiated.

I.1. The Corporate Veil Must Be Lifted in the Present Case as the Distillery Unit and the Sugar Unit are governed by the same Governing Body

16. The Applicant submits that the Project Proponent, i.e., M/s Karamveer Shankarrao Kale Sahakari Sakhar Karkhana Limited, is a cooperative sugar mill that has been operational since 1956, and now comprises of a 4000 TCD Sugar Unit, a 45 KLPD Capacity Distillery Unit, and a Potable Country Liquor and Hand Sanitizer Unit of 2,25,000 LPD and 2000 LPD each.
17. That vide the present Application, the Applicant had impleaded the Project Proponent's Distillery Unit as Respondent No. 4, as the Applicant had received information that the illegal discharge observed by the Applicant was being caused due to the activities of the said Distillery Unit.
18. However, as has become evident by virtue of the Joint Committee Report dated 1.03.2025, the Project Proponent's Sugar Unit has in fact discharged effluent at various points across the concerned polluted lands. Additionally, various issues have been identified by the Joint Committee with the functioning of the Distillery Unit as well, as on **Para 2.32.2 of Pg. 278**.
19. Accordingly, the Applicant submits based on the submissions of the Project Proponent as made in Affidavit-in-Reply dated 30.05.2025, it has become apparent that the Project Proponent is seeking to shirk all liability by implying that the Sugar Unit, and not the Distillery Unit, has undertaken discharge of effluent on land, and accordingly, the Distillery Unit is not liable for any damage.
20. However, the Applicant vehemently rejects such implication as being untenable in law, due to the fact that the Sugar Unit and the Distillery Unit of the Project Proponent are both being operated by the same governing body, under the

same co-operative society governed by the same provisions of the Maharashtra Cooperative Societies Act, 1962.

21. It is submitted that Section 73(1) of the Maharashtra Cooperative Societies Act, 1962, provides that the management of every cooperative society shall vest in the managing Committee constituted by the concerned cooperative society. Furthermore, sub-section 1AB thereof clearly states that the members of the said Committee shall be jointly and severally responsible for all the decisions taken by the Committee during its term relating to the business of the Society. Accordingly, Section 73(1) is reproduced as follows:

"73. Committee, its powers and functions.—

7[(1)] The management of every society shall vest in a committee, constituted in accordance with this Act, the rules and by-laws, which shall exercise such powers and perform such duties as may be conferred or imposed respectively by this Act, the rules and the by-laws.

(1AB) The members of the committee shall be jointly and severally responsible for all the decisions taken by the committee during its term relating to the business of the society. The members of the committee shall be jointly and severally responsible for all the acts and omissions detrimental to the interest of the society."

22. That in the present case, the particulars contained on the website of the Project Proponent clearly evidence that the same cooperative society, i.e., M/s Karamveer Shankarrao Kale Sahakari Sakhar Karkhana Limited, is carrying out the operations related to the Distillery Unit as well as the Sugar Unit. That the following is a relevant extract available on the website of the Project Proponent which contains details regarding the Distillery Unit:

"DISTILLERY DIVISION :-

Our Management has a cost conscious approach always. To reduce the cost of sugar it is essential to develop various by-products to increase income. Keeping this object in mind we have

set up molasses based Alcohol Production Plant in 1976 & Country Liquor manufacturing unit in 1979 affiliated to sugar factory. The molasses is the residual obtained from the process of manufacturing sugar. The annual capacity of our distillery for manufacturing industrial alcohol is 90 lac ltr. It is recently expanded to 135 lac ltr. The spent wash generated through this process is hazardous for human health and creates pollution. In order to avoid pollution the spent wash is used in biogas plant for primary treatment as well as to generate methane gas."

A copy of the relevant extracts of 'Factory Information' available on the website www.karamveerkalesugar.com of M/s Karamveer Shankarrao Kale Sahakari Sakhar Karkhana is annexed and marked herewith as **ANNEXURE A-16**.

23. It is evident that the impugned Distillery Unit is being operated as an affiliated entity to the Sugar Unit, and has in fact been operationalized by the Project Proponent so as to develop "*various by-products to increase the income*".
24. Furthermore, the same website provides a detailed list of the 'Present Managing Committee' and a chronological list of all Chairpersons, Vice-Chairpersons, and Executive Directors of the said Sugar Cooperative Society, including the present office holders. The list of Present Managing Committee of Respondent No. 4 as available on their website is annexed and marked herewith as **ANNEXURE A-17**. The list of all Chairpersons, Vice-Chairpersons, and Executive Directors of the Respondent No. 4 is annexed and marked herewith as **ANNEXURE A-18**.
25. Therefore, the Applicant submits that the impugned Distillery Unit and the Sugar Unit are indistinguishable in their governing and managing bodies, and form part of the same industrial complex, with the Distillery Unit operationalized evidently to develop ways of income generation and control sugar costs.

26. Thus, the reliance of Respondent No. 4 on the separate corporate character of the Sugar Unit vis-à-vis the Distillery Unit is untenable in law, and forms a farcical approach designed to mislead this Hon'ble Tribunal and avoid liability.

27. In support of the said submissions, the Applicant relies on the order of the Hon'ble Supreme Court in **Delhi Development Authority v. Skipper Construction Company (P) Ltd. and Anr.** reported in **1996 SCC (4) 622**, wherein the Hon'ble Supreme Court has laid down the following judgment:

*"The concept of corporate entity was evolved to encourage and promote trade and commerce: but not to commit illegalities or to defraud people. Where, therefore, **the corporate character is employed for the purpose of committing illegality or for defrauding other, the court would ignore the corporate character** and will look at the reality behind the corporate veil so as to enable it to pass appropriate orders to **do justice between the parties** concerned." (emphasis supplied)*

A copy of the judgment dated 6.05.1996 in **Delhi Development Authority v. Skipper Construction Company (P) Ltd. and Anr.** reported in 1996 SCC (4) 622 is annexed and marked herewith as **ANNEXURE A-19**.

28. Therefore, the Applicant submits that Respondent No. 4 is evidently employing the separate corporate characters of the Distillery Unit and the Sugar Unit to avoid liability for observed pollution having been caused by Respondent No. 4. However, no such submissions are legally tenable due to the accepted norms regarding lifting of the corporate veil, which must necessarily be applied in the present case so as to ensure justice is done between parties concerned.

29. The Joint Committee Report is unequivocal in its findings regarding significant pollution that has been caused by Respondent No. 4 due to discharge of effluent on lands which have been identified in the present Application. That such findings indubitably affirm the primary submissions raised by Applicant.

30. That no contrary evidence to deny/rebut/reject the findings of pollution due to effluent discharge of the Joint Committee has been submitted on record by the Respondent No. 4 in the Affidavit-in-Reply dated 30.05.2025.
31. In fact, Respondent No. 4 has even admitted to various instances of discharge of effluent onto lands as in **Para 12 of Pg 428** and on **Pg 463**, and has admitted to discharge of yeast sludge onto lands as in **Para V of Pg 421**. That therefore, there exists no rational reason to believe that Respondent No. 4 has not discharged effluent and other industrial waste onto lands, which has caused pollution of such lands, as well as groundwater of the area.
32. That the fact that Sugar Unit of Respondent No. 4 is liable, and not the Distillery Unit of Respondent No. 4, should not prevent this Hon'ble Tribunal from ensuring that substantial justice is done between the parties, and that Respondent No. 4 itself is held liable for the pollution caused. The Applicant relies on Rule 24 of the National Green Tribunal (Practices and Procedure) Rules, 2011, to further buttress the above-mentioned submissions.
33. Additionally, the Joint Committee has observed as on **Para 3.5 of Pg. 279**, that the *"sugar unit's Effluent Treatment Plant (ETP) does not meet the required standards for safe land application."*
34. In response thereto, Respondent No. 4 has stated as on Pg. 466 that *"The Respondent industry's ETP experiences a temporary disturbance due to a sudden shock load during the committee's visit"* but no evidence or reasons of the causes of such sudden shock have been provided, and such justification is *prima facie* misleading and must be rejected.

35. Accordingly, the Applicant submits that the Joint Committee's observations, findings, and conclusions regarding significant pollution caused due to discharge of effluent generated by Respondent No. 4 have not been refuted with any material evidence or logical explanations whatsoever. Therefore, the Recommendations provided by the Joint Committee must be accepted by this Hon'ble Tribunal, and directions for enforcement must accordingly be issued.

II. RESPONSE TO AFFIDAVIT-IN-REPLY DATED 14.06.2025 FILED BY MAHARASHTRA POLLUTION CONTROL BOARD

36. The Applicant submits that vide Affidavit-in-Reply dated 14.06.2025, the MPCB has *inter alia* stated the following relevant submissions:

"5. I say and submit that the Respondent Board has issued show cause notice vide letter dated 2/11/2022 to the Respondent No. 4 (Distillery Unit) for violation of the consent conditions. Further, the Respondent Board has issued directions vide letter dated 11/4/2023 to the Respondent No. 4 (Distillery Unit) and directed to submit the Environmental Compensation of Rs. 39.30 Lakhs, however, the Respondent No. 4 have not submitted the said Environment Compensation..."

37. It is pertinent to observe that stated Directions vide Letter dated 11.04.2023 were issued to Respondent No. 4 for the following observed violations:

"AND WHEREAS, this office has issued show cause notice vide referred above No. 2 regarding you have not dismantled Kaccha Lagoon & during visit contaminated water observed in the same and you have dismantled solar pit but same is observed in low line area due to which rain water stored up in the same which is flow through local Nalla with contamination and which is meet to Godavari River and accordingly you have submitted reply vide referred above No. 3 and reported that the scrapping of Kaccha Lagoon and Solar pit will be completed by 31.05.2023. AND WHEREAS, it is also observed that, JVS report of samples collected from the various well water nearby composting yard are exceeding the limits."

38. Therefore, it is submitted that the said Letter dated 11.04.2023 has evidently been issued by the MPCB for a separate set of violations which have been committed by the Respondent No. 4 in operation of their Distillery Unit.
39. Accordingly, the Applicant submits that the 'Environmental Damage Compensation' (EDC) that must be imposed upon Respondent No.4 for pollution of land and water as contained in the Joint Committee Report must necessarily be over and above the EDC imposed by the MPCB vide Letter dated 11.04.2023, as both are separate offences which have resulted in separate violations.
40. That the present Application pertains to discharge of effluents onto the 'polluted lands' leading to land and water pollution being caused by Respondent No. 4 since February 2022, such pollution having been affirmed by Joint Committee.
41. However, the Applicant states that the EDC imposed vide Letter dated 11.04.2023 remains unpaid as of the date of filing of Affidavit-in-Reply dated 14.06.2025 by the MPCB. Therefore, it is evident that Respondent No. 4 has failed to adhere to the directions of the MPCB for a period exceeding 2 years, and accordingly, must be penalized for such default and blatant disregard.
42. Accordingly, Para 4.4 of the Recommendations of the Joint Committee Report recommending MPCB to impose appropriate compensation on Respondent No. 4 for mishandling of sugar effluent must necessarily be held to be separate from the EDC levied vide Letter dated 11.04.2023, and imposed separately.

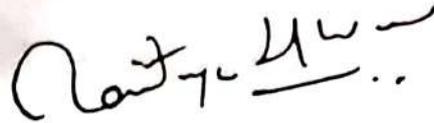
III. RESPONSE TO RECOMMENDATIONS OF THE JOINT COMMITTEE

43. The Applicant accepts the recommendations of the Joint Committee Report dated 1.03.2025, and prays that the same be ordered to be enforced by this Hon'ble Tribunal in a manner deemed appropriate by this Hon'ble Tribunal.

Pass any other orders as this Hon'ble Tribunal may deem fit and proper in the facts and circumstances of the instant case.


APPLICANT

THROUGH



MAITREYA PRITHWIRAJ GHORPADE

ADVOCATE

COUNSEL FOR THE APPLICANT

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VERIFICATION

I, Uttam Manohar Mokal, R/o village Kolgaon Mal, Post Pathare, Taluka Sinnar, District Nashik, do hereby verify that the contents of the present Rejoinder abovementioned are true to my personal knowledge and nothing material has been concealed therefrom.

Date:

Place:


APPLICANT

BEFORE THE NATIONAL GREEN TRIBUNAL
WESTERN ZONAL BENCH AT PUNE
ORIGINAL APPLICATION NO. 215 OF 2024



IN THE MATTER OF:

UTTAM MANOHAR MOKAL

... APPLICANT

VERSUS

STATE OF MAHARASHTRA & ORS.

... RESPONDENTS

AFFIDAVIT

I, Uttam Manohar Mokal, R/o village Kolgaon Mal, Post Pathare, Taluka Sinnar, District Nashik,, do hereby solemnly affirm and state as under:

1. That I am the Applicant in the above titled Original Application and am conversant with the facts and circumstances described in the present case and as such, I am competent to swear this affidavit.

2. That the contents of the accompanying Return are true and correct and nothing material has been concealed therefrom.

IDENTIFIED BY
Nadga 4h...
ADVOCATE



Amoked
DEPONENT

VERIFICATION

Verified on this 14th of July 2025 that the contents of the above-mentioned affidavit are true and correct and nothing material has been concealed therefrom.

Noted and Registered,
at Serial Number 1269
Date 14th July 2025



Amoked
DEPONENT
BEFORE ME
P. J. Yelwande
P. J. YELWANDE
NOTARY GOVT. OF INDIA
PUNE.
14 JUL 2025



कर्मवीर शंकरराव काळे सहकारी साखर कारखाना लि., गौतमनगर

स्थापना: १९५६



सहकारी तत्वावरील आशिया खंडातला दुसरा सहकारी साखर कारखाना सातत्याने ऑडीट वर्ग 'अ' संस्था वसंतदादा शुगर इंस्टीट्यूट पुणे यांचे तर्फे राज्यपातळीवर गळीतासाठी 'हायेस्ट रिज्युसड ओवरऑल रिकव्हरी' चे प्रथम क्रमांकाचे बक्षीस व सन २०१०-११ चा 'सर्वोत्कृष्ट ऊस विकास पुरस्कार' प्रदान, पांढरी शुभ्र दाणेदार साखर निर्मितीशिवाय दर्जेदार स्पिरीट/देशी मद्य निर्मिती, बायोगॅस निर्मिती, तसेच प्रदूषण नियंत्रण योजना, कंपोस्ट खत निर्मिती प्रकल्प इत्यादी .

Highlights of the Sugar Factory

Details of Sugar Factory & Bye-Products ↑↓	Detail Information
Year of commencement of production	Sugar : 1955-1956 Rectified Spirit : 1976-1977 Country Liquor : 1978-1979 Biogas Generation : 1992-1993 Bio-Composting : 1999-2000





Estimates Project Cost : 125.00 Crores

Product & Capacity

Sugar : 4,000 TCD
 Rectified Spirit : 45,000 LPD
 Potable Country Liquor : 2,25,000 LPD

Name & Address

Karmaveer Shankarrao Kale Sahakari Sakhar Karkhana
 Ltd.Gautamnagar
 PO: Kolpewadi, Taluka – Kopargaon, Dist-Ahmednagar(M.S.)
 Phone : (02423) 261210 to 261215.
 Fax : (02423) 261219 (Sugar Division), 261217 (Distillery Division)
 E-Mail : kskssk1953@gmail.com Or
 kosakasugar@rediffmail.com (Sugar Division)
 kosakabhingari@rediffmail.com (Distillery Division)

Constitution & Type

Co-Operative Society.
 Registration No. G-260 dated 4th June 1953.

Successful Development of Sugar Factory





Ours is a second co-operative sugar factory in India established in Ahmednagar district of Maharashtra just after independence in 1953 and started its commercial production of sugar in 1956 with initial capacity of 800 TCD. Based on increasing availability of sugar cane in area of operation, the karkhana(factory) has expanded its crushing capacity to four times from 800 TCD to 4000 TCD. It is one of the progressive sugar factory in the region and has achieved good results since its establishment under the able guidance & leadership of founder Chairman - Hon'ble Late Shri Shankarraoji Kale Saheb.

Factory Renamed in 2013





The Kopargaon Sahakari Sakhar Karkhana Ltd.,Gautamnagar was renamed as ' Karmaveer Shankarrao Kale Sahakari Sakhar Karkhana Ltd.' in 2013.

The Co-operative Societies Act was enacted in India in 1904 with limited objective to provide cheap credit to the farmers and save them from exploitation of money lenders. It was only in the early 1930's that the co-operative movement penetrated into sugar sector.

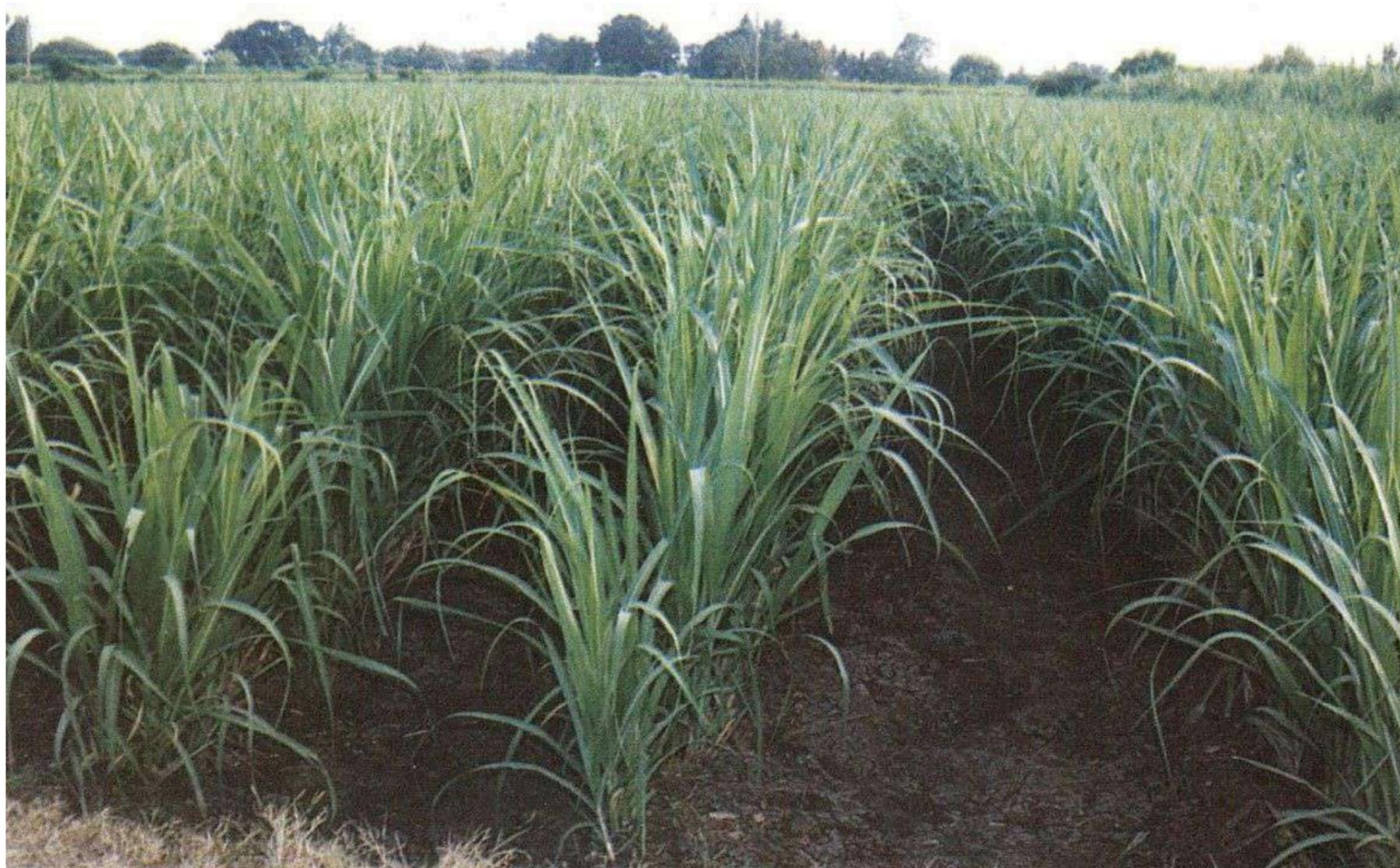
The second co-operative sugar factory to be set up in Maharashtra was 'The Kopargaon Sahakari Sakhar Karkhana Ltd.,Gautamnagar, Post-Kolpewadi, Tal.-Kopargaon Dist. Ahmednagar under the Bombay Co-operative Societies Act, 1952 having Registration No. G-260 dated 4/6/1953.

Dr. Dhananjayrao Gadgil, Vaikunthbhai Mehta, Ganpatrao Autade & V.P.Varde supported the founder member Shri Shankarrao Deoram Kale, who was well educated at that time. Shankarrao Kale started counselling poor farmers by going door to door to develop faith, confidence & optimism in their hearts about co-operative movement.

The management of society started sugar factory on the modest way with the crushing capacity of 800 TCD per day with cane plantation area 1325 hectares. Crushing operations started on 15/02/1956 in the presence Dr. Dhananjayrao Gadgil.

However, the intial crushing capacity of sugar factory was 800 MT per day, but area under sugarcane increased gradually and management of the sugar factory expanded the crushing capacity from time to time. The present crushing capacity of our sugar factory is 4000 MT. per day.





A large number of sugar complexes are coming up due to the liberalization and introduction of new sugar policy of the Government. Therefore, sugarcane acreage per sugar mill is declining for producing a large quantity of sugarcane to run the mills to their full capacity, there are two options either to increase the sugar production vertically or increase area under sugarcane. The possibility to the second option is limited as area under agriculture is decreasing day by day. The only option left therefore is to increase production vertically by the use of innovative technologies. Following cane development activity adopted & implemented in area of operation by sugar factory to produce sugarcane.

1) Planning for season wise planting & harvesting

A scientific season planning & harvesting schedule is adopted by the sugar factory for adequate production of sugarcane coupled with increase in sugar recovery. The factory suggested the farmers to plant maturity wise harvesting of sugarcane based on the analysis made by refracto meter.

2) Supply of quality seed

Quality seed assumes great significance in any crop production. There is a need to change the variety of seedlings after every three to four years to maintain the purity of varieties and to get good recovery. The factory follow three tier seed programme and supplies quality seeds to the cane growers on credit basis.





3) Drip Irrigation

The cane can be grown under well, bore well, lift & canal irrigation. The factory management has given prime importance to water saving strategy in sugarcane cultivation and adopted drip irrigation system. As a result 35 to 55% water is saved.

For installation of drip system loans are made available by sugar factory from Union Bank of India. The incentive is given to the cane growers to adopt drip system on a large scale.

4) Supply of Chemical fertilizer

Chemical fertilizers are supplied by the sugar factory on credit basis. Supply of weedicide, micronutrient, press-mud and compost on credit basis.





4 / Retrospection of KOSAKA Group of Industries

5) Sugarcane Trash

Sugarcane trash can be used as a mulch and as a source of organic manure. In operational area considering water shortage and drought situation factory adopted practice of trash mulching in ratoon crop which benefits water saving. Factory gives incentive for trash mulching.

6) Promoted for green manuring

The application of farm yard manure (offym) has been suggested before sugarcane planting, but due to its inadequate availability farmers did not add it. Considering this fact sugar factory supplies the green manure crop seeds of Sunheamp & Dhaincha on 50% subsidy from last 10 to 15 years. Considering all these cane development activities sugar factory has been awarded- The Best Cane Development Award In Central Zone of Maharashtra by Vasantdada Sugar Institute (VSI, Pune) for 2010-2011.





Considering all these cane development activities sugar factory has been awarded- The Best Cane Development Award In Central Zone of Maharashtra by Vasantdada Sugar Institute (VSI, Pune) for 2010-2011.

Besides assisting the farmers in their main profession we also promote them to take up dairy & poultry activities as subsidiary business to raise their earnings thereby to improve their standards of living.




DISTILLERY DIVISION :-

Our Management has a cost conscious approach always. To reduce the cost of sugar it is essential to develop various by-products to increase income. Keeping this object in mind we have set up molasses based Alcohol Production Plant in 1976 & Country Liquor manufacturing unit in 1979 affiliated to sugar factory. The molasses is the residual obtained from the process of manufacturing sugar. The annual capacity of our distillery for manufacturing industrial alcohol is 90 lac ltr. It is recently expanded to 135 lac ltr. The spent wash generated through this process is hazardous for human health and creates pollution. In order to avoid pollution the spent wash is used in biogas plant for primary treatment as well as to generate methane gas.

Country Liquor Bottling Unit

Karkhana also has a country liquor bottling unit established in 1979. At present country liquor unit works in two shifts. The performance of the distillery & country liquor unit is excellent. It is one of the most reputed country liquor manufacturing units in the state in terms of quality and production.

SPENT WASH ZERO LIQUID DISCHARGE (ZLD) PROJECT

Our molasses based distillery unit was established in the year 1976 with an installed capacity 35 KLPD. After that in the year 2012-13 Management has up-grade distillery unit capacity upto 45 KLPD. It is batch fermentation and atmospheric distillation system. The raw spent wash generation from atmospheric distillation is around 500m³/day (5.00 lakh ltrs.) For the treatment of spent wash in the existing distillery Karkhana has adopted bio-methanization followed by bio-composting system. For composting there is lack of pressmud in offseason upto 5 to 6 months due to which it is difficult to run distillery throughout year.

As per directions given by Ministry of Environment & Forest, New Delhi and Pollution Control Board to reduce spent wash generation and for effective treatment of spent wash our Management has decided to up-grade its existing effluent treatment system by installing Multiple Effect Evaporator Plant (MEE) to concentrate spent wash followed by Incineration Boiler for achieving Zero Liquid Discharge”.

The Management has also decided to install TG Set for electricity generation which will be used for distillery and exhaust system from TG Set will be used for distillery and evaporation plant. Incineration Boiler having capacity 15 M.T. and Turbine having capacity 1.5 M.V. The Management has also decided to installed Condensate Polishing Unit (CPU) for treatment of Evaporation process condensate and spent lees. After treatment in CPU treated water will reused for Distillery Cooling Tower makeup or for fermentation process. In this way distillery will able to achieve “Zero Liquid Discharge”.





- संगणक -





आपले कारखान्याने ऑफिस कामकाज सुरळीतपणे पार पाडणेकामी सन १९९२ पासून संगणकीकरणास सुरुवात केलेली आहे. यामध्ये ठराविक विभागाचे बॅच पध्दतीने संगणकीकरण केलेले होते. यामध्ये संगणक विभागातील कर्मचा-यांनी फॉक्सप्रो डेटा बेस वापरून संगणक प्रणाली विकसित करून अनेक विभागांचे कामकाज सुरु केलेले होते. फॉक्सप्रो डेटा बेस मध्ये काही मर्यादा असलेमुळे सन २००२ पासून आपले कारखान्याने वसंतदादा शुगर इन्स्टिट्युट, पुणे यांचेकडून ओरॅकल डेटाबेस वापरून ठराविक विभागाची संगणक प्रणाली विकसित करणेस सुरुवात केली. सन २०१०-२०११ पासून सर्व विभागांची एकमेकाशी सलग्न असणारी व्ही.एस.आय. शुगर ईआरपी संगणक प्रणालीचे काम सुरु करून सन २०१६-२०१७ पर्यंत बहुतांशी काम पूर्ण झालेले आहे. यामध्ये आपले सर्व ऑफिस मधील संगणक हे ऑप्टिकल फायबर व कॅट-६ केबल वापरून मुख्य संगणकाशी(सर्व्हर) नेटवर्क द्वारे जोडलेले आहेत. आपले कारखान्याने लीज लाईनद्वारे इंटरनेटची सुविधा दिलेली आहे.

आपण वापरत असलेल्या संगणक ई.आर.पी. सिस्टीममुळे विविध विभागांची कामे वेळेत व बिनचुक केली जातात. तसेच संगणक नेटवर्कींगमध्ये असलेमुळे डेटा एन्ट्री डुप्लीकेशन होत नाही. संगणकाद्वारे शेतकी ऊस तोडणी प्रोग्राम आपण ऊस परिपक्वता दिनांक व ऊसाचा ब्रीक्स नुसार क्रमवारी केल्यामुळे आपले कारखान्याची रिकव्हरी वाढणेस व ऊस व्यवस्थापनास मदत झालेली आहे. आपले कारखान्याने ऊस वजन काटा संगणकीय केलेला आहे. संगणकाने दिलेले ऊसाचे वजन ऊस वजन स्लीपवर संगणकाद्वारे छापले जाते व डिस्प्लेवरही दिसले जाते. त्यामुळे ऊसाचे अचुक वजन होते, त्यामुळे ऊस वजनात पारदर्शकता आलेली आहे. आपले कारखान्याने कर्मचा-यांच्या हजेरीकामी बायोमेट्रीक अटेंडन्स सिस्टीमचा अवलंब केलेला आहे. कर्मचा-यांचा देय पगार पेन ड्राईव्ह मध्ये सॉफ्टकॉपी घेऊन बँकेत हार्ड कॉपीसह वर्ग केला जातो त्यामुळे बँकेत ५ ते १० मिनिटात पोस्टींग घेतले जाते, त्यामुळे बँकेचे कामकाजाचा वेळ वाचलेला आहे.

सन २०१७-२०१८ पासून कारखान्याने ऊस उत्पादक शेतक-यांना त्यांचे होणारे दैनंदिन ऊसाचे वजन व ऊस पेमेंट एस.एम.एस.द्वारे पाठविणेची सुविधा केलेली आहे. तसेच सन २०१८-२०१९ मध्ये कारखान्याने आधुनिक पध्दतीची karmaveerkalesugar.com या नावाने वेबसाईट तयार केली असून ऊस उत्पादक शेतक-यांना त्यांचे ऊसाची नोंद, दैनंदिन ऊस गाळप माहिती उपलब्ध करून दिली आहे. तसेच ऊस उत्पादक शेतक-यांना त्यांचे होणारे ऊस पेमेंटची वैयक्तिक माहिती ओ.टी.पी. द्वारे सुरक्षित पध्दतीने उपलब्ध करून दिलेली आहे. तसेच सदर वेबसाईटवर कारखाना, उपपदार्थ विभागांची व संलग्न संस्थेची अद्यावत माहिती उपलब्ध करून दिलेली आहे.

आपले कारखान्याने पुढील विभागांचे संगणक ई.आर.पी.सिस्टीम प्रणाली वापरून कामकाज सुरु केलेले आहे. १) सभासद शेअर्स विभाग २) शेतकी विभाग ३)ऊस विकास विभाग ४)वजन काटा विभाग ५) केन विभाग ६) सभासद बिगर सभासद ठेव विभाग ७) ऊस तोडणी व वहातूक विभाग ८) साखर विक्री विभाग ९) मॅन्युफॅक्चरींग विभाग १०) फायनान्स विभाग ११)जनरल स्टोअर्स विभाग १२) परचेस विभाग १३) स्टोअर अकौंटिंग विभाग १४) मुदत ठेव विभाग १५)लेबर व टाईम ऑफिस विभाग १६)शुगर गोडाऊन विभाग १७) पेट्रोल पंप विभाग.

तसेच डिस्टीलरी डिव्हिजनचे १)फायनान्स विभाग २)जनरल स्टोअर्स विभाग ३) परचेस विभाग ४) स्टोअर अकौंटिंग विभाग ५) स्पिरीट विक्री विभाग ६)देशी मद्य विभाग ७) लेबर व टाईम ऑफिस संगणकीकृत केलेले आहे.

यामुळे आपले कारखान्याच्या कामकाजात सुसुत्रता आली असून वेळेची फार मोठी बचत होते व डेटाबेस संगणकावर उपलब्ध असलेमुळे हवी ती माहिती त्वरीत उपलब्ध होते. तसेच सर्व विभागांचे संगणकीकरण झाले असलेमुळे कर्मचा-यांच्या संख्येत मोठी बचत झालेली आहे.

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(Handwritten signature)





कर्मवीर शंकरराव काळे सहकारी साखर कारखाना लि., गौतमनगर
पो. कोळपेवाडी, ता. कोपरगांव, जि.अहमदनगर

कारखाना स्थापनेपासून मा.चेअरमन

अ.नं.	↑↓ चेअरमन पद भूषविलेल्या मान्यवरांची नांवे	↑↓ कालावधी पासून	↑↓ कालावधी पर्यंत
१	श्री.व्ही.पी.वर्दे	७/१०/१९५३	१७/९/१९५८
२	कॅप्टन श्री.भास्करराव चिमाजी गरुड	१९/१२/१९५८	२५/९/१९५९
३	श्री.मुरलीधर रायाजी लोणारी	२६/९/१९५९	२३/११/१९५९
४	श्री.शंकरराव गेणुजी कोल्हे	२४/११/१९५९	५/१/१९६१
५	श्री.शंकरराव देवराम काळे	६/१/१९६१	१३/१/१९६३
६	कॅप्टन श्री.भास्करराव चिमाजी गरुड	१३/१/१९६३	१६/१/१९६४
७	श्री.शंकरराव देवराम काळे	१६/१/१९६४	६/१/१९६५
८	श्री.शंकरराव देवराम काळे	६/१/१९६५	२६/१२/१९६५
९	श्री.शंकरराव देवराम काळे	२६/१२/१९६५	९/१/१९६७
१०	श्री.शंकरराव देवराम काळे	९/१/१९६७	१३/१/१९६८
११	श्री.शंकरराव देवराम काळे	१३/१/१९६८	११/१/१९६९
१२	श्री.शंकरराव देवराम काळे	११/१/१९६९	२४/१२/१९६९
१३	श्री.शंकरराव देवराम काळे	२४/१२/१९६९	१०/१/१९७१
१४	श्री.शंकरराव देवराम काळे	१०/१/१९७१	३०/१/१९७२
१५	श्री.शंकरराव देवराम काळे	३०/१/१९७२	२०/२/१९७३
१६	श्री.शंकरराव देवराम काळे	२०/२/१९७३	२/१२/१९७३
१७	श्री.शंकरराव देवराम काळे	२/१२/१९७३	२३/२/१९७५
१८	श्री.शंकरराव देवराम काळे	२३/२/१९७५	२५/२/१९७६
१९	श्री.शंकरराव देवराम काळे	२५/२/१९७६	१९/११/१९७८
२०	श्री.सहादु यशवंत ऊर्फ म्हाळु पा.आढाव	२/१२/१९७८	५/४/१९८०
२१	श्री.पंडीतराव गंगाधर जाधव	५/४/१९८०	१५/९/१९८१
२२	श्री.पंडीतराव गंगाधर जाधव	१६/९/१९८१	१४/६/१९८४
२३	श्री.शंकरराव देवराम काळे	१५/६/१९८४	११/६/१९८९



२६	श्री.भागवतराव रेवजी घुमरे	२८/८/१९९५	४/९/१९९६
२७	श्री.अशोकराव शंकरराव काळे	३/१०/१९९६	२३/५/१९९९
२८	श्री.शंकरराव देवराम काळे	२४/५/१९९९	२३/२/२००६
२९	श्री.अशोकराव शंकरराव काळे	२४/२/२००६	३/३/२०११
३०	श्री.अशोकराव शंकरराव काळे	३/३/२०११	२१/३/२०१६
३१	श्री.आशुतोष अशोकराव काळे	२१/३/२०१६	आजपर्यंत

कारखाना स्थापनेपासून मा. व्हाईस चेअरमन

अ.नं.	↑↓ मा.व्हाईस चेअरमन पद भूषविलेल्या मान्यवरांची नांवे	↑↓ कालावधी पासून	↑↓ कालावधी प
१	श्री.गणपतराव रभाजी औताडे	७/१०/१९५३	१२/१०/१९५६
२	कॅप्टन श्री.भास्करराव चिमाजी गरुड	६/२/१९५८	१/११/१९५८
३	श्री.मुरलीधर रायाजी लोणारी	१९/१२/१९५८	२५/९/१९५९
४	श्री.रघुनाथराव हनुमंतराव गिरमे	२९/२/१९६०	३/७/१९६२
५	श्री.रघुनाथराव शंकरराव देवकर	८/४/१९६३	१६/१/१९६४
६	श्री.बबनराव मारुतराव पांढरे	१६/१/१९६४	२६/१२/१९६५
७	श्री.प्रभाकरराव सोपानराव ससाणे	१०/४/१९६६	२३/११/१९६७
८	श्री.आप्पासाहेब भिकाजी होन	२३/२/१९६८	११/१/१९६९
९	श्री.चांगदेवराव गणपतराव औताडे	११/१/१९६९	२२/११/१९६९
१०	श्री.कृष्णराव सोपानराव बोरावके	२४/१२/१९६९	१०/१/१९७१
११	श्री.पंडीतराव गंगाधर जाधव	१०/१/१९७१	३०/१/१९७२
१२	श्री.जयवंतराव मलुजी शिंदे	३०/१/१९७२	२०/२/१९७३
१३	श्री.सहादु यशवंत ऊर्फ म्हाळु पा.आढाव	२०/२/१९७३	२/१२/१९७३
१४	श्री.रघुनाथराव संभूजी बनकर	२/१२/१९७३	२३/१२/१९७५
१५	श्री.साहेबराव कारभारी चांदगुडे	२३/२/१९७५	२५/२/१९७६
१६	श्री.आप्पासाहेब भिकाजी होन	२५/२/१९७६	१०/४/१९७७



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१९	श्री.सुधाकरराव रखमाजी आवारे	२/१२/१९७८	५/४/१९८०
२०	श्री.सहादु यशवंत ऊर्फ म्हाळु पा.आढाव	५/४/१९८०	३/९/१९८१
२१	श्री.शिवाजीराव सोपानराव ससाणे	१६/९/१९८१	२७/९/१९८२
२२	श्री.दिनकरराव वामराव शिलेदार	२७/९/१९८२	११/१०/१९८३
२३	श्री.शिवाजीराव देवराम परजणे	११/१०/१९८३	५/६/१९८४
२४	श्री.रखमाजी मुरलीधर सुराळकर	१५/६/१९८४	२२/६/१९८५
२५	श्री.आप्पासाहेब भिकाजी होन	२२/६/१९८५	४/७/१९८६
२६	श्री.माधवराव कचेश्वर आढाव	४/७/१९८६	१०/७/१९८७
२७	श्री.विठ्ठलराव ठमाजी माळी	१०/७/१९८७	२८/६/१९८८
२८	श्री.रामचंद्र आबासाहेब बारहाते	२८/६/१९८८	१२/६/१९८९
२९	श्री.बाळासाहेब कचरु कदम	१२/६/१९८९	१९/६/१९९०
३०	श्री.कोंडाजी तात्याबा दहे	१९/६/१९९०	१७/११/१९९०
३१	अॅड.श्री. लक्ष्मणराव जयवंतराव शिंदे	२३/१/१९९१	१७/८/१९९१
३२	श्री.माधवराव बारकुजी शिंदे	१७/८/१९९१	१/८/१९९२
३३	श्री.छबुराव फक्कडराव आव्हाड	१/८/१९९२	२५/६/१९९३
३४	श्री.भागवतराव रेवजी घुमरे	२५/६/१९९३	२६/६/१९९४
३५	श्री.बलदेवराव सोपानराव बोरावके	२७/६/१९९४	१९/७/१९९५
३६	श्री.नारायणराव बारकुजी मांजरे	२८/८/१९९५	४/९/१९९६
३७	श्री.आप्पासाहेब भिकाजी होन	३/१०/१९९६	९/१०/१९९७
३८	श्री.सुधाकरराव रखमाजी आवारे	१०/१०/१९९७	७/१०/१९९८
३९	श्री.छबुराव फक्कडराव आव्हाड	८/१०/१९९८	२३/५/१९९९
४०	श्री.बाळासाहेब कचरु कदम	२४/५/१९९९	१४/७/२०००
४१	अॅड.श्री. लक्ष्मणराव जयवंतराव शिंदे	१५/७/२०००	२६/७/२००१
४२	श्री.बाबासाहेब रामचंद्र परजणे	२६/७/२००१	२१/९/२००२
४३	श्री.एकनाथराव माधवराव घुले	२१/९/२००२	२४/८/२००३
४४	श्री.मच्छिंद्र तुकाराम रोहमारे	२५/८/२००३	२/८/२००४
४५	श्री.बबनराव भिमाजी कोळपे	३/८/२००४	२३/२/२००६
४६	श्री.विश्वासराव लक्ष्मणराव आहेर	२४/२/२००६	५/७/२००७



४९	श्री.काकासाहेब रायभान जावळे	२५/७/२००९	३/३/२०११
५०	श्री.ज्ञानदेव दगु मांजरे	३/३/२०११	२१/७/२०१२

कारखाना स्थापनेपासून मा. व्हाईस चेअरमन

अ.नं.	↑↓ मा.व्हाईस चेअरमन पद भूषविलेल्या मान्यवरांची नांवे	↑↓ कालावधी पासून	↑↓ कालावधी प
५१	श्री.राजेंद्र केशवराव गिरमे	२१/७/२०१२	९/९/२०१३
५२	श्री.बाळासाहेब आप्पासाहेब बारहाते	९/९/२०१३	२९/११/२०१४
५३	श्री.आनंदा गहिणाजी चव्हाण	२९/११/२०१४	२१/३/२०१६
५४	श्री.सचिन रामराव रोहमारे	२१/३/२०१६	२३/६/२०१७
५५	श्री.सुर्यभान बबनराव कोळपे	२३/६/२०१७	२९/६/२०१८
५६	श्री.सुनिल कारभारी शिंदे	२९/६/२०१८	२५/०७/२०१९
५७	श्री.पदमकांत शंकरराव कुदळे	२५/०७/२०१९	०७/०८/२०२०
५८	श्री. सुधाकर कोंडजी रोहम	०८/०८/२०२०	२१/०७/२०२२
५९	श्री. दिलीपराव आनंदराव बोरनारे	२१/०७/२०२२	२१/०८/२०२३
६०	मा.डॉ. मच्छिंद्र रंगनाथ बर्डे	२२/०८/२०२३	१३/०८/२०२४
६१	मा.शंकर गहिनाजी चव्हाण	१४/०८/२०२४	आजपर्यंत

कारखाना स्थापनेपासून मा. कार्यकारी संचालक

अ.नं.	↑↓ मा.कार्यकारी संचालक पद भूषविलेल्या मान्यवरांची नांवे	↑↓ कालावधी पासून	↑↓ कालावधी प
१	मेजर श्री.गुलाबराव बापुसाहेब देशमुख	०१/०६/१९५६	१६/११/१९५८
२	लेफ्टनंट कर्नल श्री. वि.भा. जाधव	१७/११/१९५८	३०/०९/१९५९
३	श्री.जी.डी. पारीख	१५/०१/१९६०	०५/०१/१९६१
४	श्री.शंकरराव गेणुजी कोल्हे	०६/०१/१९६१	०३/११/१९६१
५	श्री.शंकररावजी देवराम काळे साहेब (मा.चेअरमन व मा.कार्यकारी संचालक)	४/११/१९६१	७/११/१९६२



कर्मवीर शंकरराव काळे सहकारी साखर कारखाना लि., गौतमनगर



७	श्री.बबनराव मारुती पांढरे (मा.व्हाईस चेअरमन व मा.कार्यकारी संचालक)	१६/१/१९६४	३१/५/१९६५
८	श्री.कृष्णराव बापुसाहेब जितकर	०१/०६/१९६५	३०/०९/१९६७
९	श्री.रामचंद्र देवराम होळकर	०१/०१/१९६८	०९/०७/१९७५
१०	श्री.सुरेंद्र बळवंतराव चौगुले	१६/१०/१९७५	३०/११/१९७७
११	श्री.चांगदेव सखाराम मुजगुले	०२/०१/१९७८	२३/०६/१९८४
१२	श्री.गजेंद्र गणपत काकडे	२४/०६/१९८४	०८/०५/२००१
१३	श्री.गिरीश जगन्नाथ जगताप	०९/०५/२००१	२७/१२/२०२१
१४	श्री.सुनिल सर्जेराव कोल्हे	०३/०१/२०२२	आजपर्यंत

Karamveer Shankarrao Kale Sahakari Sakhar Karkhana Ltd. Gautamnagar
Post Kolpewadi, Taluka Kopargaon, District Ahmednagar

List of Chairpersons Since Inception

S. No.	Name of Chairperson	From Date	To Date
1	Shri G. G. P. Vade	07/10/1953	17/09/1958
2	Captain Bhaskarrao Chimaji Garud	19/12/1958	25/09/1959
3	Shri Murlidhar Rayaji Lonari	26/09/1959	23/11/1959
4	Shri Shankarrao Genooji Kole	24/11/1959	05/01/1961
5	Shri Shankarrao Deoram Kale	06/01/1961	13/01/1963
6	Captain Bhaskarrao Chimaji Garud	13/01/1963	16/01/1964
7-23	Shri Shankarrao Deoram Kale (Multiple terms continuously from 16/01/1964 to 11/06/1989)		
24	Shri Shankarrao Deoram Kale	12/06/1989	26/06/1994
25	Shri Ashokrao Shankarrao Kale	27/06/1994	19/07/1995
26	Shri Bhagwantrao Reoji Ghumare	28/08/1995	04/09/1996
27	Shri Ashokrao Shankarrao Kale	03/10/1996	23/05/1999
28	Shri Shankarrao Deoram Kale	24/05/1999	23/02/2006
29-30	Shri Ashokrao Shankarrao Kale	24/02/2006	21/03/2016
31	Shri Ashutosh Ashokrao Kale	21/03/2016	Present

List of Vice-Chairpersons Since Inception

S. No.	Name of Vice-Chairperson	From Date	To Date
1	Shri Ganpatrao Rabhaji Autade	07/10/1953	12/10/1956
2	Captain Bhaskarrao Chimaji Garud	06/02/1958	01/11/1958
3	Shri Murlidhar Rayaji Lonari	19/12/1958	25/09/1959

S. No.	Name of Vice-Chairperson	From Date	To Date
...			
(Note: Numerous individuals held this role. Some entries include:)			
13	Shri Sahadu Yashwant a.k.a. Bhalu P.A. Aadhav	20/02/1973	02/12/1973
18	Shri Sudhakar Rao Rakhmaji Avare	02/12/1978	05/04/1980
23	Shivajirao Deoram Parjane	11/10/1983	05/06/1984
34	Bhagwantrao Reoji Ghumare	25/06/1993	26/06/1994
41	Adv. Laxmanrao Jaywantrao Shinde	15/07/2000	26/07/2001
50	Dnyandev Dagu Manjare	03/03/2011	21/07/2012
...			
60	Dr. Mandar Ranganath Badhe	22/08/2023	13/08/2024
61	Shankar Gihanaji Chavan	14/08/2024	Present

List of Managing Directors Since Inception

S. No.	Name of Managing Director	From Date	To Date
1	Major Gulabrao Bapusaheb Deshmukh	01/06/1956	16/11/1958
2	Lt. Col. V. B. Jadhav	17/11/1958	30/09/1959
3	G.D. Parikh	15/01/1960	05/01/1961
4	Shankarrao Genooji Kole	06/01/1961	03/11/1961
5	Shankarrao Deoram Kale (also Chairperson)	04/11/1961	07/11/1962
6	Captain Bhaskarrao Chimaji Garud (also Chairperson)	08/11/1962	15/01/1964
7	Babanrao Maruti Pandhare (also Vice-Chairperson)	16/01/1964	31/05/1965
8	Krishnarao Bapusaheb Jitkar	01/06/1965	30/09/1967
9	Ramchandra Deoram Holkar	01/01/1968	09/07/1975
10	Surendra Balwantrao Chougule	16/10/1975	30/11/1977

S. No.	Name of Managing Director	From Date To Date
11	Changdev Sakharam Mujgule	02/01/1978 23/06/1984
12	Gajendra Ganpat Kakade	24/06/1984 08/05/2001
13	Girish Jagannath Jagtap	09/05/2001 27/12/2021
14	Sunil Sanjarrao Kole	03/01/2022 Present

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- विद्यमान संचालक मंडळ -

अ.नं.	↑↓	मा.संचालकांचे नाव	↑↓	पद	↑↓	गाव
१		मा.श्री. अशोकराव शंकरराव काळे,माजी आमदार बी.ए.,एम.बी.ए.		ज्येष्ठ संचालक		माहेगाव देशमुख
२		मा.श्री. आशुतोष अशोकराव काळे,बी.ई.(आय.टी.)एम.एस.(आय.एस.)		चेअरमन		माहेगाव देशमुख
३		मा.श्री.शंकर गहिनांजी चव्हाण		व्हा.चेअरमन		चांदेकसारे
४		मा.श्री. दिलीप आनंदराव बोरनारे		संचालक		संवत्सर
५		मा.श्री. सुर्यभान बबनराव कोळपे		संचालक		कोळपेवाडी
६		मा.श्री. सुधाकर कोंडाजी रोहोम		संचालक		कोकमठाण
७		मा.श्री. राजेंद्र भागवतराव घुमरे		संचालक		पाथरे
८		मा.श्री.सचिन दिलीप चांदगुडे		संचालक		चासनळी
९		मा.श्री.श्रीराम बळवंतराव राजेभोसले		संचालक		मंजुर
१०		मा. अॅड राहुल रमेश रोहमारे		संचालक		पोहेगाव
११		मा.श्री.प्रविण जगन्नाथ शिंदे		संचालक		पोहेगांव
१२		मा.डॉ. मच्छिंद्र रंगनाथ बर्डे		संचालक		चासनळी
१३		मा.श्री.अनिल बाळासाहेब कदम		संचालक		रवंदे
१४		मा.श्री.अशोक कोंडाजी मवाळ		संचालक		चोंढी
१५		मा.श्री.सुनिल शिवाजी मांजरे		संचालक		धामोरी
१६		मा.श्री. मनोज पुंडलिक जगझाप		संचालक		धामोरी
१७		मा.श्री.वसंत कचेश्वर आभाळे		सहकारी संस्था प्रतिनिधी		मढी खुर्द
१८		मा.सौ.वत्सलाबाई सुरेश जाधव		महिला प्रतिनिधी		भोजडे
१९		मा.सौ.इंदुबाई विष्णु शिंदे		महिला प्रतिनिधी		मुर्शतपुर
२०		मा.श्री.दिनार पद्माकांत कुदळे		इतर मागासवर्ग प्रतिनिधी		टाकळी
२१		मा.श्री.प्रशांत एकनाथराव घुले		भ.वि.जा.ज प्रतिनिधी		कुंभारी
२२		मा.श्री.श्रावण निवृत्ती आसणे		तज्ञ संचालक		ब्राह्मणगाव
२३		मा.श्री.गंगाधर गणपत औताडे		तज्ञ संचालक		पोहेगाव
२४		मा.श्री.सुनिल सर्जेराव कोल्हे		प्रभारी कार्यकारी संचालक		गौतमनगर

Present Managing Committee

Sr. No.	Name	Designation	Village
1	Hon. Shri Ashokrao Shankarrao Kale, Former MLA, B.A., M.B.A.	Senior Director	Mahegaon Deshmukh
2	Hon. Shri Ashutosh Ashokrao Kale, B.E. (IT), M.S. (IS)	Chairman	Mahegaon Deshmukh
3	Hon. Shri Shankar Gihunaji Chavan	Vice Chairman	Chandeksare
4	Hon. Shri Dilip Anandrao Bornare	Director	Samvatsar
5	Hon. Shri Suyogbhan Babanrao Kolpe	Director	Kolpewadi
6	Hon. Shri Sudhakar Kodanji Rohom	Director	Kokamthan
7	Hon. Shri Rajendra Bhagwantrao Ghumare	Director	Pathare
8	Hon. Shri Sachin Dilip Chandgude	Director	Chasnali
9	Hon. Shri Shriram Balwantrao Rajebhosale	Director	Manjur
10	Hon. Adv. Rahul Ramesh Rohamare	Director	Pohegaon
11	Hon. Shri Pravin Jagannath Shinde	Director	Pohegaon
12	Hon. Dr. Mandar Ranganath Badhe	Director	Chasnali
13	Hon. Shri Anil Balasaheb Kadam	Director	Ravande
14	Hon. Shri Ashok Kodanji Maval	Director	Chodani
15	Hon. Shri Sunil Shivaji Manjare	Director	Dhamori
16	Hon. Shri Manoj Pundlik Jagjhap	Director	Dhamori
17	Hon. Shri Vasant Kacheshwar Abhale	Cooperative Society Representative	Madhi Khurd
18	Hon. Mrs. Vatsalabai Suresh Jadhav	Women's Representative	Bhojde
19	Hon. Mrs. Indubai Vishnu Shinde	Women's Representative	Mushatpur

Sr. No.	Name	Designation	Village
20	Hon. Shri Dinar Padmakant Kudale	Other Backward Classes Representative	Takli
21	Hon. Shri Prashant Eknathrao Ghule	Scheduled Castes & Tribes Representative	Kumbhari
22	Hon. Shri Pravin Nivrutti Asane	Expert Director	Brahmangaon
23	Hon. Shri Gangadhar Ganpat Autade	Expert Director	Pohegaon
24	Hon. Shri Sunil Sanjarrao Kolhe	Acting Managing Director	Gautamnagar

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PETITIONER:
DELHI DEVELOPMENT AUTHORITY

Vs.

RESPONDENT:
SKIPPER CONSTRUCTION COMPANY(P) LTD. & ANOTHER

DATE OF JUDGMENT: 06/05/1996

BENCH:
JEEVAN REDDY, B.P. (J)
BENCH:
JEEVAN REDDY, B.P. (J)
PARIPOORNAN, K.S.(J)

CITATION:
1996 AIR 2005 1996 SCC (4) 622
JT 1996 (4) 679 1996 SCALE (4)202

ACT:

HEADNOTE:

JUDGMENT:

J U D G M E N T

B.P. JEEVAN REDDY, J.

A plot of land was put to auction by the Delhi Development Authority [D.D.A.] in October 1980. Skipper Construction Company [Skipper] offered the highest bid in A sum of Rs. 9.82 crores. It was supposed to be a record bid at that time. According to the conditions of auction, twenty five percent of the amount was payable immediately and the rest within ninety days. Skipper deposited the twenty five percent but did not deposit the balance. It asked for extension repeatedly and it was granted repeatedly. As many as seven extensions were granted spread over the period January, 1981 to April, 1982. Since Skipper failed to deposit the balance consideration even within the last extended period, proceedings were taken for cancelling the bid. Skipper went to Court and on May 29, 1992 obtained stay of cancellation*. D.D.A. applied for vacating the stay. Nothing happened but usual adjournments. Skipper was simultaneously making representations to D.D.A. to give him further time. In January 1983, D.D.A. constituted a committee to consider the request of Skipper and other similar requests and to devise a formula for ensuring timely payments by such purchasers. The committee reported that cancellation of bids in such matters usually land D.D.A. in protracted litigation and

*We are unable to see what jurisdiction or justification the court could have for passing such an order in an ordinary case of sale and purchase of property, more so when Skipper had failed to pay the balance consideration not only within the time stipulated but despite several extensions. suggested that to enable them to pay the monies due to D.D.A., the purchasers be given permission to commence development/construction on the plot [though possession as such be not delivered] subject to the condition that the

property in the land would remain with the D.D.A. until the entire consideration is paid; if the entire consideration is not paid according to the revised schedule, the D.D.A. should be entitled to re-enter the plot and take it over along with the construction, if any, made thereon. [The idea was to enable the purchasers to undertake development and go on with the construction which would make it easy for them to sell the space in the building being constructed and thus raise funds for paying to D.D.A.] The committee recommended further that a revised agreement be obtained from such purchasers incorporating the above terms. When called upon to execute the revised agreement, in 1984, Skipper raised all sorts of objections and executed it only in the year 1987. Even before permission to enter upon the plot and to make construction thereon was granted under the revised agreement, Skipper appears to have been selling the place in the proposed building to various persons and receiving monies. Once it got the permission to enter upon the plot and to make construction thereon, it became all the more easy for it to sell the space in the proposed building. It did not pay the first instalment under the revised agreement in time but only after some delay. It did not pay the second instalment. Bank guarantees furnished by it in terms of revised agreement were also found to be defective. Every time the D.D.A. thought of cancelling the agreement on account of the said defaults, an argument was put forward that it would cause great hardship to hundreds of persons who have purchased space in the proposed building and that they would be deprived of their hard-earned monies. Skipper has been making some small token payments from time to time meanwhile. While the endless correspondence and discussions were going on between Skipper and D.D.A., Skipper went to Delhi High Court by way of a writ petition, C.W.No.2371 of 1989, asking for a writ of mandamus to the D.D.A. to sanction the building plans or in the alternative to grant permission to him to start construction at his risk. On March 19, 1990, the High Court passed an order permitting Skipper to commence construction in accordance with the sanctioned plans subject to deposit of a sum of Rupees twenty lakhs in two instalments and Rs.1,94,40,000/- within one month. Against the said order, D.D.A. came to this Court by way of Special Leave Petitions (C) Nos. 6338 and 6339 of 1990. Meanwhile, Writ Petition (C) No.2871 of 1989 came up for final hearing on December 21,1990. The Delhi High Court made an order on that day directing Skipper to pay to D.D.A. a sum of Rs. 8,12,88,798/- within thirty days and to stop all further construction with effect from January 9, 1991 till the said payment was made. It was provided that in default of such payment, the licence [revised agreement dated August 11, 1987] would stand determined and D.D.A. would be entitled to re-enter the plot. Reasons for the order were given on January 14, 1991. Skipper failed to deposit the amount as per the direction of the High Court. It approached this Court by way of Special Leave Petition (C) No.196 of 1991. On January 29, 1991, this Court grantee an interim order subject to Skipper depositing Rs.2.5 crores within one month and another sum of Rs.2.5 crores before April 8, 1991. Skipper was expressly prohibited from inducting any person in the building and from creating any rights in favour of third parties. In spite of the said prohibitory orders from this Courts Skipper-issued an advertisement on February 4, 1991 in the leading newspapers of Delhi insisting persons to purchase the space in the proposed building. It published such, advertisements repeatedly. Special Leave Petition (C) No. 196 of 1991 was

ultimately dismissed on January 25, 1993, whereafter, D.D.A. re-entered the plot and took physical possession of property on February 10, 1993 along with the building thereon free from all encumbrances in terms of the revised agreement/licence and as provided in the orders of the Delhi High Court dated December 21, 1990/January 14, 1991. It also forfeited the amounts paid till then by Skipper in terms of the revised agreement and the said Judgment.

January 29, 1991 marks the watershed in these proceedings. Before the said date, Skipper had collected about Rupees fourteen crores from various parties agreeing to sell the space in the proposed building. Even after January 29, 1991, Skipper issued several advertisements and collected substantial amounts - Rupees eleven crores, according to its own version from various parties agreeing to sell the space in the said building. It appears that same space was sold to more than one person and monies collected. Not only did Skipper brazenly violate the orders of this Court dated January 29, 1991 by issuing advertisements, it also filed a suit in the Delhi High Court being Suit No.770 of 1993 seeking an injunction restraining the D.D.A. from interfering with its alleged title and possession over the plot and for a declaration that the re-entry by D.D.A. was illegal and void ! It also sought for a declaration that it has discharged all the amounts due to D.D.A. and that nothing was due from it. It obtained interim orders staying re-auction of the plot.

Against the interim order of the High Court staying the re-auction of the plot, D.D.A. approached this Court by way of Special Leave Petition (C) No.21000 of 1993. Noticing the conduct of Skipper, this Court initiated suo motu contempt proceedings against Tejwant Singh and his wife, Surinder Kaur, directors of Skipper. They were asked to explain (1) why did they institute Suit No.770 of 1993 in respect of the very same subject matter which was already adjudicated by this Court on January 23, 1993, i.e., by affirming the orders of the High Court dated December 21, 1990 and January 14, 1991 and (2) why did they enter into agreements for sale and create interest in the third parties in defiance of the orders of this Court dated January 29, 1991. After hearing the contemnors, this Court found them guilty of contempt of this Court in the following words:

"We, therefore, invoke our power under Article 129 read with Article 142 of the Constitution and order as follows: We sentence contemner-Respondent 1 is Tejwant Singh to undergo simple imprisonment for six months and to pay a fine of Rs.50,000 (Rupees fifty thousand only). We further sentence contemner respondent 2, Surinder Kaur to undergo simple imprisonment for a period of one month and to pay a fine of Rs.50,000 (Rupees fifty thousand only). In default of payment of fine, the contemnors shall further undergo simple imprisonment for one month. The payment of fine shall be made within one month from today.

All the properties and the bank accounts standing in the names of the contemnors and the Directors of M/S. Skipper Construction

Co.(Pvt.) Ltd. and their wives, sons and unmarried daughters will stand attached."

At that stage Sri C.Ramaswamys learned counsel appearing for the contemnors, requested for deferment of the sentence of imprisonment subject to conditions indicated by him. On the basis of the said offer, this Court deferred the sentence of imprisonment subject to the following conditions:

"(1). The contemnors shall furnish bank guarantee in favour of the Registrar General of this Court in the amount of Rs.11 crores (Rupees eleven crores only) on or before 31-3-1995. The guarantee will be of a nationalized bank or any foreign bank operating in India. The bank guarantee will be given for a period of one year from the date of furnishing the bank guarantee.

(2) The contemnors shall deposit the entire amount of Rs.11 crores by a bank draft in the Registry of this court on or before 30-11-1995. If they fail to do so the bank guarantee will become encashable and will be encashed forthwith after 30-11-1995.

(3) If the contemnors fail to give the bank guarantee by 31-3-1995 as aforesaid, the sentence of imprisonment will become enforceable at once.

(4) No application for extension of time either to furnish the bank guarantee or to make the payment as aforesaid, will be entertained by this Court.

(5) The contemnors shall not leave the country without the express permission of this Court.

(6) List of properties given by the contemnors is taken on record. The contemnors will also file a list of properties held by their sons and unmarried daughters within one week from today.

(7) If and when any property that is attached under this order is sought to be alienated or encumbered to raise money to pay the liability of Rs.11 crores stated above the contemnors will be at liberty to approach the Court for permission to do so.

(8) The attachment of the properties and the bank accounts shall stand raised on the contemnors furnishing the bank guarantee as aforesaid.

(9) The order with regard to the disbursal of the amount deposited will be passed after the amounts are deposited as aforesaid."

The contemnors deposited a sum of Rupees two crores but

failed to deposit the balance. They also failed to furnish the Bank guarantee. As a result of the said failure, they were committed to prison. Both the contemnors have served out their sentence.

Meanwhile, D.D.A. invited tenders for the sale of the said plot of land along with the construction raised thereupon. The highest offer received was in the sum of Rupees seventy crores from M/s. Banganga Investments. It was accepted with the permission of this Court. The consideration has been deposited with the D.D.A. and the property transferred in favour of the said purchaser. At this stage, the question arose as to what should be done with the hundreds of persons who have been duped and defrauded by Skipper and who had parted with substantial amounts on the basis of the fraudulent and false representations made by Skipper. This Court made a distinction between persons who purchased the space before January 29, 1991 and the persons who purchased the space thereafter. The first concern of this Court was to reimburse the persons who purchased space in the said building prior to January 29, 1991. Their claims were said to be in the region of Rupees fourteen crores. Accordingly, this Court directed D.D.A. to set apart a sum of Rupees sixteen crores [out of the said amount of Rupees seventy crores] and to make it available to such purchasers in accordance with the orders of this Court. This Court also requested Justice R.S.Lahoti of the Delhi High Court to act as a one-man Commission to prepare a list of persons who had paid the amounts prior to January 29, 1991 and to determine the amount paid by each of them. After an elaborate enquiry, Justice Lahoti Commission submitted a Report dated February 2, 1996 according to which a sum of Rupees 13,27,37,561.59 crores was paid by more than seven hundred persons. The Commission asked for directions of this Court whether the said persons should also be paid the interest in addition to the principal, as claimed by them. When the report of the Commission came up for orders before this Court, Be directed that for the time being only principal amount shall be paid to the said purchasers and that the balance amount along with interest accruing thereon shall be kept apart. This was done keeping in view the interests of post-January 29, 1991 purchasers. It is true that these persons did purchase notwithstanding the warning notice of D.D.A. but it is equally possible that many of them may have seen only the subsequent advertisements of Skipper and not the warning notice of D.D.A. published on February 13, 1991.

We may clarify that our order dated February 12, 1996 does not mean that the pre-January 29, 1991 are not entitled to interest on the amounts paid by them for which they have a legitimate claim. We have only kept that claim under consideration pending further developments in the matter.

We may also mention that this Court had appointed another Commission headed by Justice O.Chinnappa Reddy, a former Judge of this Courts to enquire into the role played by the officials of the D. in the matter and to recommend appropriate action against them. Justice Chinnappa Reddy Commission submitted a Report promptly on July 7, 1995, after conducting a pain-staking and elaborate enquiry, on the basis of which this Court had directed disciplinary action to be taken against certain officers of the D.D.A.

At this stages several applications have been filed by the post-January 29 purchasers to sell the properties of Tejwant Singh, his wife and children, which were attached by this Court under its Order dated February 8, 1995 [in suo motu contempt proceedings] and utilise the proceeds so

realised to reimburse them along with interest and damages. Notice of the said applications was given to Tejwant Singh and Surinder Kaur and to the sons of the said persons whose properties were attached under the aforesaid orders. We have heard the parties at length on April 18, 1994.

S/Sri V.A.Bobde and Dushyant Dave, appearing for the claimants [post-January 29, 1991 purchasers] and Sri Arun Jaitley for the D.D.A. submitted that undergoing the sentence of imprisonment by Tejwant Singh and his wife Surinder Kaur does not erase their obligation to pay back the amounts to the said claimants whom they had deliberately and fraudulently induced into parting with substantial amounts in clear and direct violation of the orders of this Court. They submitted that the order of attachment of the properties of Tejwant Singh and his wife and children was an order independent from the order of punishment imposing sentence of imprisonment and that the attachment was meant for realizing amounts necessary for reimbursing the persons defrauded. The attached properties should now be sold and the proceedings therefrom utilised for paying the post-January 29, 1991 claimants, it is submitted. Sri Arun Jaitley further submitted that the claim of the pre-January 29, 1991 purchasers for interest on the amounts paid by them is still there and has to be kept in mind while passing orders in these applications. It is submitted that the contemnors should not be allowed to keep or enjoy the fruits of their contempt and that until all the persons defrauded by Skipper are fully re-compensated, the contemnor's liability does not cease.

S/Sri Harish Salve and Rajeev Dhavan, appearing for Tejwant Singh and Surinder Kaur respectively, took the stand that while all the purchasers, whether pre- or post-January 29, 1991 should undoubtedly be duly reimbursed, the monies for that purpose should come out of the monies collected by the D.D.A. on account of the said plot. Interests of justice and considerations of equity, which are the guiding factors for this Court while acting under Article 142 of the Constitution call for such a direction. They submitted that as against Rs.9.82 crores payable to D.D.A., Skipper has paid more than Rupees fifteen crores in all to D.D.A. The amounts received from the purchasers has actually been utilised for raising the construction which has now vested in the D.D.A. in terms of the orders of the Delhi High Court dated December 21, 1990/January 14, 1991. D.D.A. thus not only got back the plot of the land but also the construction made by Skipper free of any encumbrances. They have realised a sum of Rupees seventy crores by selling the same. In other words, D.D.A. has realised a total of Rupees eighty five crores on account of the said plot. It is true that they have set apart Rupees sixteen crores out of that but yet they are in possession of about Rupees sixty nine crores of the said money. The claim of post-January 29, 1991 purchasers is in a sum of about Rupees eleven crores. An amount of Rupees five crores is lying with the Court. Whatever balance amount is required to pay interest to pre-January 29, 1991 purchasers and to pay off the post-January 29, 1991 purchasers should come out of the said amount of Rupees sixty nine crores now with D.D.A. Learned counsel submitted that on account of various proceedings taken against Skipper and their directors and the attachment of their properties and the adverse publicity in, that behalf, it has become impossible for them to generate any monies for depositing in this Court. They requested that a Commission be appointed to determine the value of the structure raised by Skipper on the said plot and also to determine the amount

received by Skipper from post-January 29, 1991 purchasers and to direct that the amount required to pay them should come out of the funds with the D.D.A.

Sri K.Madhav Reddy, learned counsel appearing for the two sons of Tejwant Singh and Surinder Kour [Prabhjot Singh and Prabhjit Singh], submitted that the businesses of the sons are independent and distinct from their parents and that none of the monies received by their parents from the aforesaid purchasers has been diverted to them or to the companies of which they are directors. In facts the case of the third respondents Prabhjot Singh, is that he has separated from his father and that the company Technological Park (P) Limited, at NOIDA [of which he and his wife are directors] has nothing to do with the funds or activities of their parent.. The fourth respondent. Prabhjit Singh, also submitted that he and his wife are the directors of TeJ Properties Private Limited, of which his parents were directors earlier but that the affairs of Tej Properties are in no way connected with the affairs and funds of his parents. He is a director of Tej Properties as well as Skipper Properties Private Limited.

D.D.A. has filed a list of properties held by Tejwant Singh, his wife, Surinder Kaur and their sons and daughters which according to them really belong to and are the properties of Tejwant Singh and his wife. They submitted that the various companies created by Tejwant Singh, his wife and his children are merely fronts and devices to defraud and defeat the claims of the purchasers and that for doing complete Justice between the parties the corporate veil should be lifted and all the said properties which have already been attached, should be proceeded with to realise the amounts necessary for paying the pre-January 29, 1991 purchasers in full [i e., interest] and also the post-January 29, 1991 purchasers. In particular! Sri Jaitley has pointed out the transaction of lease relating to he property at No.3, Aurangzeb Road, New Delhi. The facts brought to our notice are the following on October 1,1993 Tej Properties (P) Limited through its Chairman and Managing Directors Tejwant Singh, executed a lease agreement in favour of "Maple Leaf Trading Company Limited, a company having its office at 111, Charemont Roads Dublin, Ireland" for a period of five years [with an option to the lease to have it extended for another four years] at a rent of Rupees one lakh per month. The lease agreement was to take effect from October 8, 1993. On October 8, 1993, Maple Leaf executed a lease deed in respect of the said property in favour of the Embassy of Israel in India, New Delhi for a period of nine years at the rate of Rs.8,78,360/- per month. It is pointed out that Tejwant Singh and his wife, Surinder Kaur, were the only two directors of Tej Properties and that in 1988 and 19 one H.S.Sarna and Prabhjit Singh [one of the sons of Tejwant Singh] were brought in as its directors. It is submitted that this property really belongs to the contemnors and that this property alone is sufficient to realise all the monies due to the persons defrauded by the said contemnors.

The issues arising from the contentions of the parties are considered hereinafter topic-wise.

The nature and ambit of this court's power under Article the 142 of the constitution.

Article 142(1) of the Constitution of India reads:

"142 Enforcement of decrees and orders of Supreme Court and orders as to discovery, etc.---(1) The Supreme Court in the exercise of

its jurisdiction may pass such decree or make such order as is necessary for doing complete justice in any cause or matter pending before it, and any decree so passed or order so made shall be enforceable throughout the territory of India in such manner as may be prescribed by or under any law made by Parliament and, until provision in that behalf is so made, in such manner as the President may by order prescribe."

In re: Vinay Chandra Mishra [1995 (2) S.C.C.584], this Court dealt with the scope and width of the power of this Court under Article 142. After referring to the earlier decisions of the Court in extenso, it is held that "statutory provisions cannot override the constitutional provisions and Article 142(1) being a constitutional power it cannot be limited or conditioned by any statutory provision. [Para 48]". It is also held that "the jurisdiction and powers of this Court under Article 142 are supplementary in nature and are provided to do complete justice in any matter....". In other words, the power under Article 142 is meant to supplement the existing legal framework - to do complete justice between the parties - and not to supplant it. It is conceived to meet situations which cannot be effectively and appropriately tackled by the existing provisions of law. As a matter of fact, we think it advisable to leave this power undefined and uncatalogued so that it remains elastic enough to be moulded to suit the given situation. The very fact that this power is conferred only upon this Court, and on no one else, is itself an assurance that it will be used with due restraint and circumspection, keeping in view the ultimate object of doing complete justice between the parties. Now, coming to the facts of the case before us, the question is not what can be done, but what should be done? We are of the opinion that even while acting under Article 142 of the Constitution of India, we ought not to re-open the orders and decisions of the Courts which have become final. We do not think that for doing complete justice between the parties before us, it is necessary to resort to this extra-ordinary step. We are saying this in view of the contention urged by S/Sri Salve and Dhavan that since the D.D.A. has taken over not only the plot but also the construction raised by Skipper thereon [free from all encumbrances] in addition to the sum of Rs.15.89 crores [said to have been paid by Skipper towards the sale consideration of the said plot], the monies required for paying the persons defrauded should come out of the kitty of D.D.A. It must be remembered that the plot, the construction raised thereon and the monies already paid towards the sale consideration of the said plot have all vested absolutely in the D.D.A. free from all encumbrances under and by virtue of the decision of the Delhi High Court dated December 21, 1990/January 14, 1991, which decision has indeed been affirmed by this Court by dismissing the Special Leave Petition preferred against it. It may not be open to us to ignore the said decisions and orders, including the orders of this Court, and/or to go behind those decisions/orders and say that the amount received by D.D.A. toward, sale consideration from Skipper or the value of the construction raised by Skipper on the said plot should be made available for paying out the persons defrauded by Skipper. We must treat those decisions and orders as final

and yet devise ways and means of doing complete justice between the parties before us.

"The contemnor should not be allowed to enjoy or retain the fruits of his contempt":

The principle that a contemnor ought not to be permitted to enjoy and/or keep the fruits of his contempt is well-settled. In Mohd. Idris v. R.J. Babuji [1985 (1) S.C.R.598], this Court held clearly that undergoing the punishment for contempt does not mean that the Court is not entitled to give appropriate directions for remedying and rectifying the things done in violation of its Orders. The petitioners therein had given an undertaking to the Bombay High Court. They acted in breach of it. A learned Single Judge held them guilty of contempt and imposed a sentence of one month's imprisonment. In addition thereto, the learned Single Judge made appropriate directions to remedy the breach of undertaking. It was contended before this Court that the learned Judge was not justified in giving the aforesaid directions to in addition to punishing the petitioners for contempt of court. The argument was rejected holding that "the Single Judge was quite right in giving appropriate directions to close the breach [of undertaking]".

The above principle has been applied even in the case of violation of orders of injunction issued by Civil Courts. In Clarke v. Chadburn [1985 (1) All.E.R. 211], Sir Robert Megarry V-C observed:

"I need not cite authority for the proposition that it is of high importance that orders of the court should be obeyed. Willful disobedience to an order of the court is punishable as a contempt of court, and I feel no doubt that such disobedience may properly be described as being illegal. If by such disobedience the persons enjoined claim that they have validly effected some charge in the rights and liabilities of others, I cannot see why it should be said that although they are liable to penalties for contempt of court for doing what they did, nevertheless those acts were validly done. Of course, if an act is done, it is not undone merely by pointing out that it was done in breach of law. If a meeting is held in breach of an injunction, it cannot be said that the meeting has not been held. But the legal consequences of what has been done in breach of the law may plainly be very much affected by the illegality. It seems to me on principle that those who defy a prohibition ought not to be able to claim that the fruits of their defiance are good, and not tainted by the illegality that produced them."

To the same effect are the decisions of the Madras and Calcutta High Courts in Century Flour Mills Limited v. S. Suppiah & Ors. [A.I.R.1975 Madras 270] and Sujit Pal v.

Prabir Kumar Sun [A.I.R.1986 Calcutta 220]. In Century Flour Mill Limited, it was held by a Full Bench of the Madras High Court that where an act is done in violation of an order of stay or injunction, it is the duty of the Court, as a policy, to set the wrong right and not allow the perpetuation of the wrong-doing. The inherent power of the Court, it was held, is not only available in such a case, but it is bound to be exercise it to undo the wrong in the interest of justice. That was a case where a meeting was held contrary to an order of injunction. The Court refused to recognize that the holding of the meeting is a legal one. It put back the parties in the same position as they stood immediately prior to the service of the interim order.

In Suraj Pal, a Division Bench of the Calcutta High Court has taken the same view. There, the defendant forcibly dispossessed the plaintiff in violation of the order of injunction and took possession of the property. The Court directed the restoration of possession to the plaintiff with the aid of police. The Court observed that no technicality can prevent the Court from doing justice in exercise of its inherent powers. It held that the object of Rule 2-A of Order 39 will be fulfilled only where such mandatory direction is given for restoration of possession to the aggrieved party. This was necessary, it observed, to prevent the abuse of process of law.

There is no doubt that this salutary rule has to be applied and given effect to by this Court, if necessary, by over-ruling any procedural or other-technical objections. Article 129- is a constitutional power and when exercised in tandem with Article 142, all such objections should give away. The Court must ensure full justice between the parties before it.

Claims of Prabhjot Singh and Prabhjit Singh [Sons of Tejwant Singh]:

Prabhjot Singh Sabharwal, third respondent, stated in his counter-affidavit filed in Interlocutory Application No.29 of 1996 that he is in no way concerned with the several companies pointed out by the D.D.A. [as belonging to Tejwant Singh and members of his family] and that he is interested only in one company, Technological Park Private Limited, NOIDA. He stated that he and his wife are the directors of thif company and that it does not deal in any manner with Delhi Development Authority. He stated that his parents are in no way concerned with Technological Park Private Limited. He stated "I have separated from my father and I have no dealings with the Delhi Development Authority". It is significant to notice that this respondent does not say when was he separated from his father, whether the said 'separation' is evidenced by writing, nor has he stated that the said separation - or partition, as it may be called - was reported to the Income Tax Authorities and was accepted and recorded by them. The affidavit is quite vague in this respect.

Prabhjit Singh, fourth respondent, [another son of Tejwant Singh] has filed a separate counter-affidavit stating that he and his wife are the directors in two companies, Tej Properties Private Limited and Skipper Properties Private Limited. Tej Properties is said to be an investment company which is not carrying on any activity at present. Skipper properties is said to be running in a loss. He stated that he has no connection with the other companies pointed out by the D.D.A. He admitted the transaction relating to the property at No.3, Aurangzeb Road, New Delhi but submitted that he is in no way connected with the

affairs of his father or with Skipper Construction Private Limited. It is significant to notice that this respondent does not say that he is separated or divided from his father nor does he explain how he and his wife became directors of Tej Properties of which his parents were the sole directors at the time of grant of afore-mentioned lease.

Lifting the corporate veil:

In Aron Salomon v. Salomon & Company Limited (1897 Appeal Cases 22), the House of Lords had observed, "the company is at law a different person altogether from the subscriber...; and though it may be that after incorporation the business is precisely the same as it was before and the same persons are managers and the same hands received the profits, the company is not in law the agent of the subscribers or trustee for them. Nor are the subscribers as members liable, on any shape or form, except to the extent and in the manner provided by that Act". Since then, however, the Courts have come to recognize several exceptions to the said rule. While it is not necessary to refer to all of them, the one relevant to us is "when the corporate personality is being blatantly used as a cloak for fraud or improper conduct". [Gower: Modern Company Law - 4th Edn. (1979) at P.137]. Pennington [Company Law - 5th Edn. 1985 at P.53] also states that "here the protection of public interests is of paramount importance or where the company has been formed to evade obligations imposed by the law", the court will disregard the corporate veil. A Professor of Law, S.Ottolenghi in his article "From Peeping Behind the Corporate Veil, to Ignoring it Completely" says "the concept of 'piercing the veil' in the United States is much more developed than in the UK. The motto, which was laid down by Sanborn, J. and cited since then as the law, is that 'when the notion of legal entity is used to defeat public convenience, justify wrong, protect fraud, or defend crime, the law will regard the corporation as an association of persons. The same can be seen in various European jurisdictions". [(1990) 53 Modern Law Review 338]. Indeed, as far back 1912, another American Professor L.Maurice Wormser examined the American decisions on the subject in a brilliantly written article "Piercing the veil of corporate entity" [published in (1912) XII Columbia Law Review 496] and summarized their central holding in the following words:

"The various classes of cases where the concept of corporate entity should be ignored and the veil drawn aside have now been briefly reviewed. What general rule, if any, can be laid down? The nearest approximation to generalization which the present state of the authorities would warrant is this: When the conception of corporate entity is employed to defraud creditors, to evade an existing obligation, to circumvent a statute, to achieve or perpetuate monopoly, or to protect knavery or crime, the courts will draw aside the web of entity, will regard the corporate company as an association of live, up-and-doing, men and women shareholders, and will do justice between real persons."

In Palmer's Company law, this topic discussed in Part-II of Vol-I. Several situations where the court will

disregard the corporate veil are set out. It would be sufficient for our purposes to quote the eighth exception. It runs: "The courts have further shown themselves willing to 'lifting the veil' where the device of incorporation is used for some illegal or improper purpose...Where a vendor of land sought to avoid the action for specific performance by transferring the land in breach of contract to a company he had formed for the purpose, the court treated the company as a mere 'sham' and made an order for specific performance against both the vendor and the company". Similar views have been expressed by all the commentators on the Company Law which we do not think it necessary to refer.

The law as stated by Palmer and Gower has been approved by this Court in *Tata Engineering and Locomotive Company Limited v. State of Bihar* [1964 (6) S.C.R. 885]. The following passage form the decision is apposite:

"Gower has classified seven categories of cases where the veil of a corporate body has been lifted. But, it would not be possible to evolve a rational consistent and inflexible principle which can be invoked in determining the question as to whether the veil of the corporation should be lifted or not. Broadly, where fraud is intended to be prevented, or trading with enemy is sought to be defeated, the veil of corporation is lifted by judicial decisions and the shareholders are held to be 'persons who actually work for the corporation ."

In *DHN Food Distributors Ltd. & Ors. v. London Borough of Tower Hamlets* [1976 (3) All.E.R. 462], the Court of Appeal dealt with a group of companies. Lord Denning quoted with approval the statement in *Gower's Company Law* that "there is evidence of a general tendency to ignore the separate legal entities of various companies within a group, and to look instead at the economic entity of the whole group". The learned Master of Rolls observed that "this group is virtually the same as a partnership in which all the three companies are partners". He called it a case of "three-in-one" - and, alternatively, as "one-in-three".

The concept of corporate entity was evolved to encourage and promote trade and commerce : but not to commit illegalities or to defraud people. Where, therefore, the corporate character is employed for the purpose of committing illegality or for defrauding others, the court would ignore the corporate character and will look at the reality behind the corporate veil so as to enable it to pass appropriate orders to do justice between the parties concerned. The fact that Tejwant Singh and members of his family have created several corporate bodies does not prevent this Court from treating all of them as one entity belonging to and controlled by Tejwant Singh and family if it is found that these corporate bodies are merely cloaks behind which lurks Tejwant Singh and/or members of his family and that the device of incorporation was really a Ploy adopted for committing illegalities and/or to defraud people.

The concept of resulting trust and equity:

In *Attorney General for India v. Amratlal Prajivandas* [1994 (5) S.C.C.54], a Constitution Bench of this Court comprising nine-Judges including one of us (B.P.Jeevan

Reddy, J.) dealt with the challenge to the validity of the definition of "illegally acquired properties" in clause (c) of Section 3(1) of Smugglers and Foreign Exchange Manipulators [Forfeiture of Property] Act, 1976 [SAFEMA]. The said Act provided that where a person earned properties by smuggling or other illegal activities, all such properties, whether standing in his name or in the name of his relations or associates will be forfeited to the State. While dealing with the justification for such a radical provision, this Court held:

"So far as justification of such a provision is concerned. there is enough and more. After all, all these illegally acquired properties are earned and acquired in ways illegal and corrupt - at the cost of the people and the State. The State is deprived of its legitimate revenue to that extent. These properties must justly go back where they belong to the State. What we are saying is nothing new or heretical. Witness the facts and ratio of a recent decision of the Privy Council in Attorney General for Hong Kong v. Reid [1993 (3) WLR 1143]. The respondent, Reid, was a Crown-prosecutor in Hong Kong. He took bribes as an inducement to suppress certain criminal prosecutions and with those monies, acquired properties in New Zealand, two of which were held in the name of himself and his wife and the third in the name of his solicitor. He was found guilty of the offence of bribe-taking and sentenced by a criminal court. The Administration of Hong Kong claimed that the said properties in New Zealand were held by the owners thereof as constructive trustees for the Crown and must be made over to the Crown. The Privy Council upheld this claim overruling the New Zealand Court of Appeals. Lord Templeman, delivering the opinion of the Judicial Committee, based his conclusion on the simple ground that any benefit obtained by a fiduciary through a breach of duty belongs in equity to the beneficiary. It is held that a gift accepted by a person in a fiduciary position as an incentive for his breach of duty constituted a bribe and, although in law it belonged to the fiduciary, in equity he not only became a debtor for the amount of the bribe to the person to whom the duty was owed but he also held the bribe and any property acquired therewith on constructive trust for that person. It is held further that if the value of the property representing

the bribe depreciated the fiduciary had to pay to the injured person the difference between that value and the initial amount of the bribe, and if the property increased in value the fiduciary was not entitled to retain the excess since equity would not allow him to make any profit from his breach of duty. Accordingly, it is held that to the extent that they represented bribes received by the first respondent, the New Zealand properties were held in trust for the Crown, and the Crown had an equitable interest therein. The learned Law Lord observed further that if the theory of constructive trust is not applied and properties interdicted when available, the properties 'can be sold and the proceeds whisked away to some Shangri La which hides bribes and other corrupt moneys in numbered bank accounts; - to which we are tempted to add - one can understand the immorality of the Bankers who maintained numbered accounts but it is difficult to understand the amorality of the Governments and their laws which sanction such practices - in effect encouraging them. The ratio of this decision applies equally where a person acquires properties by violating the law and at the expense of and to the detriment of the State and its revenues where an enactment provides for such a course, even if the fiduciary relationship referred to in Reid is not present. It may be seen that the concept employed in Reid was a common law concept, whereas here is a case of an express statutory provision providing for such forfeiture. May we say in conclusion that 'the interests of society are paramount to individual interests and the two must be brought into just and harmonious relation. A mere property career is not the final destiny of mankind, if progress is to be the law of the future as it has been of the past'. (Lewis Henry Morgan : Ancient Society)"

In Reid, the Privy Council made the following observations which we find of crucial relevance to our present-day society:

"A bribe is a gift accepted by a fiduciary as an inducement to him to betray his trust. A secret benefit, which may or may not constitute a bribe is a benefit which the fiduciary derives from

trust property or obtains from knowledge which he acquires in the course, of acting as a fiduciaryBribery is an evil practice which threatens the foundations of any civilised society..... Where bribes are accepted by a trustee, servant, agent or other fiduciary, loss and damage are caused to the beneficiaries, master or principal whose interests have been betrayed.....When a bribe is offered and accepted in money or in kind, the money or property constituting the bribe belongs in law to the recipient. Money paid to the false fiduciary belongs to him. The legal estate in freehold property conveyed to the false fiduciary by way of bribe vests in him. Equity however which acts in personam insists that it is unconscionable for a fiduciary to obtain and retain a benefit in breach of duty. The provider of a bribe cannot recover it because he committed a criminal offence when he paid the bribe. The false fiduciary who received the bribe in breach of duty must pay and account for the bribe to the person to whom that duty was owed. In the present case as soon as Mr.Reid received a bribe in breach of the duties he owed to the Government of Hong Kong, he became a debtor in equity to the Crown for the amount of that bribe..... As soon as the bribe was received, whether in cash or in kind, the false fiduciary held the bribe on a constructive trust for the person injured..... If the property representing the bribe exceeds the original bridge value, the fiduciary cannot retain the benefit of the increase in value which he obtained solely as a result of his breach of duty..... When a bribe is accepted by a fiduciary in breach of his duty then he holds that bribe in trust for the person to whom the duty was owed. If the property representing the bribe decreases in value the fiduciary must pay the difference between that value and the initial amount of the bribe because he should not have accepted the bribe or incurred the risk of loss. If the property increases in value, the fiduciary is not entitled to any surplus in excess of the initial value of the bribe because he is not allowed by any means to make a profit out of a

breach of duty."

We respectfully agree with each and every statement contained in the above extract. MAY WE SAY IN PARENTHESES that a law providing for forfeiture of properties acquired by holders of 'public officer" [including the offices/posts in the public sector corporations] by indulging in corrupt and illegal acts and deals, is a crying necessity in the present state of our society. The law must extend not only to - as does SAFEMA - properties acquired in the name of the holder of such office but also to properties held in the names of his spouse, children or other relatives and associates. Once it is proved that the holder of such office has indulged in corrupt acts all such properties should be attached forthwith. The law should place the burden of proving that the attached properties were not acquired with the aid of monies/properties received in the course of corrupt deals upon the holder of that property as does SAFEMA whose validity has already been upheld by this court in the aforesaid decision of the larger Constitution Bench. Such a law has become an absolute necessity, if the canker of corruption is not to prove the death-knell of this nation. According to several perceptive observers, indeed, it has already reached near-fatal dimensions. It is for the parliament to act in this matter, if they really mean business. It may be recalled that in this very case, Justice Chinnappa Reddy Commission [appointed to investigate into the conduct of the officials of the D.D.A. in handing over the possession of the plot to skipper without receiving the full consideration and also in conniving at the construction thereon] has reported that several top officials of the D.D.A. have indeed connived at and acted hand in glove with Skipper to confer illegitimate gain upon the latter. On the basis of the said report. disciplinary enquiries have been ordered against certain officials which are now pending. for the reason that the enquiries are pending. For the reason that the enquiries are pending. we desist from referring to the findings of the commission except to broadly mention its conclusion.

We are of the opinion that the holding in Amratlal Prajivandas and in Reid should guide us while exercising the extra-ordinary powers of this Court while acting under the said Article form making appropriate orders for doing complete justice between the parties*. The fiduciary relationship may not exist in the present case nor is it as case of a holder of public office, yet if it is found that someone has acquired properties by defrauding the people and if it is found that the persons defrauded should be restored to the position in which they would have been but for the said fraud, the court can make all necessary orders. This is what equity means and in India the Courts are not only courts of law but also courts of equity.

D.D.A.s responsibility to reimburse the purchasers:

S/Shri Bobde and Dave, learned counsel for the purchasers, countended that inasmuch as several top officials of the D.D.A had colluded with Skipper and connived at their wrong doing, the D.D.A. must be held equally liable to reimburse the purchasers. Indeed, their submission is that D.D.A. stood by and took no action whatsoever while Skipper was issuing repeated

*In other words, while action under Article 142 of the Constitution, this Court will respect a statue, the absence of a statue or statutory provision will not inhibit her to make orders necessary for doing complete justice between the parties.

advertisements [even after January 29, 1991, in open and brazen defiance of this Court's Orders] and, therefore, it must be made equally liable to reimburse the said purchasers in full. We find it difficult to agree. Firstly, the said contention is not factually correct. As has been pointed out hereinabove, soon after the publication of an advertisement by Skipper in the newspapers inviting the citizens at large to come and purchase the space in the proposed building on February 4, 1991, the D.D.A. came forward with a warning notice published in all leading national dailies advising citizens not to purchase space in the building in view of the orders of this Court. It is true that even thereafter Skipper has been issuing similar advertisements but it cannot be said with any reasonableness that D.D.A. should have responded to each such advertisement by publishing a warning. It would have done that but it cannot be faulted for not doing it. It is, therefore, factually incorrect to say that D.D.A. stood by and allowed Skipper to defraud the people by issuing advertisements. Secondly, even if there is any collusion between the officials of the D.D.A. and Skipper as alleged by the learned counsel, the question still arises whether D.D.A. be held bound by such actions of its officials acting beyond their authority, indeed, acting adverse to the interests of D.D.A. intentionally. We are not suggesting nor are we laying down the proposition that the D.D.A. is not bound by the acts and deeds of its officials but are only saying that where the acts and deeds of the officials are not only beyond their authority but are done with a malafide intent, it may not be just and fair to bind D.D.A. with such malafide acts and deeds. Be that as it may, it is not necessary for the purpose of this case to pursue this line of enquiry further or to express any definite opinion thereon.

What are the directions called for in this matter?

In the light of the factual and legal position adumbrated hereinabove, the question arises what are the appropriate directions to be made in the matter? In other words, the question is what directions and orders are called for by this Court acting under its contempt jurisdiction under Article 129 and its extraordinary jurisdiction under Article 142 to do complete justice between the parties before us? On one hand, the position is that the pre-January 29, 1991 purchasers have to be reimbursed in full which means that they should also be paid interest at the appropriate rate on the amounts advanced by them to Skipper. [They have only been paid the principal amount in the sum of Rs.13,27,37,561.59p pursuant to the Report of Justice Lahoti Commission.] Secondly, the post-January 29, 1991 purchasers have also to be reimbursed in full. According to Skipper, the amounts collected from post January 29, 1991 purchasers is in the region of Rupees eleven crores. The counsel for the petitioners, however, say that some of them are bogus purchasers set up by Skipper itself to defeat genuine claims. As against these claims, only an amount of about Rupees six crores is now available which is kept in fixed depositing in nationalized banks. The balance has to be realized. In our opinion, as at present advised, it would be enough for the above purpose if we proceed against one property, viz., No.30, Aurangzeb Road, New Delhi, which appears to us, on the facts and material placed before us, to belong wholly and exclusively to Tejwant Singh and his wife. We ignore the corporate veil and we ignore the fact that as present their son, Prabhjit Singh, and his wife are the directors. [We have already held that Prabhjit Singh has not explained in his affidavit how did he and his wife

became directors in the place of his parents.] Tej Properties private Limited, which is said to own the said property, was intially having only two directors, viz., Tejwant Singh and his wife, Surinder Kaur. It is Tejwant Singh who executed the lease deed in respect of the said property in favour of 'Maple Leaf' on October 1, 1993, effective from October 8, 1993. On October 8, 1993 itself, Maple Leaf executed a lease deed in respect of the said property in favour of an Embassy of Israel in India, New Delhi for a period of nine years at a rent of Rs.8,38,360/- per month. It is crystal clear that the property belongs to Tejwant Singh and the corporate veil and the change of directorships are all mere devices to screen the said property and its income from their creditors including the purchasers aforesaid. Tej Properties Private Limited is nothing but a fig-leaf and that too an inadequate one - to cover up the reality. The reality is Tejwant Singh, the contemner, who is the author of all these deals and devices. The transfer of share-holding, if any, between the father and the son [and their respective wives] must also be treated as a sham transaction. The above course appears tastified and necessary looked at from any angle, viz., (a) that the contemnors should not be allowed to enjoy or retain the fruits pf their contempt; (b) the interests of justice, which call for the lifting of the corporate veil - the said-property is in truth and effect the property of Tejwant Singh and members of his family and must be available to satisfy the claims of the persons defrauded by him; (c) that while acting under Article 142 of the Constitution, this Court must do complete justice between the parties and for that purpose, it is necessary to ensure that a person who has defrauded a large number of persons by issuing advertisements in the leading newspapers published from the capital inviting people to come and purchase space in the said building in open and brazen violation of clear and specific orders of this Court should not be allowed to benefit from his fraud and/or contemptuous acts.

Accordingly, it is directed that:

- (1) the property at No.3, Aurangzeb Road, New Delhi, shall be attached, if not already attached - and if it has already been attached, it shall continue to be under attachment;
- (2) the Embassy of Israel in India, New Delhi, the lessee of the said property, is requested to deposit the monthly rent payable in respect of the said building in this Court with effect from the date of receipt of a copy of this order and continue to deposit the same until further orders. Such deposit in Court shall discharge- the Embassy of its obligation to pay rent to 'Maple Leaf', its landlord.
- (3) Tejwant Singh and his wife, Surinder Kaur, are directed to deposit in this Court a sum of Rupees ten crores within two months from today. In default, steps will be taken to sell the property at No.3, Aurangzeb Road, New Delhi by inviting tenders from the public. The said amount of Rupees ten crores is tentatively arrived at as the amount required to reimburse the pre-January 29, 1991 purchasers in full, as explained hereinabove, and also to reimburse the post-January 29, 1991 purchasers in full. [This shall not be treated as the final figure required in this behalf.] While fixing this amount, we have taken into account the fact that about Rupees six crores is now available with this Court as stated supra;
- (4) the attachment of properties belonging to Tejwant Singh, his wife and children, already effected, including the properties mentioned in the application, I.A.No.29 of 1996, filed by the D.D.A. shall continue to be in force pending

further orders. It is, however, open to any of them to come forward with a proposal to sell any of those properties and if this Court is satisfied about the bonafides of the deal, the attachment will be lifted on condition that the confederation so received is deposited into this Court. It is obvious that any such deposit will be treated as a deposit towards the direction regarding deposit of Rupees ten crores contained in Direction No.3 above;

(5) since it is necessary to ascertain the persons who have paid amounts to Skipper after January 29, 1991 for purchasing the space in the said building, and to exclude the claims of non-genuine persons, we appoint Sri O.Chinnappa Reddy, a former Judge of this Court, as the one-man Commission to ascertain the number and identity of the persons who have purchased the space in the building being raised by Skipper after January 29, 1991 and also to determine the amounts paid by each of them. The Commission is requested to submit its Report within a period of six months, as far as possible. The remuneration and the expenses of Sri Justice O.Chinnappa Reddy will be borne entirely by the D.D.A. out of the funds now lying with it, as per his terms.

Ordered accordingly.

Before parting with this case, we feel impelled to make a few observations. What happened in this case is illustrative of what is happening in our country on a fairly wide scale in diverse forms. Some Persons in the upper strata [which means the rich and the influential class of the society] have made the 'property career' the sole aim of their life. The means have become irrelevant - in a land where its greatest son born in this century said "means are more important than the ends". A sense of bravado prevails; everything can be managed; every authority and every institution can be managed. All it takes is to "tackle" or "manage" it in an appropriate manner. They have developed an utter disregard for law - nay, a contempt for it; the feeling that law is meant for lesser mortals and not for them. The courts in the country have been trying to combat this trend, with some success as the recent events show. But how many matters can we handle. How many more of such matters are still there? The real question is how to swing the polity into action, a polity which has become indolent and soft in its vitals? Can the courts alone do it? Even so, to what extent, in the prevailing state of affairs? Not that we wish to launch upon a diatribe against anyone in particular but Judges of this Court are also permitted, we presume, to ask in anguish, "what have we made of our country in less than fifty years"? Where has the respect and regard for lag gone? And who is responsible for it?

On this occasion, we must refer to the mechanical manner in which some of the courts have been granting interim orders - injunctions and stay orders without realizing the harm such mechanical orders cause to the other side and in some cases to public interest. It is no answer to say that "let us make the order and if the other side is aggrieved, let it come and apply for vacating it". With respect, this is not a correct attitude. Before making the order, the court must be satisfied that it is a case which calls for such an order. This obligation cannot be jettisoned and the onus placed upon the respondents/defendants to apply for vacating it. Take this very case: a person purchases a property in auction. He does not pay as per the stipulated terms. He obtains a series of extensions. Still he doesn't deposit and when the vendor proposes to cancel the allotment, the court is approached

and it stays the cancellation. The vendor [D.D.A.] applies for vacating it but nothing happens except repeated adjournments. This has happened more than once. We find that as and when Skipper was not able to manage the D.D.A., he approached the court and it provided him a breather. He then gets time to manage the D.D.A.. This went on upto the end of 1990 when fortunately the Delhi High Court came with a tonne of bricks upon Skipper and which order was affirmed two years' later by this Court.

Ultimately, no doubt, Skipper has met its nemesis but meanwhile hundreds of persons are cheated out of their hard earned monies; their dreams of owning a flat are shattered rudely.

All this means that each of us in this land should wake up to his duty and try to live up to it. We do not think we need say more.

List the matter for further orders on July 16, 1996.

*A copy of this Judgment may be communicated to Mr. Justice O. Chinnappa Reddy, a former Judge of this Court, at the address, Plot No. 209, Jubilee Hills Cooperative Housing Society, Jubilee Hills, Hyderabad - 500033 within three days.

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