

**Appellant Vs. Respondent**

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**SooperKanoon Citation :** [sooperkanoon.com/1061578](http://sooperkanoon.com/1061578)

**Court :** Kolkata

**Decided On :** Sep-07-2012

**Judge :** Sanjib Banerjee

**Appellant :** Appellant

**Respondent :** Respondent

**Judgement :**

CA No.178 of 2012 CP No.12 of 1997 CA No.511 of 2012 IN THE HIGH COURT AT CALCUTTA ORIGINAL JURISDICTION IN THE MATTER OF : CASION FINANCE & INVESTMENT (INDIA) LTD.(LIQN) BEFORE: The Hon'ble JUSTICE SANJIB BANERJEE Date :

7. h September, 2012.

Appearance: Mr.N.Ramanathan, Officiating Liquidator The Court : The company in liquidation is one of several companies in this country which lured small depositors against the promise of high rates of interest to invest in them only to obtain the deposits and shut shop before the payment obligations arose.

By an order dated April 20, 2012, following a status report filed by the Crime Branch of the Economic Offences Wing of the Delhi Police reporting that the company in liquidation had, prior to its liquidation, wrongfully accepted deposits from the public despite a November 23, 1994 directive by the Reserve Bank of India prohibiting the acceptance of such deposits, the report of the Delhi Police

along with a copy of the order of April 20, 2012 was required to be forwarded to the Serious Fraud Investigation Office (SFIO). A preliminary report was filed by the SFIO by June 22, 2012 and on July 27, 2012, the SFIO was required to file a further report within six weeks therefrom.

An officer representing the SFIO is present in Court and an undated status report signed by an Additional Director of SFIO has been filed in Court today in a sealed cover.

The date of receipt of the report is indicated in hand of the Assistant Registrar (Companies) on the covering page of the report.

The report details the names of persons who controlled the affairs of the company prior to its liquidation and refers to several properties, primarily in or around New Delhi, that were acquired either in the name of the company in liquidation prior to its liquidation or in the names of one Basant Kumar Jha or his associates who were the principal persons in control of the company in liquidation prior to its liquidation.

It is a matter of regret that Basant Kumar Jha or Omkar Nath Rampal or MGK Murthy have not been tracked down for interrogation, but these are not the only three apparent fraudsters who seem to have evaporated from the face of the country without any trace.

There are hundreds of their ilk roaming in exalted corridors not accessible to ordinary citizens.

The possible addresses of these three persons have been indicated in the report.

The various properties that were or may have been acquired with the funds of the company in liquidation prior to its liquidation have also been indicated in the commendable report filed by the SFIO.

Two directions need immediately be issued.

The fiRs.is as to how the properties referred to in the report should be preserved and ultimately taken control of by the official liquidator for the benefit of the pay-out

to the small depositors of the company in liquidation that its erstwhile directors have cheated.

The other relates to the request made by the SFIO for directions to be issued to the Central Bureau of Investigation to trace out the aforesaid Jha, Rampal and Murthy and to ensure their appearance before the inspectors of the SFIO.

As to how the several properties of the company in liquidation referred to in the report should be preserved and the official liquidator should take steps to take control thereof, the official liquidator will seek opinion from Mr. Tilok Bose, Senior Advocate.

The report filed in Court today by SFIO is being made over to the officiating liquidator in a sealed cover countersigned by the Assistant Registrar (Companies) of this Court for the officiating liquidator to make over such sealed cover to Mr. Bose.

The written opinion of Mr. Bose will also be forwarded to the official liquidator in a sealed cover and opened only when the matter appears next in Court.

In view of the extent of the perceived fraud on the part of the erstwhile directors of the company in liquidation, particularly, the said Jha, Rampal and Murthy, it is necessary and expedient that the Central Bureau of Investigation should trace out such persons and ensure their appearance before an Additional Director of SFIO for such Additional Director to assign appropriate inspectors of the office to take up the investigation and interrogation thereafter.

It is also necessary for Pawan Kumar Jha, alleged brother of Basant Kumar Jha, to also appear before the inspectors of the SFIO.

Accordingly, the Central Bureau of Investigation is directed to trace out Basant Kumar Jha, Omkar Nath Rampal, MGK Murthy and Pawan Kumar Jha and to ensure their appearance before the SFIO as expeditiously as possible.

Let a further report of the SFIO be presented before the matter appears next on November 23, 2012.

Urgent certified photocopies of this order, if applied for, be supplied to the parties subject to compliance with all requisite formalities.

(SANJIB BANERJEE, J.) bp.

A.R(C.R)

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