

# FOSECA | SWBA

Federation of Spire Edge Associations | Spire Woods Buyers Association

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111, First Floor, Hemkunt Chambers, 89 - Nehru Place, New Delhi – 110019

Dated 11.11.2016

## HISTORY MADE ON 11.11

### COURT TO CHANGE COURSE OF STUCK RE PROJECTS

- A. Landmark directions by Hon'ble Delhi Court upholding Customer Rights.
- B. Soli Sorabjee, Ex-Attorney General, comes to aid of hapless Customers.
- C. AN Buildwell promoters fail to prove bonafides.

### LANDMARK DIRECTIONS BY HON'BLE DELHI HIGH COURT

- 1. Taking a broader view of the existing situation of Real Estate, Hon'ble Justice Mridul assured Customer Associations that they would get justice.**
  - a. The Hon'ble High Court took a broader view of the prevailing conditions in the Real estate sector and said something needed to be done.
  - b. The Hon'ble high Court assured customers that they need not go to any place else, and that it would get them their rightful dues and units.
- 2. Hon'ble High Court upholds the Right of Customer Associations to take over Projects and AN Buildwell.**
  - a. Hon'ble Justice Mridul clearly stated that he would prefer to give the project to Mr. Soli Sorabjee's clients, i.e. the Customer Associations as they have the first right.
  - b. All propounders of Revival Scheme to provide a road map clearly showing fund infusion and sequence of development.
- 3. Customer Associations given full access to AN Buildwell records.**
  - a. To allow the Customer Associations to provide a comprehensive road map, the Hon'ble High Court was pleased to direct the Office of the Official Liquidator to de-seal the premises and offices of AN Buildwell and provide full access to all records and documents.
  - b. This is a great boost to efforts by Customer Associations.
  - c. Hon'ble Justice Mridul suggested that the undeveloped parts, i.e. Residential and Block E&F could be taken up first, while financial claims settled subsequently. This was agreed to by Mr. Sorabjee, and would be detailed in the road map.
- 4. Hon'ble High Court quietens voices that seek to divide Customers.**
  - a. Lawyers for Promoters raised objections about the merit of customer claims, while various other lawyers representing smaller sub-groups sought to forward their specific claims.
  - b. Hon'ble High Court clearly mentioned there should be no attempt to divide the customers, and in no way can the Projects or Company be revived in a piece-meal fashion, nor can funds invested be refunded unless the projects are revived.

### SOLI SORABJEE COMES TO AID OF HAPLESS CUSTOMERS

- 1. Seeing the plight of Bonafide Customers, Mr. Soli Sorabjee, legal luminary and ex-Attorney General of India, had agreed to argue the matter in court of behalf of FOSECA & SWBA.**
- 2. Soli Sorabjee requests Hon'ble High Court to dismiss ANB Promoter Scheme**
  - a. Mr. Sorabjee drew the attention of the Hon'ble High Court towards the malafide nature of the Revival Scheme filed by Promoters and read out portions from the report filed by the PL (Provisional Liquidator)

- i. The Company is without a Board of Directors, and the Promoters who have now filed the Scheme were always at the helm of affairs of the Company from inception right to the point of liquidation.
    - ii. Where were they when the Company went into liquidation? They were always at the helm of the affairs of the Company
  - b. Mr. Sorabjee shared his view that the ANB Promoter's Scheme was an obstruction to the Genuine Revival of the Company, and is clearly liable to be dismissed as is evident from the Report filed by the PL (Provisional Liquidator)
- 3. Soli Sorabjee assures the Hon'ble High Court of the Customer Associations ability to both raise finances as well as complete the Development.**
- a. In response to the Hon'ble High Court's questions on investment and development skills required, Mr. Sorabjee offered to deposit an initial amount of INR 4.0 Cr within 2 weeks, and referred the Court to the relevant portions of the Customer Scheme where this was covered.
  - b. Mr. Sorabjee agreed to present a detailed road map that clearly shows the manner in which development and finances would be taken care of before the next hearing scheduled for 20.12.2016.

## **AN BUILDWELL PROMOTERS FAIL TO PROVE BONAFIDES**

- 1. Promoters of AN Buildwell, Sunil Gandhi & SK Hooda fail to deposit INR 44 Cr as directed by the Hon'ble High Court in its last hearing on 26.10.2016.**
- a. Promoters of AN Buildwell, Sunil Gandhi & SK Hooda had hatched a deep-rooted conspiracy in collusion with many to cover up their misdeeds and hide behind the ongoing liquidation proceedings at the Hon'ble High Court.
  - b. Hon'ble High Court had ordered the Promoters to show the Court 'the colour of money' and prove their bonafides on 11<sup>th</sup> Nov, which they failed to do.
  - c. Hon'ble high Court asked the lawyers representing the 3<sup>rd</sup> Party Developer brought by Promoters to explain the personal absence of the Developer as he was not a foreigner.
- 2. Office of the Official Liquidator pushes for SFIO Enquiry against Promoters of AN Buildwell, Sunil Gandhi & SK Hooda**
- a. The PL (Provisional Liquidator) in his Compliance Report filed on 24.10.2016 had recommended instituting an enquiry by the Serious Fraud Investigation Office (SFIO) into the siphoning of INR 42.05 Cr. and affairs of the Company.
  - b. The PL (Provisional Liquidator) in his report on the Revival Scheme filed by Promoters, Sunil Gandhi and SK Hooda clearly saw it as a SHAM!
    - i. Lacking seriousness in all aspects.
    - ii. A device to grab the Company's valuable assets and derive undue benefit.
    - iii. Clearly against the interests of customer and other stakeholders.
  - c. The Hon'ble High Court deferred the prosecution of Promoters and SFIO enquiry pending Revival of Company.
- 3. Promoters, Sunil Gandhi & SK Hooda continue attempts to thwart Revival floated by Customer Associations.**

## **APPEAL TO OUR FRIENDS IN MEDIA FOR SUPPORT !**

- 1. Please propagate this Grassroots Movement by Customers, and help redefine the face of Real Estate across the Country.**
- 2. Help us expose the continued malafide efforts of Real Estate Developers like AN Buildwell Promoters who are leaving no stone unturned in creating obstacles for genuine customers.**

The Delhi High Court vide its order dated 08.03.2016, ordered winding up of the company. The liquidation has been deliberately obtained by the company to escape its liability to fulfill obligation towards customers and also to cover up its acts of mismanagement. If the liquidation happens, it will adversely affect the interest of approximately 1800 customers and other creditors of the company.

Funds have been siphoned off from AN Buildwell by its promoters, Surinder Kumar Hooda (18.81 crores), Sunil Gandhi (18.6 crores) and a shareholder, Sphere Invest Group 4.63 crores), in various projects like Green Edge Infrastructure Pvt Ltd, Inspire Infratech Pvt Ltd, Nalanda Realtech Pvt Ltd and Charmwood Realtech Pvt Ltd, etc.

AN Buildwell, which has its registered office at 504, 5th floor, Bhikaji Cama Bhawan, 11, Bhikaji Cama Place, New Delhi, promoted two projects namely, one IT Park named “Spire Edge” at CP-04, Sector-08, IMT Manesar and a residential project “Spire Woods” at Sector-103, Gurgaon. As of now there are 517 customers in Spire Woods and 1274 customers in Spire Edge.

The latest information as well as previous updates are available online at association websites.  
[www.foseca.org](http://www.foseca.org) & [www.spirewoodsbuyersassociation.com](http://www.spirewoodsbuyersassociation.com)

Vikas Sethi: +91 98189 54447  
J P Syal (ex DIG): +91 96544 69203  
Renuka Kulkarni: +91 98105 75907