

COMPANY LAW BOARD
NEW DELHI BENCH
NEW DELHI

CP NO. 82(ND)/2015

CA NO.

PRESENT: CHIEF JUSTICE M. M. KUMAR
CHAIRMAN

ATTENDANCE-CUM-ORDER SHEET OF THE HEARING OF NEW DELHI BENCH OF THE
COMPANY LAW BOARD ON 01.06.2016

NAME OF THE COMPANY: **Mr. Vineet Sharma**
Vs.
M/s. Bass Metal Pvt. Ltd. & Ors.

SECTION OF THE COMPANIES ACT: 397 and 398 of the Companies Act 1956.

S.NO.	NAME	DESIGNATION	REPRESENTATION	SIGNATURE
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Saurabh Kalia Asst

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ORDER

CA No. 66(C-1)/2016:

This is an application for issuance of interim order, inter alia, to restrain Respondent No.2 i.e. Sonam Bhagwari from "blocking online access to(in) the company's bank accounts and from blocking online payments from the accounts". The other directions sought against Respondent No.2 is to hand over to the applicant-petitioner all documents relating to the Bass Metals' subsidy application sent to the Directorate of Industries, Uttarakhand and also close the proprietorship concern "Bass Metal" bearing the same name as that of the company in which the respondent is a director.

2. Learned counsel for the applicant-petitioner has pressed only two prayers at the time of arguments. In support of the aforesaid, the applicant-petitioner has made averments in para-6 that the two current accounts of the Respondent No.1 company - A/c. No. 3173559152 and 3158335118 are with the Central Bank of India, Ashtley Hall, Dehradun. Both the current accounts are used for online transactions to disburse salaries, purchase of raw material, clear utility bills,

provide cash for office expenses and pay all other sundry creditors for tools, spares and all such maintenance and services. The mobile number associated with all accounts is that of Respondent No.2 and the same is used for online alerts and more importantly for new password generation in case online access to bank accounts is blocked. Respondent No.2 has blocked the petitioner from making any online transactions from the current account which has disrupted the operations of the company. Respondent No.2 also sent an application unauthorisedly to the Central Bank of India on 27.11.2015 without any resolution from the Board of Directors. He has refused to share the new password. The record to this effect has been placed with this application as A-1.

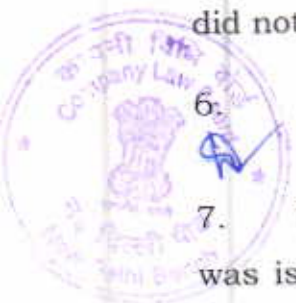
3. In respect of the other prayer, the applicant-petitioner has made averments that Respondent Company is entitled to subsidy of 15% of capital expenditure and the Respondent No.2 has not been able to pursue it. A sum of Rs. 26 lacs per annum is expected from the Director of Industries, Uttarakhand and in the absence of persuasion of the application for subsidy, Respondent No.1 company would lose huge amount of subsidy funds.

4. On the basis of para-wise reply, it has been stated that the applicant-petitioner is making efforts to misappropriate funds and properties of Respondent No.1 company for his own benefit. The online operation of the bank accounts of the Respondent No.1 company was supposed to be under the joint-signatures of the petitioner and respondent No.2. There are counter-allegations by respondent No.2 similar in nature to that of applicant-petitioner.

5. Like-wise with regard to the subsidy of 15%, it has been stated on the basis of reply to para-10 that the applicant-petitioner was responsible for the delay as he did not turn-up for signing the documents.

6. After hearing learned counsel I am inclined to pass following order.

7. The main petition when came up for hearing on 29.02.2016 an interim order was issued with regard to the operation of the bank account. It was clarified in para-6 of the order that the day-to-day business of the company cannot come to stand still and the operation of the bank account cannot be stopped. Accordingly it was directed that the operation of the bank account of the company is permissible



on an either or mandate basis. The mandate could only be by a resolution of the Board of directors. Therefore, the Central bank of India, Ashtley Hall, Dehradun was directed to allow the bank operation as per the arrangement which were in operation on 29.09.2015 when this petition was first mentioned unless altered by a resolution of the Board of Directors. The aforesaid order is continued to operate.

8. The issue now raised is with regard to online operation of the current account No. 3158335118. In continuation of the earlier order, it is clarified that the online bank operation shall also be permitted as per the arrangements which were obtaining on 29.09.2015. In other words, online bank operations shall be carried out by the parties in accordance with the arrangements which were existing on 29.09.2015. Respondent No.2 shall not create any unnecessary hurdles in operation of the bank accounts. Likewise, Respondent No.2 shall hand over the paper duly signed concerning claim of 15% subsidy on the total capital expenditure to the applicant-petitioner so that further funds may flow to the company improving its financial health. It would bring more funds to the company due to government agency on account of 15% subsidy.

9. The aforesaid directions have become necessary as Respondent No.2 has not successfully brought the amount of subsidy to Respondent No.1 company for the last two years.

10. No other prayer has been pressed.

11. The application is disposed of in the above terms.


[CHIEF JUSTICE M.M. KUMAR]
CHAIRMAN

Date: 01.06.2016
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