

COMPANY LAW BOARD
NEW DELHI BENCH
NEW DELHI



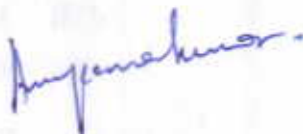
C. P. NO. 128/2007
CA. NO.

PRESENT: B.S.V. PRAKASH KUMAR,
HON'BLE MEMBER

ATTENDANCE-CUM-ORDER SHEET OF THE HEARING OF NEW DELHI BENCH OF
THE COMPANY LAW BOARD ON 11.04.2016 AT 10.30 A.M

NAME OF THE COMPANY: M/s. Hem Raj Singh V/s. M/s. Naraingarh Distillery Ltd.

SECTION OF THE COMPANIES ACT: 397/398

<u>S.NO.</u>	<u>NAME</u>	<u>DESIGNATION</u>	<u>REPRESENTATION</u>	<u>SIGNATURE</u>
1.	Sudersham Goel c.J. Jara	Advocates	R-2 to 4	
2.	Sh. Viswenderganda Mr RAKESH KUMAR PARMOD SACHDEVA S.K. GIVI Shelly Khanna	Sr. Advocate Advocate	Petitioner	
3.	Hrishikesh Banaiah Anupama Kumar		R1, 6-9	



P.T.O →

Order

The case pending before this Bench is that the petitioners have 19.2% shareholding in the company and initially, Respondents No. 2 to 4 had the remaining shareholding in this company. Thereafter, the development that took place in this company is that the petitioner impleaded R5toR9 as respondents in this case on the ground that the R2toR4 transferred their shareholding to R5toR9. This is how R5toR9 have come on this record.

2. The case of the petitioner is that these respondents No. 2 to 4 transferred their shareholding to R5toR9 in the year 2009 despite there is a status quo order dated 11.09.2007 has remained in force.

3. Of late, the development is that R2-R3 have come up with an application (CA 248/2015) stating that Respondents No. 5to9 have fraudulently entered the Board of Directors of the company showing themselves as directors in the Annual Returns filed from 2012 onwards.

4. R2 says he executed an agreement dated 01.04.2009 with the deceased R5 for transfer of shares owned by him and his wife in R1 company. However, this agreement dated 01.04.2009 was never completed and no transaction took place between R2 with the deceased R5. Therefore, there is no value to the said agreement, hence R6toR9 did not acquire any right vested in Respondents No. 2to3.

5. R2 further says that he had only entered into an agreement dated 01.04.2009 with R5, late Shri Onkar Anand. He says, R2 never transferred any shares in favour of R5toR9 for there being a status quo order dated 11.09.2007, hence he did not violate the status quo order dated 11.09.2007. R2 says for R2&R3 being promoters of another company, namely M/s Naraingarh Sugars Limited, they had agreed to sell their shares to R5. He claims that R5toR9 illegally used signatures of R2 for effectuating transfer of shares in Naraingarh Distillery Ltd. also for which no authorization was ever given to them.

6. These respondents further submit there is no objection if status quo ante is restored with regard to shareholding and change of directors of the company as on 11.09.2007 and for all the filings that were made subsequent to 11.09.2007. They

say that R5toR9 have no basis to claim increase in the shareholding of the company since no valid meetings of Board of Directors or AGMs of the company were ever held and no decision was taken to increase the shareholding of the company. He further submits that the changed situation and change in management pattern of the company as depicted in the annual returns and books of accounts from 01.04.2009 onwards is totally false and baseless. Hence R2 sought for production of original share certificates, original records for assailing the induction of R5toR9 as directors, original resignation letters of R2toR3 from Board of Directors, original allotment of additional shares in R1 Company and other reliefs which are consequential in the case.

7. It is nobody's case that the petitioner's shareholding was not 19.2% as on the date of filing of this CP. That being so, the Respondents No. 6 to 9 mentioned in the same application that R6toR9 would buy the shares of the petitioner as on the date of filing the present petition on fair and unbiased valuation by an independent valuer appointed by this Bench.

8. Now, the petitioner filed an application saying that a compromise was entered in between the petitioner and R2toR4 saying that they would provide 09 acres out of a total of 45.73 acres of R1 land to compensate 19.2% shareholding of the petitioner. In that agreement, R6toR9 are not parties to the proceedings. R5 has already passed away in May 2014, therefore, he is also not a party to the proceedings.

9. In the backdrop of these facts, now at the suggestion of this Bench, the counsel for the petitioner and the counsel for R6toR9 have agreed to try for a solution and have a meeting amongst themselves at 03 p.m. on 18.04.2016 at Library, Company Law Board, New Delhi.

List the matter on 10.05.2016 at 10.30 a.m.


(B.S.V. PRAKASH KUMAR)
Member (Judicial)