

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 10.08.2015

CORAM:

THE HONOURABLE MRS.JUSTICE PUSHPA SATHYANARAYANA

COMPANY APPEAL No.12 of 2015

and

M.P.No.1 of 2015

Financial Technologies (India) Limited,
Shakti Tower -1,
7th Floor, Premises E, 766,
Anna Salai, Thousand Lights,
Chennai - 2.

.. Appellant

vs.

- 1.Union of India,
Ministry of Corporate Affairs,
Shastri Bhawan,
New Delhi-110001.
- 2.Jignesh Prakash Shah
- 3.Dewang Sunderraj Neralla
- 4.Manjay Prakash Shah
- 5.Venkat chary
- 6.Rajan Jodhraj Kochar
- 7.Achudanarayanan
- 8.Rajendran Soundaram
- 9.Devendra Kumar Agrawal
- 10.Berjis Minoo Desai
- 11.Anil Chandanmal Singhvi
- 12.Miten Narendra Mehta
- 13.M.Nisha Dutt
- 14.Sunil Hasmukhlal Shah
- 15.Prashant Desai
- 16.Jigish Shantilal Sonagara
- 17.Rajendra Madanmal Mehta
- 18.Hariraj Chouhan
- 19.Chandrasedkhar Subhramaniam
- 20.Ravi Kanaiyalal Sheth
- 21.Pandurang Ghanasham
- 22.Naishadh Desai
- 23.Ramanathan Devarajan
- 24.Chandrakant Uttamchand

25.Chaitan Manbhai Maniar
 26.Ramachandra Barpande
 27.Balasubramanian Nagarajan
 28.Chandran Thumparambil
 29.National Spot Exchange Limited .. Respondents

Company Appeal filed under section 10F of the Companies Act, 1956
 praying to set aside the impugned order dated 30th June 2015 passed in
 C.P.No.1 of 2015 by the Company Law Board at New Delhi.

Mr.P.S.Raman, : for appellant
 Senior Counsel, for
 M/s.CyrilAmarchand Mangaldas

Mr.G.Rajagopalan, : for first respondent
 Additional Solicitor General,
 Assisted by Dr.D.Simon,
 CentralGovernment Standing
 Counsel

Mr.R.Murari, Senior Counsel, : for Respondent Nos.5 to
 for Mr.Rajkumar Jabak 8 and 10 to 17

JUDGMENT

Heard Mr.P.S.Raman, learned Senior Counsel appearing for the
 appellant, and Mr.G.Rajagopalan, learned Additional Solicitor General,
 Assisted by Dr.D.Simon, learned Central Government Standing Counsel for the
 first respondent, and Mr.Murari, learned Senior Counsel for Respondent Nos.5
 to 8 and 10 to 17 and perused the impugned order.

2. With the consent of parties, the Company Appeal is taken for
 disposal at the admission stage itself.

3. This Company Appeal is filed challenging the order dated 30.6.2015 passed in Company Petition No.1 of 2015 by the Company Law Board, Principal Bench at New Delhi, granting interim injunction, restraining the first respondent/appellant herein from selling/alienating or creating any third party rights in the assets and investments of the respondent company.

4. Assailing the impugned order, Mr.P.S.Raman, learned Senior Counsel appearing for the appellant would submit that though the Company Law Board observed that the appellant herein should be given time for filing their counter affidavit, it proceeded to pass an ex parte and blanket interim order of injunction restraining the first respondent/appellant herein from selling/alienating or creating any third party rights in the assets and investments of the respondent company and such a blanket order would paralyse the entire proceedings and functioning of the appellant company. Therefore, learned Senior Counsel would pray that the interim order of injunction should be set aside.

5. Mr.G.Rajagopalan, learned Additional Solicitor General, would submit that as the order challenged in the Company Appeal is against the interim order only and no final order was passed, the Appeal is not maintainable. The learned Additional Solicitor General would further submit that as the impugned order was passed by the Company Law Board at New Delhi, as for the territorial jurisdiction also, this Company Appeal is not maintainable.

6. For the sake of better understanding, the impugned order dated 30.6.2015 passed in Company Petition No.1 of 2015 by the Company Law Board, Principal Bench at New Delhi, is extracted hereunder:-

"... Keeping in view the order passed by the Forward Markets Commission and the draft merger order dated 21.10.2014, it would be in the interest of justice to direct R-1 not to sell/alienate or create 3rd party rights in the assets and investments of Respondent Company till further order."

7. Considering the submissions made on 10.07.2015, this Court passed an interim order to the effect that the impugned order dated 30.06.2015 to continue with respect to creation or alienation of third party rights, with respect to the immovable assets of the company. With respect to the other investments, the interim injunction granted is suspended.

8. In the light of the facts and the submissions that the impugned order passed would immobilise the day-to-day affairs of the appellant company and that the order was passed without giving an opportunity to the appellant though the respondent had earlier taken several adjournments, this Court is of the view that, without going into the merits of the case, it would be appropriate to remit the matter to the Company Law Board. Accordingly, the matter is remitted to the Company Law Board at New Delhi for hearing Company Petition No.1 of 2015 after affording opportunities to both the parties and to pass appropriate orders on merits and in accordance with law. The

interim order dated 10.7.2015 passed by this Court would continue till the disposal of the Company Petition. It is reported that the Company Petition is posted for hearing on 02.09.2015. The Company Law Board is directed to dispose of the Company Petition, as expeditiously as possible, however not beyond 11th September 2015.

9. With the above observation, the Company Appeal is disposed of. the connected Miscellaneous Petition is closed. No costs.

Index : Yes / no

10.08.2015

Internet: yes /no
asvm

Note to Office:

Issue order copy on or before
11.08.2015

To

The Union of India,
Ministry of Corporate Affairs,
Shastri Bhawan,
New Delhi-110001.

PUSHPA SATHYANARAYANA, J

(asvm)

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