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**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION**

**COMPANY APPLICATION (L) NO. 1 OF 2015
IN
COMPANY APPEAL NO. 19 OF 2009
IN
COMPANY PETITION NO.106 OF 2005**

Akkadian Housing and Infrastructural Pvt. Ltd. & Anr. ...Applicants

VS

Pantheon Infrastructure Pvt. Ltd. & Ors.

...Respondents.

.....
Mr Fereshte Sethna, Mr Chirag S Dave, Mr Shantanu Singh, Ms Khushboo Shah,
Mr Adhiraj Malhotra & Ms Sonali Suryavanshi i/b Dutt Menon Dunmorrsett for the
Applicants.

Mr M.S.Doctor, Sr. Counsel a/w Miss Ankita Singhania i/b M/s Bachubhai Munim
& Co. for Respondent Nos.2, 6 to 9 and 11.

Ms Nyra Variawa a/w Mr Robin Fernandes & Ms Spenta Marewala i/b M/s
Federal & Rashmikant or Respondent Nos.4, 12 and 13.

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CORAM : S.C. GUPTE, J.

JANUARY 13, 2015

P.C. :

The Applicants are original Appellants in a Company Appeal, aggrieved *inter alia* by reduction of shareholding of Appellant No.1 in the first Respondent Company from 50 % to 24.83 % and removal of Appellant No.2 from the directorship of the first Respondent Company. The Appellants enjoy certain interim protection in the pending Company Appeal. This Company Application is taken out by the original Appellants, claiming certain further interim protection in the pending Appeal.

2 The Company Appeal is filed under Section 10 F of the Companies Act, 1956, and challenges an order passed by the Company Law Board on 8 January 2009. By the impugned order, though the Company Law Board has held the act of removal of Appellant No.2 as a director of the first Respondent

Company as an act of oppression, the Company Law Board has refused to pass any order in regard to the management of the Company including reinstatement of Appellant No.2 as director. According to the Company Law Board, the Appellants would be adequately protected, if their shares in the first Respondent Company were valued and paid off to the Appellants. During the pendency of the Petition as also till the Appellants' share was paid off and the parting of ways was complete, the Appellants were entitled to certain protection in terms of interim order passed by the Company Law Board on 27 December 2005. Such protection included placing of all the proposals relating to sale / lease of the properties of the first Respondent Company before its Board for approval and permitting Appellant No.2 as an invitee to the Board meetings to consider such proposals and react to the same. This protection has since been continued even by this Court in the pending Company Appeal. This Court has noted that Appellant No.2 shall be entitled to attend the meetings of the Board either by himself or through a nominee, whose name shall be intimated to the first Respondent Company in advance. Accordingly, under the orders passed by the Company Law Board as well as this Court in the Company Appeal, notices of the board meetings of the Board of the first Respondent Company have been duly sent to the Appellants and Appellant No.2 has been allowed to attend the Board meetings and participate therein.

3 The grievance of the Appellants in the present Company Application is that the first Respondent Company has been proposing to pass a resolution in its board meeting to rechristen a particular project of the first Respondent, namely, of a Technology Park comprising of a vast chunk of immovable property belonging to the first Respondent Company. The Technology Park, admeasuring about 7,50,000 sq.ft. area, is currently known as "Logitech Park," and is proposed to be named as "Raiaskaran Tech Park". It is submitted that this exercise involves branding exclusive to Respondent No.2, which is contrary to the interests of the Appellants and is an attempt to usurp the advantages associated with the Technology Park.

4 It may be seen from the various orders of the Company Law Board

as well as this Court, which are placed before this Court by the parties, that the entire protection granted to the Appellants so far is only to ensure transparency in the dealings of the Board vis-a-vis the disposal of the company's property. It ensures that the second Appellant is allowed to participate in all the proceedings of the Board of the first Respondent Company relating to sale/ lease of the properties. This is obviously to ensure that the Appellants' rights as holders of the equity shares, pending consideration of their case that they are entitled to 50 % of equity shares of the first Respondent Company, are protected. It is, however, pertinent to note that the Court has not found any justification for any restraint against the Respondents in dealing with the properties of the first Respondent Company. In fact, the final order passed by the Company Law Board, which is the subject matter of the present Appeal, itself explains the rationale of the interim order passed by it and which operates till date. The Company Law Board explains that the order was passed only to ensure transparency and that the order should not be considered as if every decision of the Board of the first Respondent Company is subject to the consent of Appellant No.2. Thus, *prima facie* under the protective orders passed by the Company Law Board as well as this Court, the Appellants are not entitled to object to the decision of the Board of renaming of the Company's project on the ground of the Appellants' entitlement to participate in the management of the first Respondent company.

5 It is difficult to see how the rechristening of the present project, which is complained about in the present Company Application, amounts to sale/ lease of the property of the Company to the prejudice of the Appellants' interest in the Company even as shareholders. Even otherwise, as shareholders of the Company, the Appellants are not entitled to have any say in renaming of the property of the first Respondent Company or any branding exercise carried out by the Respondents in respect of such property.

6 In the premises, there is no case made out by the Appellants for grant of any ad-interim reliefs, as claimed in the present Company Application. The application is rejected.

7 Since, the pleadings in Company Appeal are complete according to learned Counsel for the parties, the Appeal may now be taken up for final hearing. Place this Appeal for hearing on 11 February 2015. The parties are permitted to file additional documents as they may be advised. As and when such documents are filed, both the permissibility of such filing and the relevance of the documents will be considered by the Court. To be placed along with Company Appeal No.21 of 2009.

(S.C.GUPTE J.)