

THE HON'BLE SRI JUSTICE C.V.NAGARJUNA REDDY
COMPANY APPEAL No.4 of 2015

24.03.2015

Between:

M.Janardhan Rao

...Appellant

And

M.Venkat Rao and others

...Respondents

Counsel for the appellant: Sri P.Vikram

Counsel for respondent No.1: Sri N.Subba Rao

Counsel for respondent No.3: Sri S.Ravi, senior counsel
for Sri Ch.Pushyam Kiran

Counsel for respondent Nos.2, 4 to 6: None appeared

The Court made the following:

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JUDGMENT:

This company appeal is filed feeling aggrieved by the non-

recording of compromise by the Company Law Board, Chennai.

Though it would have been more appropriate, if the appellant has invoked the supervisory jurisdiction of this Court under Article 227 of the Constitution of India, nevertheless having regard to the innocuous grievance of the appellant, this Court is inclined to dispose of this company appeal.

The appeal was adjourned on 23.03.2015 at the instance of the learned counsel for respondent No.1 for reporting on his client's stand on the compromise proposed by the appellant in terms of memorandum of compromise, dated 28.10.2014, which was filed before the Company Law Board, Chennai.

At the hearing, respondent No.1 is personally present and on his instructions, Sri N.Subba Rao, learned counsel for respondent No.1, has submitted that there are certain apprehensions of respondent No.1 on the appellant complying with the terms of the memorandum of compromise. Learned counsel has also submitted that after the memorandum of compromise was entered into, sale proceeds to the extent of Rs.2.80 crores were not accounted for by the appellant and that unless this money is accounted for and the apprehensions of respondent No.1 are allayed, he is not prepared to agree for the compromise.

As respondent No.1 is not willing for recording of compromise, the Company Law Board at Chennai is directed to dispose of C.P.No.84 of 2013, on merits, within a period of three months from the date of receipt of a copy of this order.

Subject to the above direction, the Company Appeal is disposed of.

As a sequel to disposal of the company appeal, company application No.462 of 2015 filed for interim order shall stand disposed of as infructuous.

(C.V.NAGARJUNA REDDY, J)

24th March, 2015

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