

**IN THE HIGH COURT FOR THE STATES OF PUNJAB AND
HARYANA AT CHANDIGARH**

RSA No.833 of 2003 (O&M)

Date of Decision.02.12.2019

Punjab Agro Industries Corporation Limited

...Appellant

Vs

Omega AG Seeds (Punjab) Limited and another

...Respondents

Present: None.

CORAM:HON'BLE MS. JUSTICE JAISHREE THAKUR

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JAISHREE THAKUR J. (ORAL)

The instant regular second appeal has been filed seeking to challenge the the judgment and decree dated 25.08.1998 passed by the Sub Judge, 1st Class, Chandigarh as well as the judgment and decree dated 04.10.2002 passed by the District Judge, Chandigarh whereby the suit filed by the appellant-Punjab Agro Industries Corporation seeking issuance of a permanent injunction, restraining the respondents from holding or modifying the Articles of Association of the Company to the detriment of the appellant and for further restraining the respondents from holding Extraordinary Annual General Meeting on 27.12.1995 stands dismissed.

The pleaded case of the appellant-plaintiff was that the company under the name and style of Omega AG Seeds was incorporated under a Financial Collaboration Agreement dated 22.11.1992. By the said agreement, it was agreed between the appellant-plaintiff (appellant for short) and the respondent-defendant (respondent for short) that the share capital in the company would be shared in the ratio of 40:60 with the proviso that the constitution of Board of Directors would be not less than 3 and not more than 12 excluding the Directors to be nominated by the

Financial Institution, Banks and Debentures Directors. It was alleged that the nominee Directors of the company with the mala fide intention had tried to take away the amount envisaged by the appellant for implementation of a project. The nominee Directors of the company have issued a notice dated 04.12.1995 to hold an Extraordinary Annual General Meeting and the said notice was received by the appellant on 27.12.1995. It is stated that the statutory period of 21 days of issuance of a notice before holding a meeting had not been complied with and by the said notice, it was proposed to amend the Articles of Association of the company. In this background, the modification was sought.

The trial Court after framing issues dismissed the civil suit on the ground that the Extraordinary Annual General Meeting had already taken place on 29.12.1995 and the items of the agenda were duly passed and therefore, the suit for permanent injunction was dismissed. Consequently, as was the appeal.

Aggrieved against the same, the instant appeal has been filed. No one has put in appearance on behalf of the appellant, despite the matter having been shown and reflected as a case to be taken up for final disposal.

The relief as sought for in the suit was an injunction restraining the respondent company from holding an Extraordinary Annual General Meeting pursuant to a notice dated 27.12.1995 and amending the Articles of Association. It would be worthwhile to note that the civil suit was instituted on 20.01.1996, well after the Extraordinary Annual General Meeting, which had been held on 29.12.1995. The question of staying the proceedings or setting aside or restraining the company from holding the meeting would not arise, as the suit had been filed subsequent thereof.

As a sequence of my finding, I do not find any ground to interfere with the findings rendered by both the Courts below.

Dismissed.

(JAISHREE THAKUR)
JUDGE

December 02, 2019

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Whether speaking/reasoned Yes

Whether reportable No