Sharayu Khot.

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
TESTAMENTARY AND INTESTATE JURISDICTION

INTERIM APPLICATION NO. 2429 OF 2021

IN

TESTAMENTARY PETITION NO. 2972 OF 2018

Pooja Anant Bajaj ...**Applicant/ Petitioner**

And

Anant Shekhar Bajaj ...**Deceased**

Mr. Mustafa Doctor, Senior Counsel, Spenta Havewala a/w Ms. Rashmi Doshi, Mr. Bhuvan Thakker, Mr. Yash Suteria, Mr. Manuraj Nair i/by Malvi Ranchoddas & Co. for the Applicant/Petitioner.

CORAM : R.I. CHAGLA J

DATE : 5 August 2022

ORDER :

1. Mr. Mustafa Doctor, learned Senior Counsel appearing for the Applicant/Petitioner.

2. By this Interim Application, the Applicant has sought to be relieved of her undertaking to this Court to retain 13,16,000 shares in a separate demat account with Stock Holding Corporation

of India Limited and not, without the prior approval of this Court, or until Vanraj attains majority, deal with the same.

3. The consequential relief has been sought for defreezing the Applicant/Petitioner's Savings Account, particulars of which have been mentioned in prayer clause (b) of the Interim Application and further direction to the Stock Holding Corporation of India Limited to release and lift the "Suspension for Debit" curb on Beneficiary Account of the Applicant/Petitioner bearing DP ID No. IN 301330 and Client ID No. 40236632 and for permission to the Applicant/Petitioner to withdraw 13,16,000 shares of Bajaj Electricals Limited (BEL) and for the Applicant/Petitioner to enjoy the gains and benefits deriving out of the same.

4. The Applicant has stated that at the time of demise of the deceased Anant Shekhar Bajaj, the value of his estate stood at Rs. 355,53,62,171.57 and as per Hindu Succession Act, 1956, each of the legal heirs of the deceased i.e. Applicant/original Petitioner, Kiran Shekhar Bajaj and Vanraj Anant Bajaj ("**the said Vanraj**") were entitled to 1/3rd share in the estate of the deceased. The said Vanraj, at the time of the demise of the deceased, was a minor and his 1/3rd

shares was valued at approximately at Rs. 118,51,20,700/-.

5. The Applicant/Petitioner had taken out Interim Application No. 1 of 2020 pending the hearing and final disposal of the Testamentary Petition which Petition was for grant of Letters of Administration to the properties and credits of the deceased. The Interim Application was for permission to apply for and subscribe for the rights entitlement of the deceased under the then proposed rights issue of BEL by operating the Demat account of the deceased, on such terms and conditions as determined by BEL. There were two Affidavits filed by the Applicant/Petitioner to the Interim Application dated 16th January 2020 and 18th February 2020. By the said Affidavits, the Applicant/Petitioner had confirmed and given an undertaking to this Court that 1/3rd share of the said Vanraj will be fully preserved and protected till he attains majority. This Court by order dated 16th January 2020 had accepted the undertakings of the Applicant/Petitioner and had considered that there is no impediments in permitting the Applicant/Petitioner to apply for the rights issue. By the subsequent order dated 26th February 2020, the Interim Application was allowed on the terms set out in the said order. It had noted that the Applicant/Petitioner had complied with

the directions of this Court vide order dated 16th January 2020 and a separate Demat account had been opened with Stock Holding Corporation of India Limited bearing Client ID No. 40236632 and in that account, the minor was shown as a nominee and the minor's guardian is shown as such. The account was to be used for parking 13,16,000 shares, forming subject matter of earlier orders. A new savings bank account had also been opened in order to enable payment of dividend into that account. The savings bank account was opened in the name of the Applicant with the Central Bank of India.

6. The entitlement of said Vanraj i.e. 1/3rd share in the Equity Shares of BEL together with the rights shares and the 13,16,000 shares of BEL were transferred by the Applicant/Petitioner in the separate beneficiary account, held with Stock Holding Corporation of India Limited bearing DP ID No. IN 301330 and was to remain in that demat account till such time as he attains majority and that the said shares were not to be dealt with, without the prior leave of this Court. Further, the Equity Shares of Bajaj Group Company were also transferred by the Applicant/Petitioner to the said beneficiary Account. The value of one third of the shares of the deceased in species as on the date of the Petition was Rs.

91,13,62,198/-.

7. It is necessary to note that amongst the undertakings accepted by this Court was the undertaking that the Applicant/Petitioner would create further security for the said Vanraj's share in the estate of the deceased by undertaking to this Court that out of 16,60,608 shares of BEL inherited by the Applicant/ Petitioner, she shall not, without prior approval of this Court, until the said Vanraj attains majority, deal with 13,16,000 BEL shares and the same will be retained in the separate Demat account with Stock Holding Corporation of India Limited. As per the undertakings given to this Court, the Applicant/Petitioner has opened the said Demat Beneficiary Account with Stock Holding Corporation of India. The savings bank account of the Applicant/Petitioner opened with the Central Bank of India and the Beneficiary Account with Stock Holding Corporation of India have thereafter, been marked as "Debit Freeze".

8. The Applicant/Petitioner states that the combined market value of the said Vanraj's 1/3rd undivided share in Bajaj Group Companies Shares as on date of this Interim Application filed

by the Applicant/Petitioner comes to Rs. 2,78,35,17,067.6/- only, particulars of which have been given in the tabular form in paragraph 12 of the Interim Application together with the respective valuations of the respective shares as given in the Affidavit dated 16th January 2022 and as on 23rd September 2021 i.e. the filing of the Interim Application.

9. In addition is the 13,16,000 BEL shares of Applicant/Petitioner. The valuation of which as on 23rd September 2021 is Rs. 2,01,54,54,000/-. The total value including value of 13,16,000 BEL shares as on 23rd September 2021 is Rs. 4,79,89,71,067.6/-.

10. Accordingly, the present Interim Application has been taken out, in view of the said Vanraj's 1/3rd share in the estate of the deceased being adequately secured, considering that the value of the 1/3rd share as on the date of demise of the deceased was Rs. 118,51,20,700/- and the current value of 1/3rd share of Bajaj Group Company shares excluding the value of 13,16,000 BEL shares of the Applicant/Petitioner as on 23rd September 2021 is Rs. 2,78,35,17,067.6/-. Accordingly, the Applicant/Petitioner has sought

orders for being relieved of her undertaking to this Court to retain 13,16,000 shares in a separate demat account with Stock Holding Corporation of India Limited and not, without the prior approval of this Court, or until Vanraj attains majority, deal with the same. Further, for this, Court to direct the Central Bank of India to defreeze the Applicant/Petitioner's savings account bearing No. 3798337955 and permit the Applicant/Petitioner to operate the same as per her requirement.

11. Having considered the averments in the Interim Application and submissions of the Applicant/Petitioner, in my view, said Vanraj is fully secured with respect to his 1/3rd share in the estate of the deceased and that the Applicant/Petitioner is required to be relieved of her undertaking with respect to the 13,16,000 shares of BEL. This, particularly considering the value of the 1/3rd share of the said Vanraj in the Bajaj Group of Companies, which as on 23rd September 2021 is Rs. 2,78,35,17,067.6/-. Hence the following order is passed. :-

(i) The Applicant/Petitioner is relieved from her undertaking to this Court to retain 13,16,000 shares in a separate Demat account with Stock Holding Corporation of India Limited and not, without the prior approval of this Court, or until Vanraj attains majority, deal with the same.

(ii) The Central Bank of India, Nariman Point Branch is directed to defreeze the Applicant/Petitioner's Savings Account, bearing No. 3798337955 and shall permit the Applicant/Petitioner to operate the same as per her requirement without any further restrictions.

(iii) The Stock Holding Corporation of India Limited, Nariman Point Branch, Mumbai shall release and lift the "Suspension for Debit" curb on Beneficiary Account of the Applicant/Petitioner bearing DP ID No. IN 301330 and Client ID No. 40236632 and shall permit the Applicant/Petitioner to withdraw 13,16,000 shares of Bajaj Electricals Limited (BEL).

(iv) Interim Application is disposed of in the above terms.

[R.I. CHAGLA J.]