

IN THE HIGH COURT OF JUDICATURE AT PATNA
COMPANY PETITION No.4 of 2000

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Reserve Bank of India a body incorporated under RBI 1934 having its Central Office at Central Office Building, Shahid Bhagat Singh Marg, Mumbai 400 001 through Shri Anand Kishore Singh, A.G.M. (DNBS), R. B. I., Patna

... .. Petitioner/s

Versus

The Helios Corporation Limited having its registered office at Helios Bhawan, Station Road, Patna-800001

... .. Respondent/s

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Appearance :

For the Petitioner/s : Mr. Amit Prakash, Advocate
Mr. Ravi Bhardwaj, Advocate

For the Helios Corporation : Mr. Sanjay Singh, Sr. Advocate
Mr. Rudrank Shivam Singh, Advocate
Mr. S. D. Sanjay, Sr. Advocate
Mr. Rudra Pratap Singh, Advocate
Mr. Rudrank Shivam Singh, Advocate

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CORAM: HONOURABLE MR. JUSTICE SANJEEV PRAKASH SHARMA

CAV JUDGMENT

Date : 21-02-2023

This company petition has been preferred by the Reserve Bank of India under Section 45-MC of the Reserve Bank of India Act, 1934 (hereinafter referred to as the 'RBI Act of 1934') (Section 433 of the Companies Act, 1956) seeking to wind up the Helios Corporation Limited (hereinafter referred to as 'the Company').

2. Vide order dated 19.05.2000, the petition was admitted and the Official Liquidator attached to this Court was



appointed as Provisional Liquidator and interim order was passed prohibiting the company and its Directors from disposing of any of its assets.

3. The Company preferred Company Appeal No.5 of 2000 wherein the Division Bench of this Court on 13.02.2001 directed as under :-

“6. We, therefore, in the facts and circumstances of the case, remit the matter back to the learned Company Judge to hear the matter afresh in presence of the appellant and pass a fresh order for appointment of Provisional Liquidator and other necessary formality, if any. Both the parties have agreed that the case in question be placed before the learned Company Judge on 18.03.2001.

7. In the meantime, in the interest of justice and depositors, the interim order of the learned Company Judge should continue. With the above, this appeal as well as I.A. is disposed of.”

4. The company appeal, thereafter, has not been taken up for arguments and was listed on 22.11.2013 wherein learned counsel for the respondent stated that the management of the company has not disposed of any of the assets of the company. On 15.12.2022, the Provisional Liquidator appointed by the single Judge stated that he was continued to hold the charge of the company as the interim order passed by the single



Judge was continued by the Division Bench.

5. The Company is functional and as the order of appointment of Provisional Liquidator was set aside by the Division Bench and only interim order passed by the Company Judge restraining the company from disposing of its properties was continued. In terms thereof, the company has not disposed of any of its properties, therefore, the question whether Provisional Liquidator should be appointed; and the company petition should be admitted; is to be examined by this Court afresh in terms of the order passed by the Division Bench.

6. Arguments were heard at length and both the parties have also filed their written arguments.

Submissions on behalf of Reserve Bank of India.

7. On inspection of the respondent - company by the Reserve Bank of India in February, 1996, it was observed that the company had collected public deposits. Thereafter, a show cause notice was issued to it and having not been satisfied with the reply, a prohibitory order was passed on 15th of July, 1997 restraining it from accepting deposits with immediate effect. The order was challenged in CWJC No. 5773 of 1999 which was dismissed vide order dated 10.12.1999. In the inspection, conducted on 31st of March, 1997, other violations



were also found and it is alleged that there were violation relating to the various parts of the Residuary Non-Banking Companies (Reserve Bank) Directions, 1987 and more specifically, para 6 (1)(a), (b), (c) it had also not opened a Constituent's Subsidiary General Ledger account with the scheduled commercial bank, or de-materialised account with depository through a depository participant registered with Securities and Exchange Board of India (hereinafter referred to as 'the SEBI') which was the violation of para 6(2). There was a violation of para 6(3) as it had not submitted the auditor's certificate and other violations as enumerated in the report.

8. The Reserve Bank of India has alleged that Section 45-IA of the RBI Act of 1934 restrained Non-Banking Financial Company (hereinafter referred to as 'the NBFC') from commencing or carrying on business of an NBFC before obtaining a Certificate of Registration (hereinafter referred to as 'the CoR') for which the company was required to apply to the RBI. No application was submitted by the respondent - corporation and after receiving complaints from the depositors, the RBI being satisfied that the company would be unable to pay its debts; and having been disqualified to carry on business as it had not applied for CoR; and had also been prohibited vide



order dated 15th of July, 1997 its continuation was detrimental to public interest. It therefore, has applied for winding up of the company in terms of Section 45MC of the RBI Act. It was asserted that the company has received deposits from members of the public and other creditors and, therefore, comes within the ambit of the statutory provision of Section 45-MC of the RBI Act and deserves to be wound up.

9. It is further submitted that from the contents of the Memorandum of Association of the company it was appeared that the company is an NBFC and, therefore, falls under the regulatory purview of RBI. Respondent company had authorized all the branches of Helios Finance and Investment Company Limited, one of its group companies, to accept public deposits on its behalf and remit it to the company. Since Memorandum of Association states that the intention of the company is to carry out business of accepting public deposits and the Company Law Board (hereinafter referred as 'the CLB') had also directed vide order dated 07.10.1999 to the respondent to repay the deposits together with interest, the respondent cannot escape from being a Non-Banking Financial Institution.

10. The contention of the respondent with respect to eligibility of the Companies (Acceptance of Deposit) Rules,



1975 has been denied by the RBI and it is stated in paras 9, 10 and 11 of the additional written arguments submitted on behalf of the petitioner-Reserve Bank of India, as under :-

9.It is further submitted that the companies (Acceptance of Deposit) Rules, 1975 were framed by the Government of India in consultation with Reserve Bank of India as could be seen from the very first statement of the Rules which reads as below;

“In exercise of the powers conferred by section 58A, read with section 642 of the Companies Act, 1956 (1 of 1956), the Cenral Government, in consultation with the Reserve Bank of India, hereby makes the following Rules’.

10. It is also submitted that the said Rules have to be read with with sections 73 to 76 of the Companies Act, 2013 which deal with acceptance of deposits by companies. It is clearly stated in the proviso to section 73(1) that the provision therein shall not apply to a banking company and nonbanking financial company as defined in the RBI Act. Therefore, it is submitted that the said Rules do not apply to the company as it is an NBFC as defined under the RBI Act.

11. Assuming that the money collected by the company falls within the ambit of the Companies (Acceptance of Deposit) Rules, 1975, it is submitted that the company did not comply with the requirements of the said Rules;



(a) In terms of rule 3(2) (ii) of the above said Rules, the deposits collected by any company should not exceed 25 % of the paid up capital and free reserves. However, the amount collected by the company exceeded the limit multifold as the assessed net owned fund as on March 31, 1997 stood negative at ₹ (-) 632.81 lakh while the aggregate deposits stood at ₹ 840.67 lakh.

(b) Further, under Rule 10 of the said Rules, every company to which these Rules apply, shall on or before the 30th day of June, of every year, file with the Registrar, a return in the form annexed to these rules and furnishing the information contained therein as on the 31st day of March of that year duly certified by the Auditor of the Company and a copy of the return shall also be simultaneously furnished to the Reserve Bank of India. However, no such return was furnished by the company to RBI.

(c) In terms of the Rule 3(1) (e) of the said Rules, no company with a net owned fund of less than rupees one crore shall invite public deposits. In the instant case, the net owned fund of the company was negative, still, the company invited deposits.

(d) Under Rule 4A of the said Rules, where a company intends to accept deposits without inviting or allowing or causing any other person to invite, such deposit, shall, before accepting deposits deliver to the Registrar for registration a



statement in lieu of advertisement containing all the particulars required to be included in the advertisement by virtue of sub-rule (2) of Rule 4 and duly signed in the manner provided in sub-rule (4) of that Rule. If the company raised deposits under the said rules, it should have submitted the above statement to ROC. However, no such statement to RoC was produced by the company.

The above submissions buttress the submissions of the Reserve Bank that the money collected by the company does not fall within the purview of Companies (Acceptance of Deposit) Rules, 1975. Raising the matter now that the deposits collected falls under the above rules, after so many years, clearly indicates that the same is an afterthought to wriggle out of the present winding up proceedings.”

Submission on behalf of the Company.

11. Per contra, the respondent company has objected filing of the winding up petition by the RBI stating that it is not an NBFC, rather its business is industrial in nature. The RBI has wrongly contended that the Registrar of Companies, Bihar (hereinafter referred to as ‘the RoC’) had allotted the company IC No. 800 whereas the registration number of the company as given by the RoC, Bihar, is 03-06839, which is meant for industrial company and is an individual code. It being an industrial company, it was not under the control of the RBI



and the provisions of Sections 45-MC and 45-IA of the RBI Act would not have application on it. The respondent - company further submits that the Memorandum of Association of the company enumerates many of the businesses which the company may undertake to do. It is their argument that the RBI has read one of the clauses omitting to read the clause pertaining to the main objects of the company which talks of undertaking industrial business such as, aviation, shipping, mass-communication, construction work; such as cinema halls, buildings, hotels, schools, hospitals, housing etc. It is their submission that the RBI has selectively read the Memorandum of Association.

12. Respondents have further stated that the provision of Section 45-IA of the RBI Act was inserted on 09.01.1997. The respondent company was registered as an industrial company by the RoC on 15.11.1995 and commenced its business on 29.11.1995. The inspection was conducted on 26.02.1996 by the RBI and prohibitory order was passed on 15th of July, 1997 regarding violation of Clause 45-IA of the RBI Act of 1934 i.e. of not getting itself registered as an NBFC. Learned counsel for the respondents submits that on the day when the inspection was conducted, Section 45-IA of the RBI Act of 1934



had not come into force and the same could not be a basis for seeking winding up of the company.

13. With regard to the deposits with the company, it has been submitted by the respondents that the deposits received by the company cannot be said to be under the NBFC as an industrial company it has a right to take deposits as it falls under the second category as regulated by the Companies (Acceptance of Deposit) Rules, 1975. The rules are applicable to such companies which are NBFC. Such deposits means any deposit of money and it includes any amount borrowed by the company.

14. It has been argued by learned senior counsel that Clause -3 of the Rules of 1975 defines acceptances of deposits by companies. Sub-section (bb) of Section 45-I of the RBI Act of 1934 defines deposits but does not include amounts raised by way of share capital. Thus, the two provisions fall under the two different acts/rules and the amount deposited with the respondent company would not qualify as an acceptance of deposits by an NBFC.

15. The respondents have further argued that the question whether the respondent company has failed to pay its debts on the ground that the CLB had passed orders to release the deposits, is only on account of the action of the RBI



whereby in October, 1998, it unilaterally without legal sanction proceeded to take possession of the companies headquarters at Patna under lock and key. The CLB passed an order on 28.09.1999 for framing scheme for the payment of deposits by the respondent company. However, the RBI filed the present winding up petition before this Court on 24.03.2000. It is stated that the RBI was being represented by its Assistant Manager before the CLB where 159 claimants had submitted their claim for return of their deposits from the respondent corporation. It is further stated that after the order passed by the Division Bench on 13.02.2001, the Corporation is continuing to do its business and has also made refunds to the depositors settling their claims. The Helios corporation had allotted Optionally Fully Convertible Debentures (hereinafter referred to as 'the OCD's) named Sun Bonds to 4062 Bond Holders and had raised an amount of ₹11,95,34,587- during the period 1996-97 to 2008-09 by the payment to bond holders of an amount of ₹6,27,31,532 has been settled up to 2014 and presently a liability of ₹7,86,47,986 + ₹4,05,54,035 as principle + interest stands as a liability with the company an amount of ₹1,00,00,000 has been paid of the above said liability and as on today outstanding of approximately ₹11,00,00,000 is required to



be paid.

16. The respondents have further stated in their written submissions about the proceedings before the SEBI against the company. The SEBI has accepted the Helios Corporation's submission that it was not an NBFC or public finance institution within the meaning of Section 4A of the Companies Act. It further concluded that the OCD's issued by the corporation fall within the provisions of Section 67(3) of the Companies Act, 1956 has now a public issue for which the norms were prescribed under the Act of 1956 and such an activity was in violation of Section 56(1), 56(3), 2(36) read with Section 60, 73(1), 73(2) and 73(3) of the Companies Act, 1956 and also in violation of the provisions of the DIP guidelines. Resultantly, each and every director of the company and other persons responsible for compliance of the provisions were held liable for the violation and were directed to repay jointly and severally all the money along with interest. Vide order dated 06.03.2018, it permitted the corporation and its directors to sell the assets of the company with the sole purpose of making refunds and an escrow account was to be opened in the nationalized bank where the sale proceeds were to be deposited with the sole purpose to make refund as directed by the SEBI.



The respondents have argued that on account of the interim direction issued by this Court, the order passed by the SEBI cannot be complied with.

17. It is informed further that the SEBI has attached the bank accounts of the corporation and its directors in its execution proceedings vide order dated 06.03.2018.

18. Learned counsel for the respondent has submitted that the Company is a potent industrial business house which continues to do business and has enough assets to liquidate the liabilities of depositors quantified by the SEBI while RBI seeks winding up of the corporation alleging statutory violation. In the process a vibrant industrial company which is not an NBFC would be destroyed. It has further stated in its written submissions that the balance sheets of the financial year 2021-22 as uploaded on the MCA portal shows total outstanding of ₹10,83,04,065.00 which includes principle and interest towards the liability of Sun Bonds and the corporation has sufficient liquid as well as fixed immovable assets to liquidate the aforesaid outstanding and payment to satisfy the directions of SEBI in its order dated 6th of March, 2018. The bank accounts of the corporation and its directors therefore is prayed to be defreezed and the corporation be allowed to



liquidate some of its immovable assets and a time frame of one year be required to be allowed to liquidate the liabilities.

19. It is stated that the SEBI had in its order observed as under :-

“77..... The effect and implementation of this order is subject to and shall be read in harmony with the directions passed by the Court of Metropolitan Magistrate, New Delhi vide order dated September, 22,1999, the interim order dated February 13,2001 passed by the Hon’ble High Court of Patna in the Company Petition No.4/2000 and any order that may be passed in the said Company Petition4/2000 pending before the Hon’ble High Court of Patna.”

20. The moot question in the present case is whether the respondent - Company can be said to be an NBFC. It is admitted by the RBI that the Company has been allotted an industrial code 03-06839 which is meant for an industrial company for an NBFC a separate code is allotted.

Findings and conclusion of the Court.

21. Look at Section 45-I of the RBI Act of 1934 which lays down definitions, reflects that as per (a) business of a non-banking financial institution is to mean carrying on business of a financial institution as referred in Clause (c) of 45-



I as well as includes business as referred in Clause (f) of 45-I. It would be apposite to quote 45-I of the RBI Act as under :-

45-I. Definitions.- In this Chapter, unless the context otherwise requires,-

[(a) “business of a non-banking financial institution” means carrying on of the business of a financial institution referred to in clause (c) and includes business of a non-banking financial company referred to in clause (f);

(w.e.f. 9-1-1997).

[(bb) “deposit” includes and shall be deemed always to have included any receipt of money by way of deposit or loan or in any other form, but does not include,- (w.e.f. 15-2-1984)

(i) amounts raised by way of share capital;

(ii) amounts contributed as capital by partners of a firm;

(iii) amounts received from a scheduled bank of co-operative bank or any other banking company as defined in clause(c) of section 5 of the Banking Regulation Act, 1949 (10 of 1949);

(iv) any amount received from,—

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(b) a State Financial Corporation,

(c) any financial institution specified in or under section 6A of the Industrial Development Bank of India Act, 1964, or

(d) any other institution that may be specified by the Bank in this behalf;

(v) amounts received in the ordinary course of business, by way of—

(a) security deposit,



(b) dealership deposit,

(c) earnest money, or

(d) advance against orders for goods, properties or services, (vi) any amount received from an individual or a firm or an association of individuals not being a body corporate, registered under any enactment relating to money lending which is for the time being in force in any State; and

(vii) any amount received by way of subscriptions in respect of a chit. Explanation I.— “Chit” has the meaning assigned to it in clause (b) of section 2 of the Chit Funds Act, 1982 (40 of 1982).

Explanation II.— Any credit given by a seller to a buyer on the sale of any property (whether movable or immovable) shall not be deemed to be deposit for the purposes of this clause;]

[Explanation III.-- The amounts accepted by a co-operative society from the members or shareholders, by whatever name called, but excluding the amounts received as share capital, shall be deemed to be deposits for the purposes of this clause, if such members or shareholders are nominal or associate members, by whatever name called, who do not have full voting rights in the meetings of such co- operative society.]

[(c) “financial institution” means any non-banking institution which carries on as its business or part of its business any of the following activities, namely:—

(w.e.f. 21-2-2019)

(i) the financing, whether by way of



making loans or advances or otherwise, of any activity other than its own;

(ii) the acquisition of shares, stock, bonds, debentures or securities issued by a Government or local authority or other marketable securities of a like nature:

(iii) letting or delivering of any goods to a hire under a hire-purchase agreement as defined in clause (c) of section 2 of the Hire-Purchase Act, 1972:

(iv) the carrying on of any class of insurance business;

(v) managing, conducting or supervising, as foreman, agent or in any other capacity, of chits or kuries as defined in any law which is for the time being in force in any State, or any business, which is similar thereto;

(vi) collecting, for any purpose or under any scheme or arrangement by whatever name called, monies in lumpsum or otherwise, by way of subscriptions or by sale of units, or other instruments or in any other manner and awarding prizes or gifts, whether in cash or kind, or disbursing monies in any other way, to persons from whom monies are collected or to any other person,

[but does not include any institution, which carries on as its principal business,—

(a) agricultural operations; or

(aa) industrial activity; or]

(b) the purchase or sale of any goods (other than securities) or the providing of any services; or

(c) the purchase, construction or sale of immovable property, so however, that no portion



of the income of the institution is derived from the financing of purchases, constructions or sales of immovable property by other persons;]

[Explanation.— For the purposes of this clause, “industrial activity” means any activity specified in sub-clauses (i) to (xviii) of clause (c) of section 2 of the Industrial Development Bank of India Act, 1964;]

*(d) “firm” means a firm as defined in the Indian Partnership Act, 1932 [***];*

(e) “non-banking institution” means a company, corporation 3 [or cooperative society;]

(f) “non-banking financial company” means—

(i) a financial institution which is a company;

(ii) a non-banking institution which is a company and which has as its principal business the receiving of deposits, under any scheme or arrangement or in any other manner, or lending in any manner;

(iii) such other non-banking institution or class of such institutions, as the Bank may, with the previous approval of the Central Government and by notification in the Official Gazette, specify;]

22. The aforesaid reflects that if an institution which carries on its principal business which amounts to an industrial activity as explained in sub- clauses (i) to (xviii) of clause (c) of section 2 of the Industrial Development Bank of India Act, 1964 would not come within the definition of



financial institution.

23. Similarly, “a non-banking institution” has been defined as a company, corporation or co-operative society while “non-banking financial company” has been defined under Clause (f) to be a financial institution which has its principal business of receiving deposits under any scheme or arrangement or any other manner or lending in any other manner. The said deposits, however, would not be such as amount received from the State financial corporation or amounts contributed as capitals by partners of a firm or amounts received in ordinary course of business as security deposit, dealership deposit, earnest money, or advance against orders for goods, properties and services as excluded in Clause 45-I sub-clause (bb) of the RBI Act of 1934.

24. The RBI has not been able to satisfy this Court as to whether the deposits received by the company were other than those which come under the exception clause as above. It is also noticed that the order passed by the SEBI dated 06.03.2018 consciously excludes the respondents from the definition of NBFC and the amount deposited with the company would not qualify as an acceptance of deposits by NBFC. The amount so received would fall within the definition of share capital.



Admittedly, OCDs were issued on the basis of a public issue such bonds and amount received under therein although may be of a private individuals would not come within the ambit of deposits with the NBFC.

25. A running company which may have several clauses mentioned in its Memorandum of Association (hereinafter referred to as the MoA) and one cannot presume it to be an NBFC solely based on one single clause of MoA. Moreover, this Court finds that it is a sister company of the petitioner, namely, Helios Finance and Investment Company Limited which is an NBFC. A presumption therefore cannot be drawn to treat the petitioner company as NBFC. Each company has a separate entity under the Act. The petitioner has not been able to satisfy this Court about there being any banking activity of the respondent and in the circumstances the claim of respondent being an NBFC is not sustainable. The claim of the respondent having not been complied with the Companies (Acceptance of Deposit) Rules, 1975 cannot be a ground for initiating proceedings under Section 45 (MC) of the RBI Act of 1934.

26. Keeping in view the finding arrived at, as above, the judgement cited by the petitioner *Peerless General*



F. & I. Co. Ltd. V. Reserve Bank of India reported in 1992(AIR) 1033 AIR 1992 Supreme Court 1033 would have no application to the present case as the respondents nowhere fall within the definition of NBFC or RNBFC.

27. This Court finds that the SEBI has already found the action of the respondent - company to be in violation of the said provisions. The violation has been dealt with an order has been passed directing the respondents to return the said amount. However, such order would not result in a presumption of the Company to have an NBFC status. The provisions of Section 45 (MC) of the RBI Act of 1934 can only be invoked once this Court finds that the respondent is an NBFC.

28. But the institution which has its principal business as industrial activity would not be included as a financial institution. From the Memorandum of Association of the respondent, it is apparent that it is not carrying out any of the said business as enumerated in sub-clause (c) (i) (ii) (iii) (iv) (v) and (vi)(supra) of Clause 45-I and therefore, it cannot be said in the opinion of this Court to come within the definition of a financial institution. The word 'deposit' as defined under Clause 45 (bb) (supra) also throws light on this aspect. Deposits, which



are amounts, alleged by way of share capital or contributed as capital by partners of a firm or as well as amounts received by ordinary course of business by way of security deposit, dealership deposit, earnest money or advance against orders for goods, properties or services would not be deemed to be deposits for the purpose of the definition of deposits of financial institution and, therefore, the word 'deposit' as used in section 45-MC sub-clause (c) cannot be said to be the deposits which the respondent-company has received. The claim of the respondent – companies that it has received amount by way of ODCs by a public issue would necessarily fall within the mischief of the Companies Rules of 1975. The SEBI has found the respondent – company to have violated the said provisions. Any violation of the Rules of 1975 and the provisions of Companies Act of 1956 or 2013 (as the case may be found) has to be dealt in the amendment of the RBI Act of 1934. This Court finds the claim of the RBI to treat any deposits as a Non-Banking Financial Institution, is found to be wholly misconceived. The respondent cannot be said to be a financial institution or a Non-Banking Financial Institution in any form. Therefore, there was no occasion to invoke the provisions of 45-I or 45-MC of the RBI Act of 1934.



29. Having reached to the conclusion that the respondent does not come within the ambit of NBFC, this Court also notices that the inspection by the RBI was conducted in February, 1996 as mentioned by the petitioner which has been made as a basis of violation of the provisions of Section 45-IA of the RBI Act of 1934. Although, the provision of Section 45-IA of the RBI Act of 1934 was introduced for the first time on 09.01.1997 and the violation of an act can only be from the date it has been brought into force and prior to the same, the inspection conducted by the RBI and the prohibitory order passed are found to be illegal and contrary to the provisions of their own Act. The company being not under the purview of the control of the RBI, being primarily an industrial company, could not have been prohibited. The action of RBI of taking possession of the companies headquarters under lock and key in October, 1998 is based on such assumption of violation of section 45-IA of the Act of 1934 which is found to be unjustified and illegal as section 45-IA is not retrospective.

30. However, it has come on record and admitted by the respondent- Company that SEBI has initiated proceedings against it under Section 11 of the Act of 1992 and held the offer of OCDs issued by the Company as Sun Bonds



were in violation of the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as well as the Act of 1992. The order passed by the SEBI is required to be implemented and amount made good to the concerned depositors by the Company as directed by the SEBI vide its order dated 06.03.2018. It has also come on record that the award passed by the SEBI having not been complied with because of the interim order passed by this Court was made a subject matter of recovery proceeding and the recovery officer has issued a certificate of recovery and attached bank accounts of the Company and its directors. The miscellaneous appeal was dismissed by the Appellate Tribunal, Mumbai on 01.10.2021. The respondents have prayed for de-freezing of their account in order to implement directions of SEBI.

31. In the opinion of this Court, the issue relating to compliance of SEBI's award is with the recovery officer and it would be in the interest of the claimants that their amounts deposited by way of bonds be refunded. Since this Court has reached to the conclusion that the winding up proceedings initiated by the RBI are not in accordance with law, and the provisions of Section 45-MC of the RBI Act would not be



applicable to the respondent -company it would be in the interest of the depositors that the account of Company is de-freezed and in supervision of recovery officer the depositors be refunded their amount. The interim order passed by this Court restraining the respondent from disposing its assets is vacated with a further condition that the assets of the Helios corporation shall be sold and the claims of depositors as directed by the SEBI shall be meted out by the directors within a period of nine months from the date of passing of this order. Since the company is in operation its directors shall be free to move appropriate application before the recovery officer SEBI to allow the accounts to be de-freezed. For the purpose, the recovery officer shall be allowed to supervise and process the refund of amount to the concerned depositors within the aforesaid period of eight months.

32. The company petition is dismissed with the aforesaid observation.

(Sanjeev Prakash Sharma, J)

Ashwini/-

AFR/NAFR	AFR
CAV DATE	02.02.2023
Uploading Date	22.02.2023
Transmission Date	NA

