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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
+ LPA 870/2024 & CM Nos.50533/2024, 50534/2024, 50535/2024,
50536/2024 & 2219/2025

BHAVNINDER SINGH DHATT

.....Appellant

Through: Mr. Luqman S. Hasan, Mr. Shakir
Khhan, Mr. Hansh Raj, Mr. Shubham
Awasthi & Ms. Priya Singh, Advs.

Versus

**UNION OF INDIA THROUGH MINISTRY OF CORPORATE
AFFAIRS, REGISTRAR OF COMPANIES & ORS.....Respondents**

Through: Ms. Aakanksha Kaul & Ms. Rhea
Borkotoky, Advs. for R-1.
Mr. T. Sivanandaraaj, Sr. Adv. with
Mr. Abhijit Mittal, Mr. S. Kaushik
Ramaswamy, Mr. Anukalp Jain, Ms.
Shaivya Singh & Ms. Riddhi Joshi,
Advs. for R-2&3.

CORAM:

HON'BLE THE ACTING CHIEF JUSTICE

HON'BLE MR. JUSTICE TUSHAR RAO GEDELA

ORDER

15.01.2025

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1. The appellant has filed the present appeal impugning an order dated 08.08.2024 (hereafter *the impugned order*) passed by the learned Single Judge in W.P.(C) No.974/2024, modifying an earlier order dated 26.07.2024.

2. Respondents no.2&3 [petitioners in W.P.(C) No.974/2024 captioned *Amala Paul & Anr. v. Union of India Through Ministry of Corporate Affairs*] had filed the aforesaid petition seeking several reliefs. However, the learned counsel appearing for respondents no. 2&3 submits that the said respondents (respondents no.2&3) had confined the said petition to assailing the acceptance of Form DIR-12 in respect of M/s Rack Story Pvt. Ltd. (hereafter *the Company*) recording the cessation of respondents no. 2&3 as directors of the Company. He further submits that the appellant had furnished the said



form showing that respondents no. 2&3 ceased to be the directors, *inter alia*, on account of resigning from the Company.

3. In the aforesaid context, the learned Single Judge had passed an order directing respondents no. 2&3 to approach the Registrar of Company (RoC) by filing a representation along with a copy of the order dated 26.07.2024 within a period of one week from the said date. It was further directed that the RoC shall take necessary action and pass a reasoned order after affording an opportunity of hearing to respondents no. 2&3 or their representatives in accordance with law. The said order was modified by the impugned order and it was further directed that *status quo ante* be maintained with regard to the directorship of respondent nos. 2&3 in the company till a decision is rendered by the RoC.

4. The learned counsel appearing for the appellant submits that the learned Single Judge had erred in passing the impugned order on, essentially, two grounds. First, that the learned Single Judge had not afforded the appellant an opportunity to be heard; and second, that the learned Single Judge had not appreciated that the appellant, as majority shareholder of the company, had passed a Board Resolution removing respondents no.2&3 as Directors of the Company. He submits that the said action was taken on account of allegation of misconduct on the part of respondents no.2&3. He further submits that although the copy of the resolution of the Board of Directors is not annexed with the present appeal but the same was annexed with the form filed with the RoC.

5. Ms. Kaul, the learned counsel appearing for respondent no.1 (RoC) supports the present appeal inasmuch as the impugned order was passed without affording the appellant an opportunity to be heard. She further states that the RoC has no objection in complying with the direction of conducting



an enquiry after affording an opportunity to the parties. Further, on instruction, she states that an enquiry is being undertaken.

6. After some arguments, the learned counsel appearing for the appellant submits that he does not press the appeal and will appear before the RoC for the RoC to take an informed decision.

7. In view of the above, we do not consider it apposite to interfere with the impugned order. We, however, request the RoC to complete the enquiry as expeditiously as possible and take a decision whether to sustain the Form DIR-12 on record or remove the same. We also clarify that all rights and contentions of the parties are reserved.

8. This order will not preclude the parties from taking any substantial remedies regarding what appears to be their *inter se* disputes.

9. The appeal is disposed of in the aforesaid terms. It is clarified that this order is passed with the consent of the parties.

10. All pending applications are also disposed of.

VIBHU BAKHRU, ACJ

TUSHAR RAO GEDELA, J

JANUARY 15, 2025

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[Click here to check corrigendum, if any](#)