

NATIONAL COMPANY LAW APPELLATE TRIBUNAL, NEW DELHI

Company Appeal (AT) No. 136 of 2019

IN THE MATTER OF:

Shri Surinder Kumar Virdi

...Appellant

Vs.

Beavers Leathers Pvt. Ltd. & Ors.

...Respondents

Present: For Appellant: - Mr. Saurabh Kalia, Advocate.

O R D E R

27.05.2019— A decision was taken by the National Company Law Tribunal (“Tribunal” for short), Chandigarh Bench, Chandigarh, in Company Petition filed under Sections 397, 398, 402, 403 & 406 of the Companies Act, 1956 which was decided by the Tribunal on 19th January, 2017 by holding that the functioning of the company was totally in mess because of the distrust between the petitioner on the one hand and the Respondents on the other.

2. It was further held that it was just and proper to provide exit to the petitioner because 2nd and 4th Respondents jointly held majority of the shares in the company whereas the petitioner is a minority shareholder.

3. The order was challenged before this Appellate Tribunal in Company Appeal (AT) No. 92 of 2017 which was decided by this Appellate Tribunal on 21st July, 2017 with the followings directions:

- (i) *That the appellant be restored as director of the R 1 company till he exits the company.*

Contd/-.....

- (ii) *That the respondent shall quote the acquisition value per share to the appellant within a period of one month.*
- (iii) *That the appellant shall be given the right to purchase the value of shareholding of R2 and R3. However, to compensate the appellant being minority shareholder having received neither remuneration nor dividend, he shall be given the 4 right to purchase the shareholding of R2 and R3 at a discount of 10% to the quoted rate.*
- (iv) *The appellant shall exercise the above right within 15 days from the date of communication of the acquisition value by the respondents and settle the accounts within 2 months from the date on which such right is exercised.*
- (v) *Further in case the appellant fails to provide the amount of the value of shareholding of R2 and R3 as per the quoted amount or fails to exercise his right within the above mentioned period, then R2 and R3 shall have the right to purchase the shareholding of the appellant as*

per the quoted acquisition value.

- (vi) However, this right of the respondents shall be exercised and accounts settled within 2 months from the date of failure of the appellant to exercise his right.*
- (vii) We further direct that with effect from the date of passing of the judgment, the respondents shall not draw the remunerations for future till the accounts are finalised and either party is provided exit from the R1 company, which would be liable to be distributed among the shareholders to the extent of shareholding of the appellant and respondents no. 2 to 4. The appellant and respondents shall not transfer, lease or otherwise alienate any immovable assets of the company during the interregnum.*
- (viii) Further the tribunal is directed to reschedule the date of listing according to the above mentioned timeline and ensure that the order of this appellate tribunal is implemented properly.”*

4. The Tribunal thereafter, passed appropriate order after hearing the parties by impugned order dated 28th February, 2019.

5. Learned counsel for the Appellant submits that this Appellate Tribunal had directed to pay remuneration to the Appellant (Petitioner) which has been ignored. However, we are of the view that the direction has already been given by this Appellate Tribunal. It was not required for the Tribunal to reiterate the same as the direction was given to the party concerned.

6. In so far as interest is concerned, we are of the view that the Appellant cannot ask for any interest, in absence of any direction given by this Appellate Tribunal and the said matter cannot be re-agitated for deciding the issue afresh by this Appellate Tribunal which was decided on 21st July, 2017. The Tribunal was required to decide the matter within the four corners of the direction of this Appellate Tribunal given on 21st July, 2017 and not beyond the same.

7. For the reasons aforesaid, we are not inclined to interfere with the impugned order dated 28th February, 2019.

In absence of any merit, the appeal is dismissed. No costs.

The petition for delay though stand condoned. I.A. No. 1749 of 2019 stands disposed of.

(Justice S.J. Mukhopadhaya)
Chairperson

(Justice A.I.S. Cheema)
Member(Judicial)

(Kanthi Narahari)
Member(Technical)

Ar/g