

THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH - I,
MUMBAI

CORAM : SHRI B.S.V. PRAKASH KUMAR, MEMBER (J)
SHRI RAVIKUMAR DURAISAMY, MEMBER (T)

ORDER SHEET OF THE HEARING OF MUMBAI BENCH OF THE NATIONAL COMPANY
LAW TRIBUNAL ON **03.09.2018**

NAME OF THE PARTIES: **VECTRA PROJECT LIGHTING PVT. LTD.**

v/s.

ENDO LIGHTING ACCESSORIES (INDIA) PVT. LTD.

SECTIONS OF THE COMPANIES ACT : SECTIONS 241-242 OF C.A. 2013

ORDER

20. MA 661/2017 & MA 904/2018 IN CP 24/241-242/MB/2016

Both the parties present.

In pursuance of the Miscellaneous Application 904 of 2018 moved by the Respondent Counsel seeking liberty to the company to raise funds through Financial Institutions by showing that this company has been in losses consistently for the last three years and now not in a position to pay salaries to the employees of the company, the Counsel for the Respondents has sought for liberty atleast to raise debt funds, against which, the Petitioner Counsel vehemently raised objection against the liberty sought by the Respondent on the ground that this money would go to the employees of Japan to which the Respondent Company has categorically mentioned that only four employees are from abroad and rest of the employees are in India and if the loan is not taken by this loss making company, it will not even be in a position to pay salaries to employees.

On hearing the submissions of either side, since the valuation has been already carried out taking as 1st September, 2016 as cut-off date, to provide exit

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to this Petitioner the Respondent Company taking loan from the Financial Institution will not have any bearing over the Valuation Report placed by the Valuer taking 1.9.2016 as cut-off date to provide exit to this Petitioner.

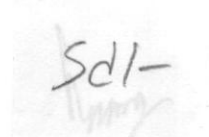
If at all any issue is there, in respect to value given to the shares of the company, it could be resolved by hearing both the sides. However, we are of the view that since this Petitioner raising objection over the loan proposal made by the Respondents being subsequent to Valuation date, it will not have any bearing over the functioning of the company subsequent to the Valuation date.

Since the value given to the shareholding being dispute in between the parties, the Respondent Company is hereby directed that they shall not have any dispute in respect to cut-off date mentioned in the Valuation so that the Petitioner will be in a position to realize its shareholding, at the time of exit from the company soon after the objections filed by the Petitioner side have been decided by this Bench.

As to discrepancies, this Petitioner raising will not have any bearing over the present order because since this Petitioner itself has agreed to take exit basing on the Valuation dated 1.9.2016 as cut-off date, the grievances as to the Petitioner as of now is only to raise objection over the Valuation, since the same being open for adjudication by this Bench, the Petitioner is supposed to argue over the objection raised by it but not over the functioning of the company.

Henceforth, lit this Application as well as objection raised by the Petitioner for hearing on 29.10.2018 with liberty to the Respondent Company to raise money through Financial institutions to carry out the functioning of the company.


RAVIKUMAR DURAISAMY
Member (Technical)


B.S.V. PRAKASH KUMAR
Member (Judicial)