

**IN THE NATIONAL COMPANY LAW TRIBUNAL, NEW DELHI**  
**PRINCIPAL BENCH**

**CP NO.85(ND)/2013** 

**IN THE MATTER OF:**

Subhash Chander Manocha & Ors.  
Vs.

... Petitioners

M/s. Galaxy Footwar Pvt. Ltd. & Ors.

... Respondents

**Order under Sections 397/398 of the Companies Act**

**Order delivered on 18.07.2017**

**Coram:**

**CHIEF JUSTICE (Retd.) M.M.KUMAR**  
**Hon'ble President**

**Ms. Deepa Krishan**  
**Hon'ble Member (T)**

For the Applicant/Petitioner : Dr. U.K. Chaudhary, Sr. Counsel  
Ms. Ranjana Roy Gawai, Mr. Pervinder  
Tawar, Mr. Himanshu Vij, Advocates

For the Respondent : Mr. A.S. Chandhlok, Sr. Adv.  
Ms. Manmeet Arora, Ms. Chand Chopra,  
Ms. Pavitra Kaur, Ms. Samapika, Adv.

Mr. Nesar Ahmad, FCS  
Mr. Sharad Rajwansh, FCS &  
Mr. Ahsan Ahmad, Advocate

**ORDER**

**C.A. No. 46(PB)/2017 in CP No. 85(ND)/2013**

This is an application with a prayer for issuance of mandatory  
injunction directing the petitioner/non-applicant to withdraw their



complaint dated 09.12.2016 filed with the Registrar of Companies (Annexure-II) and to withdraw any other letter or communication issued by the non-applicant/petitioner to that effect. It has also been pleaded that the directions be issued to the Registrar of Companies of NCT of Delhi and Haryana, to remove the tag from the respondent No. 1 company "having management dispute".

Notice of the application- Ms. Ranjana Roy Gawai, learned Counsel for the non-applicant/petitioner accepts notice.

Before we deal with the statement made on behalf of the non-applicant/petitioner, it would be appropriate to extract the order dated 6<sup>th</sup> June, 2016, which reads, thus:

*" Petition mentioned.*

*I have heard learned counsel for the parties at length.*

*During the course of arguments it transpired that the petitioner has written some letters to the Bankers of Respondent No.1-company which has resulted in in-operation of the bank accounts, renewal of facilities and grant of further facilities. Learned counsel for the petitioner after receiving instructions states that letters which have been sent and address to the Bankers of respondent No. 1 company shall stand withdrawn. Likewise, learned*



*counsel for the respondents after obtaining instructions have also stated that status quo in respect of the Board of Directors as on today, fixed assets and shareholding shall be maintained. However, learned counsel further states that Respondent No.1 company shall remain entitled to utilize the assets for day-to-day business of the company. If any further encumbrance is to be created on any immovable property the same be done with the prior permission of this Board except the one already created or to be renewed. The monthly statement of accounts shall be filed before the Tribunal in the first week of every month.*

*These statements are acceptable to each other and shall remain binding.*

*The Respondent may file their reply within six weeks with a copy in advance to the counsel for the petitioner. Rejoinder, if any be filed within four weeks with a copy in advance to the counsel for the respondent.*

*Passing of this order shall be construed as an impediment in any amicable settlement between the parties.*

*List on 19.08.2016 at 10.30 a.m."*

A perusal of the above extracted order would show that the petitioner after receiving instructions on 06.06.2016 has stated that they were not to address any communication to the Banker of

*✓*



respondent No. 1 company making adverse comments. Similar statement was made for maintaining status quo in respect of Board of Directors, fixed assets and shareholding by the respondents. The aforesaid statements were acceptable to both the parties. Despite, the aforesaid undertaking, one of the Director/petitioner-non-applicant namely Ms. Puja Manocha has sent a letter to the ROC on 09<sup>th</sup> December, 2016. The ROC taking notice of the aforesaid letter passed an order on 28.12.2016 and issued its copy to respondent No. 1 company on 28.12.2016. Respondent No. 1 company/applicant entered a detailed reply before the Registrar on 29.12.2016 (Annexure-V).

Mr. Chaudhary, learned Counsel for the non-applicant-petitioner after obtaining instructions states that the request made by them has not been correctly appreciated by the Registrar of Companies and in fact they never intended to request for tagging the company as a "management dispute company".

We are unable to appreciate the instance of the Registrar. The minimum principle of natural justice required him to first issue notice about any proposed action before actually passing the order. Surprisingly, the Registrar on 28.12.2016, firstly passed

CTA

order by stating in the last para that the Company Galaxy Footwears Private Limited having CIN U19201DL1986PTC024696 has been marked as having management dispute on the basis of the NCLT order and then communicated the order to the applicant-respondent No. 1. Such a course was not simply available to the ROC as in a large number of cases Hon'ble Supreme Court has ruled that any order which have civil consequences cannot be issued without granting opportunity of hearing to the aggrieved party . For the aforesaid we draw support from the observations in ***Maneka Gandhi vs. Union of India -(1978) 1 SCC 248, Mohinder Singh Gill vs. Chief Election Commissioner-(1978) 1 SCC 405 and Union of India & Anr. Vs. Tulsiram Patel & Ors. (1985) 3 SCC 398.***

The well rooted principles of natural justice in our jurisprudence have been violated by the Registrar of Companies in a wanton manner. There was no use seeking explanation which was filed by the applicant/respondent No. 1 on 29.12.2016 when the order has already been passed on 12.08.2016.

As a sequel to the above discussion and particularly in view of the statement made by the learned Counsel for the non-



applicant-petitioner, we direct the ROC to immediately remove the tag of "management dispute company".

A copy of this order shall be served by the parties on the ROC at the earliest and the same be issued to the parties today itself under the signature of the Bench Officer.

This order would also govern the removal of tagging in respect of Galaxy Footwear Pvt. Ltd. & Ors., M/s. Columbus Marketing Pvt. Ltd. & Ors. and all other connected companies.

The Application stands disposed of.

Sd/-

(CHIEF JUSTICE M.M.KUMAR)  
PRESIDENT

Sd/-

(DEEPA KRISHAN)  
MEMBER(TECHNICAL)

18.07.2017  
V. Sethi