

The petitioners moved this Petition seeking a direction against R1 and R2 not to hold EoGM on 3.10.2017 for appointment of four more directors, because R2 has proposed this meeting without issuing notice to the petitioners, who were disqualified to continue as directors in pursuance of notification u/s 164(2)(a) of the Companies Act, 2013, These petitioners were promoter directors each holding 11.41% shares in R1 Company. They continued as Directors from 8.2.1992 till 7.9.2017 until before they were disqualified on the ground Annual Reports/Annual Returns were not filed for three preceding years in other company where these petitioners were continuing as directors.

In a scenario like this, the sole surviving Director i.e. R2 holding over 10% of the shareholdings proposed EOGM to be held on 3.10.2017 to appoint four Directors in R1 Company without even giving notice to these Petitioners, who together hold 33.3% shareholding in the company. The Petitioner Counsel further submits that these Petitioners, who continued as promoter Directors have been completely sidelined which is prejudicial to the interest of the petitioners.

The Counsel further submits it is a company constituted on quasi partnership lines with an expectation all major group shareholders are ensured to get participation in the management, but here participation of the petitioners is ignored, by which their interest in the company will get adversely affected, if these four new persons at the choice of R2 come into management.

In view of the same, the Petitioners have sought a direction against the company to put this meeting on hold until further orders. The petitioners counsel has filed proof showing that they served notice upon the Respondents, but whereas the Respondents not being present to this hearing, this Bench, being prima facie satisfied with submissions of the petitioners' side, hereby passes an ex-parte order directing the company to put this meeting on hold until next date of hearing i.e. 6.10.2017 with a direction to the Petitioners to serve this order upon the Respondents and file proof of service before this Bench on 4.10.2017.

If at all the Respondents have any grievances in respect to the order passed by this Bench, they are at liberty to seek vacation of this order on next date of hearing.

List this matter on 5.10.2017 for hearing.

Sd/-

V. NALLASENAPATHY
Member (Technical)

Sd/-

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