

IN THE NATIONAL COMPANY LAW TRIBUNAL, NEW DELHI
PRINCIPAL BENCH

CP NO. 88/241-242(PB)/2020

IN THE MATTER OF:

Ishwar Chand Jindal & Ors.

..... Petitioners

v.

Magnum Steels & Ors.

..... Respondents

**SECTION: UNDER SECTION 241-242 OF THE COMPANIES ACT,
2013**

ORDER DELIVERED ON 12.11.2020

CORAM:

SH. B.S.V. PRAKASH KUMAR

HON'BLE ACTG. PRESIDENT

SH. HEMANT KUMAR SARANGI

HON'BLE MEMBER (TECHNICAL)

PRESENT:

For the Petitioner(s):

Mr. Manoj Kumar Garg, Advocate

For the Respondent(s):

None

ORDER

Per: SH. B.S.V. PRAKASH KUMAR, HON'BLE ACTG. PRESIDENT

HEARD ON: 11.09.2020

It's a company petition filed by the petitioners against the Respondents u/s 241-242 of the Companies Act, seeking various reliefs, inter alia interim reliefs seeking restraint orders against the Respondents not to deal with either the shareholding or assets of R1 Company and also not deal with the affairs of R1 Company until further orders.

2. On reading this petition, it appears that P1 holding 23,23,400 shares constituting 94.83% and P2 holding 24,900 equity shares



constituting 1.02% in R1 company as on 2nd July, 2020. R1 Company was incorporated on 10.01.1991 doing business in relation to steel furniture and other allied items. P1 says that P1 and another person namely Mr. Ashok Kumar Gupta continuing as directors in R1 Company.

3. It is born out from the records that R2 namely Mrs. Shashi Prabha Jindal is wife of P1, Mr. Rajat Jindal (R3) and Mrs. Nishta Jindal (R4) are children of P1 and R2. Children are living with their mother (R2). P1 further submits that there are serious differences between P1 and R2 since 2006, in relation to it, there are several civil and criminal cases pending between P1 and R2. May be, it is an addition to the list of cases pending between them.

4. The petitioners submit that they have come to know that R2 on 19.06.2020 along with various criminal elements reached to the corporate office of R1 Company situated at 312-313 PP Towers Netaji Subhash Palace, Pitampura, Delhi by showing herself as director of R1 Company and snatched the password of R1 Company and Cheque books, ATM cards, accounts, passbook, PAN card and pen drive containing financial records of R1 company by force and put the employee of R1 company under lock. Thereafter, when P1's advocate inspected the records of MCA on 19.06.2020, they have found one DIR-12 was filed on 19.06.2020 on MCA portal by using the digital

signature of R6 (Mahesh Mohapatra), who has for the first time got digital signature on 16.06.2020, for uploading forms reflecting appointment of Sh. Chander Sain Yadav (R-5), Sh. Rajat Jindal (R-3), Ms. Shashi Prabha Jindal (R-2) and Ms. Nishta Jindal (R-4) as directors in connivance with the Chartered Accountant (R7). All this happened without the knowledge of P1 continuing as director with R1 Company. They further submit DIR-12 dated 19.06.2020 does not contain copy of the Board Resolution purportedly passed in the alleged Board Meeting dated 17.06.2020 except showing consent letters of the aforementioned persons shown as appointed as directors of R1 company. This was uploaded by using the digital signature of R6, who was at that time present in Orissa owing to lockdown.

5. By showing all these things, the petitioner counsel submits that this resolution DIR-12 is not supported by any Board Resolution passed by R1 Board. Later R2 on 20.06.2020 along with some other unlawful elements reached to the office of nine group companies including R1, which is in the name of P1 in his individual capacity situated at D-17, Basant Vihar, Gwalior, M.P. and threatened the staff of R1 company and snatched the email password, cheque books, ATM cards, accounts passbook containing financial informations of



the companies. Likewise, R2 also went to the factory premises of R1 Company on 20.06.2020.

6. The petitioners, being aggrieved of the high handed acts of the answering respondents, reported to the police stations of the respective places. However, for the police not being in a position to provide civil remedies available u/s 241-242 of the Companies act, the petitioners submit that they are constrained to approach this Tribunal for the reliefs as mentioned above.

7. And the day when this company petition for the first time came before this bench, the Respondents not being present, another date was given hoping that the Respondents would appear on the following date of hearing. But whereas the respondents having successively remained absent for hearing, as there was no other go except to hear the petitioners and proceed further, we have heard this matter.

8. The case of the petitioners is that answering respondents highhandedly usurped into the management of R1 Company and dealing with the affairs of R1 Company, which is unfairly prejudicial to the interest of the petitioners, whereby this Bench having found prima facie case in favour of the petitioners, the Respondents are hereby directed not to deal with the affairs of R1 Company and not



to take any decision either with regard to the shareholding or with regard to the assets or even with regard to taking any decision relating to the affairs of R1 company until further orders. It is apparent on record that petitioners being majority, they can take a decision with regard to the affairs of R1 company but the answering respondents having filed DIR-12 changing the board pattern authorising themselves to take decisions without the presence of the petitioners, who are continuing as the directors of the company, we are of the view that the situation warrants this bench to give directions to set right the anomalous situation existing on DIR-12 being uploaded by the answering respondents herein.

9. List this case for hearing on 14.12.2020 with directions to the respondents to file reply within four weeks hereof. Rejoinder, if any, within four weeks hereof and with further directions to the petitioners to serve the copy of this order upon Respondents who remained absent on the last date of hearing so that they will be in a position to place their defence by filing reply to the company petition.

Sd/-

(B.S.V PRAKASH KUMAR)
ACTG. PRESIDENT

Sd/-

(HEMANT KUMAR SARANGI)
MEMBER (TECHNICAL)