

NATIONAL COMPANY LAW APPELLATE TRIBUNAL
NEW DELHI

Company Appeal (AT) No. 227 of 2017

IN THE MATTER OF:

Nooruddin Khan & Anr.

... Appellants

Versus

Himayat Ali Khan & Ors.

... Respondents

**Present: For Appellants : Shri Vikramjit Banerjee, Senior Advocate
With Shri Ravi Agrawal and Shri Souqat
Siha, Advocates**

For Respondents Nos. 1 to 4 : Shri D. Pahuja, Advocate

**For Respondents Nos. 5 to 24 :- Shri Priyank L. with Shri
Arjun R. and Shri Amogh CA, Advocates**

**For Respondents Nos. 26 & 29 :- Shri Kamal Verma and
Ms. Yogandhara Jha Pawar, Advocates**

ORDER

19.07.2017 The appellants have preferred this appeal against the order dated 28th April, 2017 passed by the National Company Law Tribunal (hereinafter referred to as 'Tribunal'), Bengaluru Bench, Bengaluru whereby and whereunder with regard to pending proceeding in C.P. No. 10/2016, one Mr. A.V. Nishanth, Advocate has not been allowed to represent the company.

2. It appears that initially by Board of Directors Resolution dated 22nd September, 2016, the authorised signatory empowered one 'Mr. Sachin

S. Shetye, Legal Consultant, Mumbai' to represent the company in all judicial, quasi-judicial etc. matters. Subsequently, Mr. A.V. Nishanth was asked to represent the company pursuant to a Resolution dated 3rd April, 2017 passed by a rival group.

3. According to learned counsel for the appellants, Mr. A.V. Nishanth was appointed by Mr. Nooruddin Khan, who is the authorised representative of the company in terms of Board's Resolution dated 3rd April, 2017. Mr. Sachin S. Shetye, Legal Consultant, Mumbai has not been allowed by Mr. Nooruddin Khan to represent the company.

4. It appears that there is an *inter se* dispute in the management of the company. The management originally authorised Mr. Sachin S. Shetye, by Resolution dated 22nd September, 2016 to represent the company, but another group of persons called a separate meeting and authorised Mr. Nooruddin Khan, who in his turn engaged Mr. A.V. Nishanth, Advocate to represent the company.

5. We have heard learned counsel for the appellants and learned counsel for the respondents and perused the order.

6. We are of the view that the Tribunal has rightly rejected the claim of the appellants. Once there is a dispute about the management of the company, the first authorised person should be allowed to represent the company. With regard to the dispute as to who will be representing the

company, we find that the Tribunal rightly allowed Mr. Sachin S. Shetye, who was originally authorised to represent the company. The Board's Resolution dated 22nd September, 2016 having passed earlier, and the same being annulled or recalled in any decision without informing all Board's members cannot be accepted.

7. Learned senior counsel for the appellants submits that Hon'ble Calcutta High Court has passed certain order but we do not intend to make any observation, as it is the Tribunal which is empowered to decide as to who is legally authorised to represent the company.

8. After the order was recorded, learned senior counsel for the appellants submits that the first Board Resolution dated 22nd September, 2016 was forged, but we are not inclined to deliberate on such issue as it is open to the company to take any legal step, if any proceeding has been forged.

9. We find no merit in this appeal and accordingly dismiss the appeal. However, in the facts and circumstances of the case, there shall be no order as to costs.

[Justice S.J. Mukhopadhaya]
Chairperson

[Balvinder Singh]
Member (Technical)