

Supreme Court of India

Shanta Genevieve Pommerat And ... vs Sakal Papers Private Limited And ... on 11 January, 1983

Equivalent citations: AIR 1983 SC 269, 1985 57 CompCas 469 SC, (1983) 2 CompLJ 1 SC, 1983 (1) SCALE 708, (1983) 1 SCC 295

Bench: D Desai, R Misra

ORDER

1. Special leave granted.

2. Petitioners filed Company Petition No. 306 of 1980 in the High Court of Judicature at Bombay complaining about the oppression by the respondents in their management of the affairs to the 1st respondent-Company Sakal Papers Pvt, Ltd. The matter came-up before the learned Company Judge, who by its judgment and order dated 2nd/3rd February, 1981 dismissed the petition and directed the petitioners to pay Rs. 10,000/- as and by way of costs to the respondents. Petitioners preferred an appeal against the decision of the learned Company Judge under the Companies Act, 1956. This appeal was placed for admission before a Division Bench of the Bombay High Court and it was dismissed in limine. Appellants have preferred this appeal by special leave against the order dismissing their appeal by the Division Bench in limine.

3. As we are of the opinion that it was not open to the Division Bench of the Bombay High Court to dismiss the appeal in limine, we are at this stage not inclined to examine other Contentions on merits.

4. Section 483 of the Companies Act provides that appeals from any order made, or decision given, in the matter of the winding up of company by the Court shall lie to the same Court to which, in the same manner in which, and subject to the same conditions under which, appeals lie from any order or decision of the Court in cases within its ordinary jurisdiction. The company petition filed by the appellants was under Sections 397, 398 and 483 of the Companies Act. This group of Sections are included in Chapter VI headed "Prevention of Oppression and Mismanagement" which in turn falls within Part VI bearing the heading "Management & Administration". Provisions for winding-up are grouped together under Part VII. Section 483 is placed in chapter II of Part VII. Therefore, at the first blush it would appear that Section 483 provided for appeals from any order made, or decision given, in the matter of winding up of the company by the Court. Expression Court is defined to mean with respect to any matter relating to a Company (other than any offence against this Act), the Court having jurisdiction under the Act with respect to that matter relating to that Company as provides in Section 10. Section 10 provides that the Court having jurisdiction under this Act shall be:

(e) the High Court having jurisdiction in relation to the place at which the registered office of the company concerned is situate, except to the extent to which jurisdiction has been conferred on any District Court or District Courts subordinate to that High Court in pursuance of Sub-section (2)....

Section 483 confers the right to appeal and forum for the same in respect of any order made or decision given, in the matter of the winding up of a Company by the High Court having jurisdiction in the matter. The appeal shall lie to the same Court to which, in the same manner in which, and

subject to the same conditions under which, appeals lie from any order or decision of the Court in cases within its ordinary jurisdiction.

5. Now an Order under Sections 397, 398 and 483 of the Companies Act, on the face of it, cannot be said to be an Order made or decision given, in the matter of the winding up of a company. Relief, undoubtedly under Section 397 and/or 398 is in fact an alternative to winding up. No direct order under Section 397, or 398 could be an order made or decision given by the High Court having jurisdiction under the Companies Act and therefore, an appeal will lie to the Division Bench of the same High Court. This is not disputed.

6. Chapter XLII of the Bombay High Court Rules provides for appeals to appellate court. The Rules make provision for certain type of appeals to be placed in the first instance, for admission before a bench of the High Court to be appointed by the Chief Justice. It is not in dispute that the appeal preferred by the present appellants was not one such appeal which can be placed for admission under Rule 966 A and it follows from this Rule that the appeal other than those mentioned in that Rule are not to be placed for admission. This point is no more *res integra* in view of the decision of this Court in *M/s. Golcha Investment (P) Ltd. v. Shanti Chandra Bafna* AIR 1978 SC 1350 wherein after considering the provision contained in Rule 966-A, it was held that appeals, other than those set out in the Rule are not to be placed for admission and they were entitled to be admitted as a matter of course. This Court accordingly quashed the order dismissing the appeal in limine observing that the appellate court erred in summarily dismissing the appeal because it was bound to entertain the same and dispose it of on merits. This observation will *mutatis mutandis* apply to the present appeal.

7. Accordingly this appeal must succeed on this limited ground. We accordingly allow this appeal and set aside the order dismissing the appeal preferred by the present appellants in limine by the Division Bench and Bombay High and remit the case to the appellate bench for disposal of the same according to law. In other words, the appeal shall not come up for admission but shall be fixed for hearing on merits and disposed of according to law as expeditiously as possible. There shall be no order as to costs of hearing of the appeal in this Court.

8. Mr. R.K. Jain, learned Counsel for the appellants urged that this Court should make some Order of interim nature. As we have disposed of the matter on a preliminary ground, and as we have not heard any contention on merit, it would not be proper for us to examine the question of granting of interim relief. Parties may appear after expiry of two weeks from to-day before the High Court and seek appropriate relief.