

THE HON'BLE SRI JUSTICE C.V.NAGARJUNA REDDY

Civil Miscellaneous Appeal Nos.64 and 65 of 2015

Dated 13th March, 2015

Between:

Liquors India Limited and others

...Appellants

And

R.V.Ravi Kumar

...Respondent

Counsel for the appellants: Sri S.Ravi

for Sri Ch.Pushyam Kiran

Counsel for the respondent: Sri P.Sri Raghu Ram

The Court made the following:

COMMON JUDGMENT:

These two civil miscellaneous appeals arise out of common order, dated in I.A.Nos.1452 and 1453 of 2013 in O.S.No.103 of 2013, on the file of the learned II Additional District Judge, Ranga Reddy District at L.B.Nagar.

By the above-mentioned order, the lower Court has allowed both the applications filed by the respondent for restraining the appellants from altering the Board of Directors of appellant No.1-company and also from alienating or encumbering the movable and immovable assets of appellant No.1-company either by way of sale, mortgage, lease or otherwise during the pendency of the suit.

I have heard Sri S.Ravi, learned Senior Counsel appearing for the appellants, and Sri P.Sri Raghu Ram, learned Senior Counsel appearing for the respondent, at a considerable length.

During the hearing, it has come out that during the pendency of the IAs before the lower Court, appellant Nos.2 to 5 changed the Board of

Directors of appellant No.1-company. In view of this event and the further fact that appellant No.1 is being managed by appellant Nos.2 to 5, this Court has queried as to how the restraint order against the change of composition of appellant No.1-company would in any manner enure to the benefit of the respondent. The learned Senior Counsel appearing for the respondent, on instructions, submitted that his client is not pressing the relief granted by the lower Court in I.A.No.1452 of 2013.

As regards the injunction granted in I.A.No.1453 of 2013, during the hearing of the case on 12.03.2015, this Court has expressed the view that it may be appropriate that if the order granted by the lower Court is confined to sale of the immovable assets and plant & machinery belonging to appellant No.1-company to secure the interests of the respondent.

The learned Senior Counsel appearing for the appellants, on instructions, submitted that his clients have no objection for confining the order under revision to the above effect.

Both the learned Senior Counsel have fairly agreed that all the activities that are being undertaken by appellant Nos.2 to 5 pending the suit shall be subject to the result of the same.

Having regard to the consensus reached between the learned Senior Counsel as above, both the CMAs are disposed of in the following terms:

- (1) The order in I.A.No.1452 of 2013 restraining appellant Nos.2 to 5 from altering the composition of the Board of Directors of appellant No.1 is set aside. Any change of composition in appellant No.1-company effected during the pendency of the suit shall be subject to the result of the same;
- (2) Appellant Nos.2 to 5 are allowed unfettered freedom to carry on the activities pertaining to appellant No.1. However, they are restrained from alienating or creating third party interests in the immovable properties and plant & machinery of appellant No.1;

and

- (3) The activities undertaken by appellant Nos.2 to 5 in respect of appellant No.1-company shall be subject to the result of the suit.

As a sequel to disposal of the CMAs, the pending interlocutory applications shall stand disposed of as infructuous.

C.V.NAGARJUNA REDDY, J

13th March, 2015
VGB