

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL, NEW DELHI
BENCH: NEW DELHI
CA 1/2016 in CP 1/2015

Present: B.S.V. PRAKASH KUMAR, Member (Judicial)

In the matter of:

Regulation 44 of the Company Law Board Regulations, 1991

And

In the matter of:

Union of India

.....Petitioners

v.

M/s. Financial Technologies (India) Ltd. & Ors.

.....Respondents

Present:

The counsel for the Petitioners: Mr. Navin Chawla, Mr. Siddhath, Ms. Perna Shah Deo Advocates, Mr. Kirtiman Singh (CGSC).

The counsel for the Respondents: Shri S.N. Mookherjee, Sr. Advocate, Mr. Nooruddin Dhillal, Mr. Mohit Advani, Mr. Ankur Saigal, Mr. Rishab Parikh Advocates (R1, R5-8 & R10-17),
Mr. Arvind Lakhawat, Advocate (R2-R4, R19, R21, R23-24, R26-27)

Order
(Heard on 16-6-2016)

On mentioning CA 01/2016, the petitioner and the respondents have agreed for modification of the order dated 30.06.2015 to the extent that is stated in the Draft Order filed by the petitioner and the respondents jointly. The Draft Order is as follows:

"The Interim Order dated 20.6.2016 is modified to the limited extent as under.

- a) Pending hearing and final disposal of the present Company Petition, there shall be a Committee comprising of the following members*
 - (i) two independent Directors of Respondent No. 1 Company*
 - (ii) the Managing Director of Respondent No. 1 Company*
 - (iii) Retired Judge of the Hon'ble Supreme Court names Mr. Justice (Retd) D.P. Wadhwa and*
 - (iv) Nominee of the Petitioner*
- b) The Retired Judge and the Nominee of the Petitioner shall have veto powers individually.*

The above Committee shall consider the following

- (i) Sale of the investments held by Respondent No. 1 Company in compliance with any order/direction passed by any Regulatory or Statutory Authority in India or abroad, as and when such sale is proposed by the management of Respondent No. 1 Company.*
- (ii) Treasury operations of Respondent No. 1 Company such as investment of surplus funds available with Respondent No. 1 Company or switching and/or altering the investment of surplus funds of Respondent No. 1 Company as and when proposed by the management of Respondent No. 1 Company; and*
- (iii) Funding of the working capital requirements of the subsidiaries of Respondent No. 1 Company by Respondent No. 1 Company from time to time, as and when proposed by the management of Respondent No. 1 Company.*

Provided that the parties shall have the liberty to move this Hon'ble Tribunal against any decision of the above Committee.

The proceeds of sale of investments in para (i) above shall be deposited in a fixed deposit account with the liberty to Respondent No. 1 Company to move this Hon'ble Tribunal for any usage of these funds and such application (if made) shall be decided as expeditiously as possible.

It is clarified that the above Committee shall have no powers other than as described above. Respondent No. 1 Company shall not take any decision or action with respect to any of the items (i), (ii) and (iii) above without the written approval of the Committee.

The application No. 84/2016 filed on 26.5.2016 by the Respondent No. 1 Company and the Application No. 01/2016 filed on 14/15.06.2016 by the Petitioner seeking further interim reliefs are disposed of accordingly.

The parties shall nominate their nominees on the Committee within two weeks from the date of this order.

The remuneration of the Retired Judge of the Hon'ble Supreme Court and the nominee of the Petitioner shall be Rs. _____ (Rupees _____) per sitting to be borne by Respondent No. 1 Company."

2. Since the parties have, subsequent to filing of the draft order, given the name of the Retired judge of the Hon'ble Supreme Court, it is hereby ordered that Hon'ble Retired Judge, Justice D.P. Wadhwa, Supreme Court of India is appointed as Independent Director on being said that the Retired Justice D.P. Wadhwa has given consent to take up this job.
3. The parties having left it to this Bench to decide the remuneration of the Hon'ble Retired Judge of the Hon'ble Supreme Court and the Nominee of the petitioner, I hereby order that the remuneration of the Retired Judge of the Hon'ble Supreme Court shall be as agreeable to the Hon'ble Judge; as to the nominee of the Petitioner, he shall be paid Rupees One lac (₹1,00,000) per sitting to be borne by R1 company.
3. The Draft Order placed by the parties is hereby made as Annexure to this order.
4. The Draft Order is accordingly allowed.
5. List the matter on 08-08-2016 at 2 p.m.

(B.S.V. PRAKASH KUMAR)
Member (Judicial)
(signed on 24-06-2016)

New Delhi

BEFORE THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL

C.A. NO. 84 OF 2016

IN

CO. PETITION NO. 01/2015

IN THE MATTER OF:

UNION OF INDIA

... PETITIONER

VERSUS

FINANCIAL TECHNOLOGIES (INDIA) LIMITED
& ORS.

...RESPONDENTS

DRAFT ORDER

The interim order dated 30.06.2015 is modified to the limited extent as under:

Pending hearing and final disposal of the present Company Petition, there shall be a Committee comprising of the following members:

- (a) two independent Directors of Respondent No. 1 Company;
- (b) the Managing Director of Respondent No. 1 Company;
- (c) Retired Judge of the Hon'ble Supreme Court namely Mr Justice (Retd.).....; and
- (d) Nominee of the Petitioner.

The Retired Judge and the Nominee of the Petitioner shall have veto powers individually.

The above Committee shall consider the following:

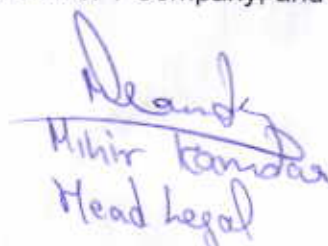
(i) Sale of the investments held by Respondent No. 1 Company in compliance with any order / direction passed by any Regulatory or Statutory Authority in India or abroad, as and when such sale is proposed by the management of Respondent No. 1 Company;

(ii) Treasury operations of Respondent No. 1 Company such as investment of surplus funds available with Respondent No. 1 Company or switching and/or altering the investment of surplus funds of Respondent No. 1 Company as and when proposed by the management of Respondent No. 1 Company; and



(SANJAY SOON)

J. D. K. - MIO CORPORATE AFFAIRS



(iii) Funding of the working capital requirements of the subsidiaries of Respondent No. 1 Company by Respondent No. 1 Company from time to time, as and when proposed by the management of Respondent No. 1 Company.

Provided that the parties shall have the liberty to move this Hon'ble Tribunal against any decision of the above Committee.

The proceeds of sale of investments in para(i) above shall be deposited in a fixed deposit account with the liberty to Respondent No. 1 Company to move this Hon'ble Tribunal for any usage of these funds, and such application (if made) shall be decided as expeditiously as possible.

It is clarified that the above Committee shall have no powers other than as described above. Respondent No. 1 Company shall not take any decision or action with respect to any of the items (i), (ii) and (iii) above without the written approval of the Committee.

The application No. 84 / 2016 filed on 26.05.2016 by the Respondent No. 1 Company and the Application No. ^{NCLT DIARY NO} 16 / 2016 filed on ¹⁴ 15.06.2016 by the Petitioner seeking further interim reliefs are disposed of accordingly.

The parties shall nominate their nominees on the Committee within two weeks from the date of this order.

The remuneration of the retired Judge of the Hon'ble Supreme Court and the nominee of the Petitioner shall be Rs. _____ (Rupees _____) per sitting to be borne by Respondent No. 1 Company.

