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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

\+ **CONT.CAS(C) 1179/2022 and C.M. Appl. No. 47068/2022**

IDBI TRUSTEESHIP SERVICES LIMITED ..... Petitioner

Through: Mr. Rajeeve Mehra, Sr. Advocate with Mr. Atul Sharma, Ms. Renuka Iyer and Ms. Kashish Narang, Advocates.

versus

ASIAN SATELLITE BROADCAST PRIVATE LIMITED AND ORS ..... Respondents

Through:

**CORAM:**
**HON'BLE MR. JUSTICE SACHIN DATTA**

**<u>O R D E R</u>**

% **03.11.2022**

**<u>C.M. Appl. No. 47069/2022 (for exemption)</u>**

Exemption allowed, subject to all just exceptions.

The application stands disposed of.

**<u>CONT.CAS(C) 1179/2022</u>**

1. The present petition alleges wilful disobedience of the orders dated 17.12.2021 and 20.04.2022, passed by learned Debt Recovery Tribunal – III, Delhi, in O.A. No. 925/2021.

2. Learned senior counsel for the petitioners submits that the said O.A. together with the interim order passed therein, was served upon the respondent no. 1 on 04.01.2022. It is further submitted that on 05.01.2022, from a filing made by M/s Zee Media Corporation Limited before the National Stock Exchange of India (NSE), it transpired that certain warrants

have been allotted to the respondent no.1 herein. The details of the warrants allotted to the respondent no.1, as set out in the aforesaid communication are as under:-

> *"The Company has received 25% of the Warrant Issue Price i.e. Rs. 3.05/- against each Warrant, aggregating to Rs. 41,17,50,000 (Rupees Forty One Crores Seventeen Lakhs and Fifty Thousand Only) ("Warrant Subscription Price") from Asian Satellite Broadcast Private limited.*
>
> *The above allotment of Warrants entitles· Asian Satellite Broadcast Private Limited to seek conversion of such Warrant(s) in one or more tranches, within a maximum period of 18 months from the date of allotment of Warrants, upon the payment of Warrant Exercise Price of Rs. 9.15/- per Warrant, equivalent to 75% of the Warrant Issue Price ("Warrant Exercise Price"), and be allotted 1 (one) fully paid-up Equity Share of the Company of face value of Re. l/- each, at a price of Rs. 12.20/- per share (including premium of Rs. 11.20/- per share), against each Warrant.*
>
> *As the Company has allotted Warrants, currently there is no change in the Paid-up Share Capital of the Company."*

3. It is submitted by learned senior counsel for the petitioners that pursuant to the aforesaid allotments, a fresh application under Section 19(25) of the RDDBFI Act was filed by the petitioner before the Debt Recovery Tribunal, specifically seeking as under:-

> *"a) Allow the present application and pass an order granting ad-interim ex-parte injunction thereby restraining the Defendant No. 7 from disposing off/ transferring /creating· third-party interest over warrants (convertible into equity shares) to be acquired/ to be acquired by the Defendant No. 7, upon culmination of the aforesaid transaction with Zee Media Corporation Limited;*
>
> *b) Pass an order of attachment of the warrants (convertible into equity shares) in favour of the Applicant upon culmination of the*

*aforesaid transaction entered into by Defendant No. 7 with Zee Media Corporation Limited.*

*c) Pass an order of attachment of the entire equity shares of Zee Media Corporation Limited, (if converted to equity shares) acquired by Defendant No. 7 by way of the said transaction.*
*d) Pass an order directing the Defendant No. 7 to furnish requisite security equivalent to an amount of Rs. 164.70 crores i.e. the transaction amount in respect of purchase of warrants (convertible into equity shares) by Defendant No. 7 of Zee Media Corporation Limited, in order to safeguard the interest of the Applicant.*

*e) Pass such other/further orders as this Hon'ble Tribunal may deem fit, just and proper in the facts and circumstances of this case."*

4. Although, the interim order dated 17.12.2021, clearly took within its sweep the aforesaid warrants stated to have been issued to respondent no. 1, nevertheless vide order dated 20.04.2022, it was directed by the learned Debt Recovery Tribunal as under:-

> *"Re-notify the matter before regular Court on 26.04.2022. Till then defendant no. 7 is directed to maintain status quo in compliance of order passed by this Tribunal on 17.12.2021."*

5. It is further submitted that on 12.09.2022, by virtue of a communication addressed by respondent no. 1 to the NSE, it was informed by the respondent no. 1 that it had transferred 13,50,00,000 warrants to some third party i.e., M/s Elitecast Media Limited by way of "Off Market Inter-se transfer amongst promoter group".

6. *Prima facie* it appears that the said transfer was in violation of the subsisting interim orders dated 17.12.2021 and 20.04.2022 passed by DRT in the aforesaid proceedings.

7. Issue notice to the respondents on steps being taken by the petitioner

through all permissible modes, including electronically, returnable on 6th December, 2022. *Dasti* in addition.

8. Let reply be filed by the respondents within a period of two weeks. Rejoinder thereto, if any, be filed before the next date of hearing.

**SACHIN DATTA, J**

**NOVEMBER 3, 2022**

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