

ITEM NO.101

COURT NO.11

SECTION IX

S U P R E M E C O U R T O F I N D I A
R E C O R D O F P R O C E E D I N G S

Civil Appeal No(s). 6096-6097/2005

S.E.B.I.

Appellant(s)

VERSUS

HITACHI HOME & LIFE SOLUTIONS INC.&ANR.

Respondent(s)

WITH

C.A. No. 6157/2005

(With Office Report)

Date : 31/07/2015 These appeals were called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE VIKRAMAJIT SEN
HON'BLE MR. JUSTICE SHIVA KIRTI SINGHFor Appellant(s) Mr. U.U. Singh, Sr. Adv.
Mr. D. Mehrotra, Adv.
Mr. Bhargava V. Desai, Adv.
Ms. Saumya Mehrotra, Adv.
Mr. Rishi Gautam, Adv.For Respondent(s) Mr. K.V. Vishwanathan, Sr. Adv.
Mr. Manu Nair, Adv.
Mr. Saanjh N. Purohit, Adv.
Mr. Malak Bhatt, Adv.
Mr. S. S. Shroff, Adv.UPON hearing the counsel the Court made the following
O R D E RThe appeals stand disposed of in terms of the signed
Order.(NEELAM GULATI)
COURT MASTER(SAROJ SAINI)
COURT MASTER

(Signed Order is placed on the file)

IN THE SUPREME COURT OF INDIA
CIVIL APPELLATE JURISDICTION

CIVIL APPEAL NO(S). 6096-6097 OF 2005

S.E.B.I.

Appellant(s)

VERSUS

HITACHI HOME & LIFE SOLUTIONS INC. & ANR.

Respondent(s)

WITH

CIVIL APPEAL No. 6157 OF 2005

O R D E R

In these appeals, the question which arises for our determination is whether the Hitachi Group and the Lalbhai Group "acted in concert" in the acquisition of the shares of the target Company followed by the sale of the share holding of the Lalbhai Group in the target Company. The Securities and Exchange Board of India (in short 'the SEBI') came to the conclusion that these parties were not acting in concert so far as the target company Amtrex Hitachi Appliances Ltd. (in short 'the AHAL') was concerned. However, this finding was overturned by the Securities Appellate Tribunal (in short 'the SAT') in its Judgment dated 6th July, 2005, which is impugned before us.

The interpretation and meaning of the words 'persons acting in concert' has now been thoroughly explained by this Court in "Daiichi Sankyo Company Limited vs. Jayaram Chigurupati" [2010 (7) SCC 449] with which decision we respectfully concur. In these circumstances, so far as these appeals are concerned, no question or exposition of law or of any interpretation of the subject provision arises for the consideration of this Court.

At the relevant time, the purchase price of the share holding of the Lalbhai Group by Hitachi Group was about Rs.41/- per share. It transpires that these shares are presently Rs.1468/-. If the decision of the SEBI were to be upheld, consequences would be that the Hitachi Group would have to make a public offer to purchase the shares of any of the shareholders of the target Company at Rs.41/- together with interest at the rate of 10 per cent per annum from 1st May, 2003. Since the shares are being traded presently at Rs.1468/- per share, which is much higher than the said rate of 41/- per share together with interest thereon, the dispute becomes purely academic in nature.

It is in these circumstances, that we think it expedient and proper to dispose of the Appeals in view of the expounding of the law by this Court in Daiichi Sankyo's case (*supra*). Needless to state the order of the SAT, if it may not be in conformity with the enunciation of law made by this Court in Daiichi Sankyo's case, will not be treated as a precedent.

Appeals stand disposed of with the above observation.

.....J
(VIKRAMAJIT SEN)

.....J
(SHIVA KIRTI SINGH)

NEW DELHI
JULY 31, 2015