

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

RECORD OF PROCEEDINGS

Petition(s) for Special Leave to Appeal (Civil) No(s).19105/2006

(From the final judgement dated 20/09/2006 in CA No. 2/2006 of The HIGH COURT OF A.P AT HYDERABAD)

N.CHANDRASEKHAR

Petitioner(s)

VERSUS

M/S TIRUMALA MUSIC CENTRE PVT.LTD.& ORS

Respondent(s)

(With prayer for interim relief and office report)

Date: 07/02/2007 This Petition was called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE B.P. SINGH

HON'BLE MR. JUSTICE H.S. BEDI

For Petitioner(s)

Mr. K.K.Venugopal, Sr.Adv.

Mr. T.V. Ratnam,Adv.

Mr. V.Ramchandra Goud, Adv.

For Respondent(s)

Mr. K. Parasaran, Sr.Adv.

Mr. A.Subba Rao, Adv.

Mr. A.T.Rao, Adv.

Mr. S.Madhusudhan Babu, Adv.

Mr. Mukesh K. Giri, Adv.

UPON hearing counsel the Court made the following

O R D E R

Special Leave granted.

The appeal is disposed of in terms of the signed order.

(Sukhbir Paul Kaur)

(Vijay Dhawan)

Court Master

Court Master

(Signed Order is placed on the file)

IN THE SUPREME COURT OF INDIA

CIVIL APPELLATE JURISDICTION

CIVIL APPEAL NO.625 OF 2007

(Arising out of SLP(C) No.19105 of 2006)

N. CHANDRASEKHAR

...Appellant(s)

Versus

M/S TIRUMALA MUSIC CENTRE PVT. LTD. & ORS.

...Respondent(s)

O R D E R

We have heard counsel for the parties.

Special Leave granted.

In terms of our Order dated December 1, 2006 read with the Order dated January 31, 2007 the amount of Rs.4,66,32,500/-, calculated on the basis of Rs.202.75 as the price of each share, has been deposited in this Court by the appellant to prove his bonafide.

Mr. K.K.Venugopal, learned senior counsel appearing on behalf of the appellant submits that he is prepared to buy the shares of the contesting respondents, and if the respondents so desire, is also willing to improve his offer.

Mr. K.Parasaran, learned senior counsel appearing on behalf of the contesting respondents submits that his clients are not willing to part with the shares in the company. He submits that the Company Law Board has not decided the dispute on merit, since it made an attempt to workout an

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amicable settlement which unfortunately, has failed. He therefore,

submits that the matter must now be heard on merit by the Company Law Board. Mr. K.K.Venugopal, learned senior counsel appearing on behalf of the appellant does not dispute the fact that the matter has yet to be heard on merit by the Company Law Board.

In the circumstances, we set aside the impugned judgment and order of the High Court and of the Company Law Board and remit the matter to the Company Law Board to dispose of the application filed under Section 397 of the Companies Act on merit in accordance with law.

In the peculiar facts of the case, the appellant must be permitted to withdraw the amount deposited by him in this Court pursuant to our orders. Counsel for the respondents has no objection to the amount being withdrawn by the appellant. We order accordingly.

The appeal is accordingly disposed of.

.....J.

(B.P.SINGH)

.....J.

(H.S.BEDI)

New Delhi,

February 7, 2007