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**(2009) 06 KAR CK 0029**  
**In the Karnataka High Court**  
**Case No : Company Appeal No. 1 of 2009**

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| Davide Barbera and Another  | Vs | APPELLANT  |
| Asia Stones S.L. and Others |    | RESPONDENT |

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**Date of Decision :** 29-06-2009

**Acts Referred:**

Companies Act, 1956 — Section 186, 186 (1)

**Citation :** (2010) 155 CompCas 240

**Hon'ble Judges :** V. Gopala Gowda, J;Aravind Kumar, J

**Bench :** Division Bench

**Advocate :** Crist Law Partners, for the Appellant; G.L. Vishwanath, for the Respondent

**Final Decision :** Dismissed

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## Judgement

V. Gopala Gowda, J.—For the reasons stated in Misc. Civil No. 1888 of 2009 delay is condoned. Misc. Civil No. 1888 of 2009 is allowed.

2. Learned Counsel for the appellant submits that the direction issued by the Company Law Board is complied with by convening the annual general meeting of the company by the chairman appointed by the Company Law Board and conducted the annual general meeting of the company on December 22, 2008 and in the said annual general meeting fresh directors are appointed. It is an undisputed fact that the appellants have handed over charge to them on February 18, 2009.

3. Learned Counsel for the appellants have questioned the correctness of the impugned order passed by the Company Law Board as wholly erroneous and contrary to law and facts of the case and exercising powers u/s 186(1) of the Companies Act, 1956, the Company Law Board may order a meeting of the company to be called, held and conducted and give such ancillary or consequential directions as it thinks expedient, including directions modifying or supplementing in relation to the calling, holding and conducting of the meeting,

the operation of the provisions of this Act and of the company's memorandum of articles. He further contended that the said decision will render redundant the direction issued on the basis that no board of directors of the company was constituted for the purpose of Section 186 of the Act and therefore appointment of chairman to convene the annual general meeting of the company is wholly untenable in law. That cannot be permitted by this Court in this appeal in view of the fact that the annual general meeting was held pursuant to direction issued by the Company Law Board.

4. Further, the finding recorded by the Company Law Board on the basis of material facts of the report of the Registrar of Companies that there was no board of directors for the company constituted therefore, the permission was granted to the respondent herein directing him to convene the annual general meeting of the company. The finding of fact recorded by the Company Law Board in the impugned order *Asia Stone S.L. v. B. and G. Impex P. Ltd.* [2009] 149 Comp Cas 269, unless it is shown to be error apparent on the face of the record or erroneous in law, no substantial question of law would arise in this appeal for consideration of this Court. Hence, the appeal is devoid of merit.

The appeal is dismissed.