

(1996) 09 DEL CK 0041
In the Delhi High Court
Case No : C.W. No. 4989 of 1994

S.K. Bhattacharya and another	Vs	APPELLANT
Union of India and others		RESPONDENT

Date of Decision : 13-09-1996

Acts Referred:

Citation : (1998) 91 CompCas 37

Hon'ble Judges : Dr. M.K. Sharma, J;Devinder Gupta, J

Bench : Division Bench

Advocate : A.M. Singhvi, for the Appellant; Mr. Madan Lokur, Ms. Nandini Ramachandran and Sudipto Sarkar, for the Respondent

Judgement

Devinder Gupta J.

1. In this writ petition filed under article 226 of the Constitution of India the grievance of the petitioners is against the action of respondent No. 2 in having taken on record and registered on April 22, 23, 1992, the statutory Form No. 32 filed by respondent No. 4 under the provisions of the Companies Act, 1956 (hereinafter referred to as "the Act"), and in not taking on record and registering the statutory forms and returns submitted by the petitioners on June 10, 1992, namely, Forms Nos. 2, 5, 23 and 32. Consequently, a writ, order or direction is sought against respondent No. 2 to take on record and register the petitioners' statutory Forms Nos. 2, 5, 23 and 32, submitted on June 10, 1992, and other statutory forms and returns filed subsequent thereto and in the alternative to quash and de-register the statutory Form No. 32, dated April 22, 23, 1992, filed by respondent No. 4.

2. The facts in brief are that Stridewell Leathers Private Limited (hereinafter referred to as "the company") was incorporated in New Delhi on July 28, 1986, with the objects, inter alia, of carrying on the business of manufacturers and dealers in boots, shoes, other footwear in leather, synthetic leather, rubber, synthetic rubber, plastic and allied goods, boots and shoe laces, shoe uppers,

saddle harness, travel bags, suitcases, leggings, boot polishes, other accessories, fittings and components. The subscribers to the memorandum of association were Achinta Kumar Bose, an employee of Shaw Wallace (for short "SW"), and one Marur Ganesan Ramachandran, advocate. They were the first directors of the company. The authorised capital of the company was Rs. 1,00,000 divided into 10,000 equity shares of Rs. 10 each. The shareholding of the company immediately after its incorporation was as follows :

"Name of shareholder No. of shares 1. Bio-Foods Pvt. Ltd. 8,000 2. Maharashtra Distilleries Ltd. 999 3. Cruickshank and Co. Ltd. 999 4. Mr. S. A. Iyer 1 5. Mr. R. K. Nayar 1 ----- Total 10,000" -----

3. Maharashtra Distilleries Ltd. and Cruickshank and Co. Ltd. were 100 per cent. subsidiaries of SW. S. A. Iyer and R. K. Nayar, at the time of acquiring shares, were also employees of SW and were holding such shares as nominees of SW. Bio-Foods Pvt. Ltd., at the time of acquiring of the shares, had a paid-up capital of Rs. 16.5 lakhs of which 80 per cent. was sold by Pargana Investment Pvt. Ltd., which at the relevant time was an associate company of SW and later on became a wholly owned subsidiary of SW. The balance of 20 per cent. shares were sold by A. K. Jain and his associate, who were business associates of SW. The company in fact was incorporated at the instance of Shaw Wallace and Company Ltd.

4. On April 15, 1988, S. A. Iyer and R. K. Nayar were appointed as directors of the company. K. C. Mathur, G. C. Singha Roy, the employees of SW and B. Roy, son of an employee of SW, were also appointed as directors of the company and on June 19, 1988, Ranjeev Kapur was appointed as director. Before September 26, 1991, one share each held by S. A. Iyer and R. K. Nayar were transferred to Tracstar Ltd. From September 26, 1991, to April 9, 1992, the position as regards the board of directors was that all the earlier five directors, as on June 26, 1991, resigned and in their place on September 26, 1991, five new directors, namely, T. K. Ramaswamy, A. K. Jain, R. S. Ahluwalia, S. K. Bhattacharya and M.S.K. Eswaran were appointed. The dispute amongst parties is for the period subsequent to April 9, 1992.

5. Petitioner No. 1 in this case is S. K. Bhattacharya. Respondents Nos. 3 and 4 are A. K. Jain and T. K. Ramaswamy, respectively. Petitioner No. 2 is the company, namely, Stridewell Leathers Pvt. Ltd. Respondents Nos. 1 and 2, respectively are the Union of India through the Ministry of Law, Justice and Company Affairs and the Registrar of Companies.

6. According to the petitioners, the K. R. Chhabria group along with A. K. Jain and T. K. Ramaswamy, respondents Nos. 3 and 4 illegally took control of Bio-Foods Pvt. Ltd. in April, 1992, which resulted in some dispute between the parties. It is alleged that the petitioner, S. K. Bhattacharya and the other two directors, R. S. Ahluwalia and M.S.K. Eswaran on April 9, 1992, were restrained from entering the erstwhile registered office of petitioner No. 2 company. It may

be noticed that the Chhabria family consists of R. D. Chhabria, M. D. Chhabria, M. R. Chhabria and K. R. Chhabria. In April, 1992, disputes arose in the Chhabria family. R. D. Chhabria, M. D. Chhabria and K. R. Chhabria, being the father, uncle and younger brother of M. R. Chhabria were on one side and M. R. Chhabria on the other side. According to the petitioners K. R. Chhabria, in a bid to gain illegal control of petitioner No. 2 company, purportedly called a meeting of the board of directors in which S. K. Bhattacharya, R. S. Ahluwalia and M.S.K. Eswaran were shown to have allegedly and orally resigned and P. R. Pandaya, H. S. Vohra and Ranjiv Kapur were allegedly appointed as directors of petitioner No. 2 company and on April 22, 23, 1992, statutory Form No. 32 with regard to the changes, alleged to have been made on April 10, 1992, was filed by the K. R. Chhabria group with the Registrar of Companies, respondent No. 2.

7. The petitioners have alleged that the real board of directors of petitioner No. 2 company was unable to gain its entry in the erstwhile registered office and as such on April 24, 1992, it conducted its board of directors meeting at Basant Lok, New Delhi. On May 11, 1992, an extra-ordinary general meeting, called by the real board of directors of petitioner No. 2 company was held at Calcutta at 4.30 p.m. A decision was taken to raise the authorised capital of petitioner No. 2 company from a sum of Rs. 1 lakh to a sum of Rs. 2 lakhs. On May 11, 1992, a meeting of the real board of directors of petitioner No. 2 company was held at Calcutta at 5 p.m. wherein B. B. Nandi was appointed as a director of petitioner No. 2 company and a decision was taken to issue rights shares of petitioner No. 2 company in the ratio of 1 : 1 to the existing share-holders. On June 5, 1992, a board of directors' meeting of petitioner No. 2 company was held at Calcutta wherein 10,000 equity shares of petitioner No. 2 company were allotted in favor of Malleswara Finance and Investment Company Pvt. Ltd., Bangalore. On June 10, 1992, R. S. Ahluwalia, one of the directors of petitioner No. 2 company, on behalf of its board of directors filed Forms Nos. 2, 5, 23 and 32 with the Registrar of Companies. It is alleged by the petitioners that the petitioners bona fide believed and were under a bona fide impression that the statutory forms submitted on June 10, 1992, including statutory Form No. 32 had been duly taken on record and registered by respondent No. 2.

8. It was only on June 24, 1994, that the petitioners for the first time became aware that the said statutory forms and the returns which were filed subsequent thereto had in fact not been taken on record and registered by respondent No. 2. It is alleged that on August 22, 1992, through letter, A. K. Jain, respondent No. 3, informed the Registrar of Companies that disputes had arisen between the parties and the Registrar was asked to treat all statutory forms, documents, etc., filed by the petitioners to be allegedly null and void. It is the petitioner's case that in view of the circular dated October 24, 1961, when there were two contending parties, who had filed conflicting forms and returns, the Registrar of Companies was required, not to take the same on record till the respective claims of contestants were decided by a court of competent jurisdiction. It is alleged that by a subsequent clarificatory circular dated May 4, 1993, it was

clarified that in the case of conflicting documents being filed by contending groups of directors the Registrar should take all the documents on record, if the same otherwise are in order and shall inform the contending groups that the documents had been taken on record without prejudice to the rights of the parties and to have settled their respective disputes in a court of competent jurisdiction.

9. The grievance of the petitioners is that although on April 22, 23, illegal board of petitioner No. 2 company, owing allegiance to the K. R. Chhabria group had filed a statutory Form No. 32 while on June 10, 1992, the real board of petitioner No. 2 company through R. S. Ahluwalia had filed another statutory Form No. 32 along with other Forms Nos. 2, 5 and 23 and on August 22, 1992, respondent No. 3, A. K. Jain had written a letter stating that there was a dispute between the contesting groups of directors, yet on October 22, 1992, respondent No. 2, in violation of specific directions contained in circulars dated October 24, 1961, and May 4, 1993, illegally and erroneously took on record and registered the forms of parallel illegal board of directors headed by the K. R. Chhabria group and illegally failed to register the forms filed on June 10, 1992, and the forms and returns filed subsequent thereto were not taken on record.

10. It is further alleged that on May 10, 1993, Company Petition No. 30 of 1993, was filed before the Company Law Board by Bio-Foods Pvt. Ltd. under sections 397 and 398 of the Companies Act regarding the affairs, management and control of petitioner No. 2 company. It was claimed in the petition that oppression and mismanagement was allegedly perpetrated by the shareholders and directors of petitioner No. 2 company with regard to the affairs thereof. On August 20, 1993, A. K. Jain, respondent No. 3, wrote another letter to the Registrar of Companies in which it was stated that statutory Form No. 32 pertaining to the appointment of B. B. Nandi as director of petitioner No. 2 company was allegedly and rightly not taken on record by the Registrar of Companies. At that particular time the petitioner did not rely on or believe the said statement of A. K. Jain as the petitioners had neither received any inquiry nor communication from the Registrar of Companies, especially when such inquiry, in the case of non-registration of statutory forms, the Registrar was bound to make, in accordance with the provisions of law. According to the petitioners, the shareholding and the board of directors of petitioner No. 2 company as on May 23, 1994, and till date is as under :

The shareholding The composition of (shares of Rs. 10 each) board of directors
(1) Malleswara 10,000 S. K. Bhattacharya (2) Bio-Foods 8,000 T. K. Ramaswamy
(3) Maharashtra Distilleries 999 B. B. Nandi (4) Cruickshank and Co. Ltd. 999
Kapil N. Chana P. K. Chatterjee (5) Tracstar 2 Shankar Mitra V. Jayaraman
----- 20,000 -----

11. It is stated that Form No. 32 showing the changes up to May 23, 1994, and the receipt dated June 2, 1994, is annexure "Q" and since C.P. No. 30 of 1993, was coming up for final hearing on June 26, 1994, the petitioners were given

legal advice to inspect the record of the Registrar of Companies in order to inquire about the statutory forms filed by the petitioners. On June 24, 1994, the petitioner engaged the services of a professional company secretary and on inspection of the record it was brought to the notice of the petitioners that the documents submitted by the petitioners, after the month of April, 1992, had not been taken on record by the Registrar of Companies. On the other hand on October 22, 1992, the statutory Form No. 32 submitted on April 22, 23, 1992, by the group headed by K. R. Chhabria had been registered by the Registrar of Companies. One more glaring fact, according to the petitioners, which came to their notice on inspection of the record was that on one single day, namely, October 22, 1992, en masse registration of various statutory forms was done by the Registrar, including Form No. 32 filed on April 22, 23, 1992, by the K. R. Chhabria group and also a number of statutory forms filed in 1988, by the undisputed board of directors of petitioner No. 2 company. En masse registration was done male fide with the sole object to legitimise registration of Form No. 32 filed on April 22, 23, 1992. It is alleged that on October 5, 1994, a letter was written on behalf of petitioner No. 2 company requesting the Registrar to de-register Form No. 32 submitted by the K. R. Chhabria group on April 22, 23, 1992, which had been taken on record and registered on October 22, 1992. To the same effect a legal notice on October 21, 1994, was sent and since the petitioners' request was not acceded to, the petitioners had no option but to file this petition on December 12, 1994. It is alleged that in case the reliefs as prayed for are not granted the petitioners will suffer irreparable loss and injury as the respondents will seek to rely upon the impugned action of registration dated October 22, 1992, to approach the Company Law Board about the locus standi of the petitioners in C.P. No. 30 of 1993. The said company petition, according to the petitioners, was coming up for final hearing on February 15, 1995.

12. Only respondents Nos. 2 and 4 have submitted affidavits in reply to the petition. Respondent No. 4 in his counter affidavit has questioned the maintainability of the petition by petitioner No. 1 for and on behalf of petitioner No. 2. It is alleged that filing of the writ petition is a gross abuse of the process of law, which is not maintainable since the petitioners have made gross suppression of material facts. Filing of the petition is an afterthought and counter blast to various proceedings pending before the Company Law Board and the orders passed therein. It is alleged that the Chhabria family consists of R. D. Chhabria, M. D. Chhabria, M. R. Chhabria and K. R. Chhabria in April, 1992, a dispute arose in the Chhabria family. R. D. Chhabria, M. D. Chhabria and K. R. Chhabria being father, son and younger brother of M. R. Chhabria were on one side whereas M. R. Chhabria was on the other side. In May, 1992, an application was filed before the Company Law Board under sections 247 and 250 of the Companies Act (C.P. No. 19 of 1992). It was filed by SWC of the M. R. Chhabria group. One of the prayers in the petition was to investigate into the persons, who held the shares of the company called Shoe Specialities Pvt. Ltd. The said

petition was dismissed by the Company Law Board on January 25, 1993. Shoe Specialities Pvt. Ltd. has three shareholders, namely, Standard Distilleries Pvt. Ltd. holding 1,000 shares, Stridewell Leathers Private Ltd. (petitioner No. 2 in this case) 2,000 shares and Bankerpur holding 2,000 shares (total 5,000 shares).

13. It is alleged that Shoe Specialities Pvt. Ltd. holds 12.73 per cent. shares of Gordon Woodroffe Ltd., which are its only valuable assets. It is in order to control the said Gordon Woodroffe Ltd. that the present proceedings have been initiated by the petitioners so as to put on record that the Stridewell, namely, petitioner No. 2 is under the control of the M. R. Chhabria group. After narrating the admitted facts up to April 9, 1992, it is alleged by respondent No. 4 in his reply affidavit that P. R. Pandya, H. S. Vohra and Rajiv Kapur were appointed as additional directors on April 10, 1992, and S. K. Bhattacharya, R. S. Ahluwalia and M.S.K. Eswaran resigned from the board of Stridewell with effect from April 10, 1992. The respective Form No. 32 for appointment and resignation of directors was filed on April 23, 1992. It was on April 16, 1992, that A. K. Jain, director of Stridewell Pvt. Ltd. had informed S. K. Bhattacharya, R. S. Ahluwalia and M.S.K. Eswaran that their resignations had been accepted by the board of Stridewell with effect from April 10, 1992. As such, after April 10, 1992, petitioner No. 1, S. K. Bhattacharya has nothing to do with Stridewell and he has ceased to be the director of the company and, thus, has no any locus standi to file the petition. It is alleged that the petitioners have not come to the court with clean hands and have suppressed material facts. This objection is amplified by stating that petitioner No. 2 is a company, belonging to the other Chhabria group comprising R. D. Chhabria and M. D. Chhabria and till date had been represented in all legal proceedings by the other Chhabria group before the Company Law Board, High Court and Supreme Court of India. Details have also been given by respondent No. 4 in his affidavit of various legal proceedings, some of which have been disposed of and some of which are stated to be still pending.

14. It is alleged that in C.P. No. 19 of 1992, which was filed on May 5, 1992 Shoe Specialities Pvt. Ltd. represented by three directors supported the allegations made by SWC. Shoe Specialities Pvt. Ltd. had only three members and the second petitioner is one member. The board of directors of petitioner No. 2 company and another member filed an application for impleading them as parties to C.P. No. 19 of 1992. After arguments they were impleaded. The Company Law Board recognised the right of the second petitioner and also recognised the fact that petitioner No. 2 is under the control of M.D. Chhabria and R. D. Chhabria. It is alleged that in case R. D. Chhabria and M. D. Chhabria did not control Stridewell, the application would have been dismissed. This finding has reached a finality as regards the legality of a duly constituted board of directors of Stridewell recognised in judicial proceedings. As such in case the petitioners or any other person has any grievance against this it is for them to establish their rights in appropriate proceedings. In all legal proceedings the company in question, namely, Stridewell was represented by the M. R. Chhabria group. Petitioner No. 1 ceased to be the director of Stridewell on and from April 10,

1992. Neither has he any locus standi nor authorisation to file the present petition. It is also alleged that in this petition there is no challenge by petitioner No. 1 to the fact that the resigned as director from the board of Stridewell with effect from April 10, 1992.

15. Respondent No. 4 in his reply affidavit had further alleged that in proceedings before the Company Law Board in C.P. No. 29 of 1992, filed under sections 397 and 398 of the Companies Act by Standard Distilleries (Pvt.) Ltd. and Stridewell Leathers Pvt. Ltd., one B. B. Nandi, claiming to be the director of petitioner No. 2-company filed an application, being Company Application No. 92 of 1992, praying for deletion of the name of the company (petitioner No. 2) from the array of parties. Resignation of the three directors on April 10, 1992, and induction of three more directors on April 10, 1992, and filing of Form No. 32 with the Registrar of Companies was the subject-matter of the said application filed by B. B. Nandi before the Company Law Board, who in his affidavit, filed in support of Company Application No. 92 of 1992, and in his reply affidavit had stated that he had been duly authorised by the board of directors of petitioner No. 2-company. As such S. K. Bhattacharya claiming himself to be the director after April 10, 1992, shall be deemed to have knowledge of the said proceedings and the result thereof. The application of B. B. Nandi was dismissed. C.P. No. 29 of 1992 was also decided. Petitioner No. 1 did not file any appeal against the said order. In fact no appeal was filed against the order of dismissal of the application filed by B. B. Nandi. The petitioner had concealed from this court the fact and in order to determine the true ownership and control of the company, due to the controversy raised by B. B. Nandi, parties were directed to produce all the original statutory books of the company, forms from its incorporation till the filing of C.P. No. 29 of 1992. All the books and statutory records of the company were produced before the Company Law Board by the M. R. Chhabria group. B. B. Nandi could produce only books prepared by him after May, 1992. Adjudication has taken place in proceedings in C.P. No. 29 of 1992, by a competent tribunal about the legal and proper management of the company. It is alleged that the petitioner also concealed the fact that appeals and writ petitions were filed against the judgment of the Company Law Board dated May 28, 1993. The same were dismissed by a detailed judgment by a Division Bench of the High Court of Madras on September 27, 1994 (see Malleswara Finance and Investments Co. P. Ltd. Vs. Company Law Board and others,), in which also it was held that S. K. Bhattacharya has resigned as director on April 10, 1992, and the same was reported to the Registrar of Companies in Form No. 32, which was approved. The Division Bench also observed that the judgment of the Company Law Board regarding dismissal of the application filed by B. B. Nandi, namely, Company Application No. 92 of 1992, had been accepted by all the parties. No challenge ever was thrown to that part of the judgment. During the course of hearing of this petition it was brought to our notice that the SLP preferred against the judgment of the Madras High Court was also dismissed by the Supreme Court on July 13, 1995 (SLP No. 17964 of 1994).

16. It is further alleged that C.P. No. 29 of 1992, was filed on behalf of M. D. Chhabria, R. D. Chhabria, Stridewell and Standard, another company belonging to R. D. Chhabria and M. D. Chhabria on July 15, 1992. After prolonged hearing and voluminous pleadings, the company petition was allowed on May 28, 1993, by the Company Law Board. The judgment of the Company Law Board which had been delivered prior to the filing of this petition has deliberately been concealed by the petitioners. It is alleged that C.P. No. 30 of 1993, was filed on May 10, 1993, prior to the date of delivery of judgment in C.P. No. 29 of 1992 (May 28, 1993). It is alleged that petitioner No. 2 company in the said petition is represented by Rajiv Kapur, director, and an affidavit has been filed to that effect. Petitioner No. 1 filed his reply affidavit in C.P. No. 30 of 1992, long before June 26, 1994. The sudden inspection of record by the petitioner in June, 1994, was thus, obviously resorted to by him not to ascertain the facts, which otherwise became fully known to him but to afford a ground to explain the delay and laches in filing the instant petition. This conduct on the part of petitioner No. 1 is nothing but an abuse of the process of law and the same would disentitle him to invoke the discretionary jurisdiction of this court. Respondent No. 4 has pleaded that registration of the statutory form by the Registrar of Companies on October 22, 1994, was rightly done. It is alleged that Stridewell is a company belonging to the M. R. Chhabria group and has already been represented by one of the directors of the company.

17. Reply on behalf of respondent No. 2 has been filed on the affidavit of V. S. Galgali, Registrar of Companies. One of the preliminary objections raised is as regards the delay in filing the petition to question the legality and validity of the order passed on October 22, 1992, in taking on record and registering Form No. 32 filed on April 23, 1994, by respondent No. 4 and in not registering Forms Nos. 2, 5, 23 and 32 filed by R. S. Ahluwalia on June 10, 1992. It is alleged that on April 23, 1992, Stridewell filed Form No. 32, dated April 22, 1992, through its director, T. K. Ramaswamy. The form as well as statutory requirements laid down in section 303(2) of the Companies Act, 1956, gave the particulars of appointment of S. H. Vohra, P. R. Pandya and Ranjiv Kapur as additional directors of Stridewell with effect from April 10, 1992, being the date of meeting of the board of directors. The said form also contained the particulars of resignation of R. S. Ahluwalia, M.S.K. Eswaran and S. K. Bhattacharya with effect from the same date. It is alleged that the said form was duly processed and on May 11, 1992, it was found by respondent No. 2 to be in accordance with the provisions of the Act and the regulations framed thereunder. Consequently it was taken on record on October 22, 1992. It is also stated that on June 10, 1992, a set of forms, being Forms Nos. 2, 5, 23 and 32 were filed by S. K. Bhattacharya. The said forms were not taken on record. The reason for not taking the said forms on record as stated are firstly that the forms were submitted by S. K. Bhattacharya and R. S. Ahluwalia, who had resigned earlier in the meeting of the board of directors held on April 10, 1992; secondly, that the Assistant Registrar of Companies did not know that there was a dispute between various directors of

the company since the dispute had come to the knowledge of the company some time in August/September, 1992, when a letter dated August 22, 1992, was received from A. K. Jain, respondent No. 3; and, thirdly, Form No. 23 which was filed on June 10, 1992, disclosed the date of the passing of the resolution as May 11, 1992, for increase of authorised share capital, while Form No. 5, which was also filed on June 10, 1992, discloses the date of passing of the resolution as June 11, 1992. In view of this discrepancy any action on the forms was kept pending. It is further stated that circulars issued by the Ministry of Law, Justice and Company Affairs on October 24, 1961, and May 4, 1993, being executive instructions are clarificatory and advisory in nature and have no statutory basis and the same cannot form the basis for the petitioners to challenge the order. It is also stated that the circulars are not mandatory and merely lay down the guidelines to be considered by the Registrar in ascertaining the situation without divesting him of his discretion in this regard. It is further stated that circular dated May 4, 1993, cannot be relied upon by the petitioner in as much as the same was issued much after Form No. 32 was filed by T. K. Ramaswamy on April 23, 1992, and when it was taken on record. For the same reason for the purpose of the forms submitted by R. S. Ahluwalia the said circular dated May 4, 1993, cannot be relied upon. It is also stated in the affidavit that Form No. 32 was filed by T. K. Ramaswamy, a director of the company well in time within 14 days of the meeting of the board of directors of the company. Therefore, the same was directed to be taken on record and was registered.

18. Dr. A. M. Singhvi, senior advocate, on behalf of the petitioners contended that the Registrar of Companies is merely an administrative authority appointed u/s 609 of the Companies Act, who in violation of circulars dated October 24, 1961, issued by the Department of Company Affairs unilaterally, deliberately, arbitrarily, illegally and in gross violation of the principles of natural justice and in exercise of his jurisdiction took on record and registered the purported forms filed by the K. R. Chhabria group on April 23, 1992, and failed to take on record and register the forms filed by the Shaw Wallace Co. group on June 10, 1992. The Registrar of Companies is merely an administrative authority and an officer of record and is neither a court, nor an adjudicating authority. Two circulars were issued by the Department of Company Affairs and the same are binding upon him. The circulars provide a complete self contained and comprehensive mechanism of dealing with the forms filed before the Registrar. As per the circulars either the Registrar ought to have registered the forms filed by both the factions or registered neither of them and ought to have kept the forms pending till the dispute was finally resolved by a court of competent jurisdiction.

19. It was further contended that at the time of the impugned registration on October 22, 1992, the Registrar was aware of the pendency of the suit between both the factions. En masse registration by him on October 22, 1992, registering Form No. 32 filed by the K. R. Chhabria group on April 23, 1992, and various other forms, which had been pending since 1988 apparently was done to avoid conspicuousness of registration of Form No. 32, dated April 22, 1992, filed by the

K. R. Chhabria group. No inquiry or intimation was addressed by the Registrar to Shaw Wallace and Company before the impugned registration dated October 22, 1992, thus, violating the principles of natural justice. In terms of the circulars the Registrar ought not to have acted in a manner that will give undue advantage to one party over another, while taking on record or registering the forms filed by rival claimants.

20. It is contended that the observations made in C.P. No. 29 of 1992, are not findings at all and obviously not binding on the parties, nor can they operate as *res judicata* for the reason that the said petition was filed by the K. R. Chhabria group, including Stridewell represented by the K. R. Chhabria group under sections 397 and 398 of the Companies Act alleging therein mismanagement and oppression in respect of another company, namely, Shoe Specialities Pvt. Ltd. The order itself suggests that the said proceedings were not with respect to the affairs of Stridewell and the affairs of Stridewell were not the subject-matter of inquiry. The inquiry was for the limited purpose of admissibility of the application filed by B. B. Nandi. Therefore, when the order itself suggests that it was unnecessary for the Company Law Board to go into the question of majority shareholding in Stridewell or dichotomy between shareholders and directors and since Standard Distillery is admittedly one of the members of Shoe Specialities Pvt. Ltd., out of a total membership of four, as per the records, that was satisfying the requirement of section 397 of the Act. As such the said observations as regards the question of majority shareholding of Stridewell is not and cannot be *res judicata*. It was also contended that in C.P. No. 29 of 1992, none of the directors who are alleged to have resigned on April 10, 1992, were parties and even if it be presumed that the Company Law Board had concluded that the respondents are the real Stridewell, there was no occasion for the respondents to have filed subsequent Company Petition No. 30 of 1993, and to have kept it pending for adjudication before the Company Law Board. The Company Law Board having not expressed any opinion as to who is in control of the affairs of Stridewell the decision in C.P. No. 29 of 1992, is not and cannot operate as *res judicata*.

21. According to the submissions made by Dr. Singhvi various statutory forms filed by both the groups were available before the Registrar. Issuance of circulars is also admitted. According to the Registrar he was aware of the dispute between the respective groups. No notice or intimation had been sent to the petitioners and there was no order of any court of law on October 22, 1992, in favor of the K. R. Chhabria group or any decision deciding the controversy between the SWC group and the K. R. Chhabria group with respect to the management and control of Stridewell, Therefore, registration of the forms submitted by the K. R. Chhabria group in form No. 32 and not taking on record the form submitted for and on behalf of the other group is bad in law.

22. It was also contended that the Madras High Court in its order dated September 27, 1994 (See Malleswara Finance and Investments Co. P. Ltd. Vs.

Company Law Board and others, , had not confirmed the observations contained in the order passed by the Company Law Board in its order dated May 28, 1993, and no independent finding had been given by the Madras High Court. It was merely a repetition of the observations contained in the order dated May 28, 1993. None of the directors, who were alleged to have resigned in the purported meeting held by the K. R. Chhabria group on April 10, 1992, was a party before Madras High Court. No appeal was filed by B. B. Nandi against the Company Law Board's observations dated May 28, 1993. B. B. Nandi on whose limited application the Company Law Board had passed the order dated May 28, 1993, had not gone to the Madras High Court at all and was not a party to those proceedings. As such, the said decision has also no relevance for deciding the present controversy, which has arisen in the instant case and even the Supreme Court's order dismissing the SLP on July 13, 1995, does not confirm the observations contained in the order dated May 28, 1993. The Supreme Court has only confirmed the ultimate conclusions contained in the order dated May 28, 1993, that the increase in the paid-up capital of Shoe Specialities Pvt. Ltd. and not ? Stridewell was vitiated (sic). The Supreme Court had also observed that in view of the pendency of the different matters between the parties in several courts it did not consider it appropriate to elaborate the reasons for which the conclusions were arrived at. Even otherwise dismissal of the SLP by the Supreme court does not mean or imply confirmation of the findings or reasons or conclusions contained in the order dated May 28, 1993.

23. Learned counsel for the petitioners has also tried to assign reasons for which B. B. Nandi of Stridewell did not file appeal before the Madras High Court against the Company Law Board's order dated May 28, 1993. During the pendency of this petition the final order passed in C.P. No. 30 of 1993, on November 2, 1995, also cannot debar the petitioners from seeking the reliefs, which have been sought in the petition, which are totally independent.

24. The arguments on behalf of respondents Nos. 3 and 4 have been that the undisputed shareholding position shows Bio-Foods as owner of 80 per cent. share of the company in which admittedly Bio-Foods is controlled by a group of respondents Nos. 3 and 4 and naturally the shareholding control lies with respondents Nos. 3 and 4. It is contended that since the shareholding control is with respondents Nos. 3 and 4, the board of directors could have been altered according to their wishes. Therefore, it is perfectly logical and in order, after the controversy had started between the two groups, for the directors belonging to the petitioners' group to resign on April 10, 1992. In the dispute between the Chhabria family, the respondents have all along represented Stridewell. The contention is that the relevant forms by themselves do not and cannot create any rights or obligations between the parties. It merely records matters which have transpired in the management and operation of a company and once accepted by the Registrar, they form part of the record of the company, which are public documents open for inspection so that the matters relating to the affairs and the management of the company may appear there from.

25. The respondents have taken an objection that the petition suffers from laches alleging that the petition was filed on December 12, 1994, challenging the action of respondent No. 2 taken by him on October 22, 1992, when statutory Form No. 32 represented on April 22, 23, 1992, was registered. The filing of the petition is an afterthought and the same is with an oblique motive to create evidence to show that S. K. Bhattacharya is competent to represent Stridewell. It is also contended that once an adjudication has been made regarding management and affairs of the company the forms have to follow according to such adjudication and record matters accordingly.

26. According to the submissions of learned counsel for the respondents the order passed by the Company Law Board in C.P. No. 29/21 on May 28, 1993, had already adjudicated as to the validity of the board of the company and has also held that the board meetings held by the petitioners' group were not genuine or valid board meetings whereas the board meetings held by the respondents' group were genuine. The decision was confirmed by the Madras High Court and such findings and conclusions there from were not interfered with by the Supreme Court. Once an adjudication has taken place, neither can an order be passed contrary thereto in the present proceedings, nor can directions be given regarding the forms, which if given now will be contrary to the said judgment. It is contended that the question to the extent of management of the company Stridewell was very much in issue before the Company Law Board inasmuch as the application had been made regarding the competence of Stridewell to maintain the proceedings. After the decision, the Stridewell Company has been represented in all proceedings connected therewith by the respondents group, without any demur or protest from the petitioners.

27. It is also contended that after the judgment was passed in C.P. No. 30 of 1993, the matter stands concluded and no further controversy can be raised. Petitioner No. 1 is making a corporate complaint in the capacity as a director of the company and since it has been held that petitioner No. 1 is not a director after April 10, 1992, he cannot maintain any petition and since the petition was filed during the pendency of C.P. No. 30 of 1993, on the disposal of the said petition, the rationale of the instant petition has gone. Learned counsel for the respondents has also tried to highlight the conduct of the petitioners as well vis-a-vis the proceedings saying that the petitioner obviously waited till the outcome of the judgment in C.P. No. 29 of 1992 (Stridewell Leathers P. Ltd. v. Shoe Specialities P. Ltd. [1996] 1 Comp LJ 426, and filed the writ petition thereafter. The writ petition is conspicuous by the absence of any mention to the decision of the Company Law Board or to the decision of the Madras High Court regarding the matter although the findings therein have a direct bearing on the question. There is a clear suppression of the material facts in the writ petition due to which the writ petition is liable to be rejected.

28. In the light of the facts, as pleaded by the parties and in the light of the documents, the crucial point in controversy appears to be only as regards the

action of respondent No. 2 in having taken on record and registered Form No. 32 filed by the K. R. Chhabria group on April 22, 23, 1992, and in not taking on record Forms Nos. 2, 5, 23 and 32 filed by the other group, which were filed on June 10, 1992. The contentions raised on the other aspects that whether the petitioner and the other two directors on April 10, 1994, had or had not resigned or the decision in C.P. No. 29 of 1992, or the subsequent decision of Madras High Court in appeal and that of the Supreme Court do or do not operate as res judicata or about the effect of the decision in C.P. No. 30 of 1993, are not of much consequence, in view of the points being discussed on the question of the scope of submission of the statutory forms.

29. Form No. 32 is required to be submitted pursuant to the requirement of sub-section (2) of section 303 of the Act as regards particulars of appointment of directors and manager and changes amongst them. Sub-section (1) of section 303 requires a company to maintain a register at its registered office containing all pertinent information about the directors, managing director, manager and secretary. The first part of sub-section (2) of section 303 requires every company to send to the Registrar a return in duplicate containing the particulars specified in the register referred to in clause (a) of sub-section (1) thereof. It also enjoins upon the company to communicate to the Registrar the changes amongst the directors, managing directors, managers or secretaries, specifying the change of date. Form No. 32 in Appendix-I is the prescribed form for the purpose. Section 306 of the Act says that the Registrar shall keep a separate register or registers in which entries of the particulars received by him under sub-section (2) of section 303 in respect of the companies shall be made, which shall be open for inspection to any member of public at any time during office hours on payment of the prescribed fee.

30. It is not in dispute that controversy arose on and from April 10, 1992, when the K. R. Chhabria group held the board's meeting of the company. Pursuant to decisions taken in the meeting, particulars in Form No. 32 were submitted on April 22, 23, 1992, by respondent No. 4 stating that the resignation of the three directors, including petitioner No. 1 had been accepted and in their place three new directors had been appointed. This Form No. 32 was received on April 23, 1992, in the office of the Assistant Registrar of Companies. It is stated in the affidavit of V. S. Galgali, the Registrar of Companies, that on April 23, 1992, the company filed Form No. 32, dated April 22, 1992, through its director T. K. Ramaswamy. The form was as per the statutory requirement laid down by sub-section (2) of section 303 of the Act, which gave requisite particulars of appointment of S. H. Vohra, P.R. Pandya and Ranjiv Kapur as additional directors of the company with effect from April 10, 1992, being the date of the meeting of the board of directors. The said form also contained the particulars of the changes, namely, acceptance of resignation of R. S. Ahluwalia, M. S. K. Eswaran and S. K. Bhattacharya with effect from the same date. The said form was duly processed. It is also stated that the form was submitted well in time within 14 days of the meeting of the board of directors of the company and was in order. It

was on June 10, 1992, that on behalf of the other group Form No. 32 was sent to the Registrar of Companies notifying the appointment of B. B. Nandi as additional director of petitioner No. 2 company. Along with the said form, other forms were also submitted. The grievance, as noticed above, on behalf of the petitioner is that in view of the conflicting Form No. 32, the Registrar ought to have followed the instructions contained in the circulars dated October 24, 1961, and May 4, 1993.

31. On the face of it, the instructions contained in circular dated May 4, 1993, would not apply to the facts of the instant case and the Registrar was under no obligation to have followed the course as is stated in the said circular dated May 4, 1993, since prior to the date of circular, even according to the petitioners, action had already been taken by the Registrar on the forms submitted by respondent No. 4. The only relevant circular, which could have been taken note of by the Registrar was circular dated October 24, 1961, which reads as under :

"(Letter No. 20 (66)-CLIV/60, dated October, 1961).

Section 303 : Return filed by two rival parties.

66.2 When there are two contending parties the Registrar may receive the returns which a representative of one of the factions of the association sent earlier to him. Since the two versions of the two factions are conflicting, the Registrar would not make any entry on the register in pursuance of section 306 till the respective claims of the contestants are decided by a court of competent jurisdiction.

2. In some similar cases contending parties may file documents with the Registrar at the same or nearly the same time containing contradictory statement of facts. In others, documents may be filed by one party earlier and by the other contending party some time later. It may also be that in some cases the Registrar is aware of the party factions in a particular company and knows that two returns will be filed containing contradictory facts. In such cases, the Registrar should exercise every care and should not act in a manner that will give undue advantage to one party over another. If the documents are filed at the same or nearly the same time, the Registrar should merely place them on the company's file and advise the parties concerned to get the dispute settled in a court of law and the court decision intimated to him in due course. In such cases, he should not make any entry on the register maintained in pursuance of section 306 or any other record on the basis of either or both of the contradictory statements. If, however, a return has been received by the Registrar well in time, he should proceed with the formality of recording, registering or filing the return and merely accept the other contradictory return filed with him later. This return must not be recorded, registered or filed in the company's records. In such cases, the Registrar should enquire into the circumstances in which the other return had been submitted and attach the Explanation to the return in question in pursuance of section 234(5) of the Act.

3. While acknowledging receipt of documents presented by the contending parties at the same or nearly the same time and of the documents presented by the other contending party later after those presented by the first party have been recorded, registered or filed earlier, the Registrar should indicate that acceptance of the documents is without prejudice to the rights of the parties concerned."

32. The first ground as to why the course, which was required to be adopted in such like cases where conflicting forms were submitted by two factions, as stated in the affidavit of respondent No. 2 is that Forms Nos. 2, 5 and 32 filed by S. K. Bhattacharya, petitioner No. 1, and Form Nos. 23 filed by R. S. Ahluwalia on June 10, 1992, were not taken note of, in view of the material, which had been brought to the notice of the Assistant Registrar, namely, the fact of the Resignation of S. K. Bhattacharya and R. S. Ahluwalia in the meeting of the board of directors held on April 10, 1992. This was duly intimated on April 23, 1992, when Form No. 32 was submitted by respondent No. 4 with the Registrar of Companies, which was processed on May 11, 1992. The Assistant Registrar of Companies, according to the affidavit, did not know that there was a dispute between various directors of the company, since the dispute had come to the knowledge in the office of the Registrar only some time in August/September, 1992, when a letter dated August 22, 1992, was received from A. K. Jain, respondent No. 3.

33. Taking the above position to be true, in case the fact of the dispute had come to the notice of respondent No. 2 some time in August/September, 1992, admittedly action had not been taken by him by that date on Form No. 32, which was taken on October 22, 1992, by taking on record and registering Form No. 32 submitted by respondent No. 4. The first part of the above circular dated October 24, 1991, suggests that when the two versions of the two factions are conflicting the Registrar should not make any entry in the register in pursuance of section 306 till the respective claims and contentions are decided by a court of competent jurisdiction. The second part of the circular says that when two factions file with the Registrar at the same or nearly the same time contradictory statement of facts, he may, if he is aware or has knowledge of the dispute amongst the two factions and is aware of the fact that the two returns will be filed containing contradictory facts, in that case he should exercise every care and should not act in a manner that will give undue advantage to one party over the other.

34. The circular further says that if the documents are filed at the same or nearly the same time he should merely take them on record and advise the parties to get the dispute settled in a court of law and should not make any entry in the register maintained in pursuance of section 306 or any other record. The Registrar did not follow either of the courses, which were open to him as per the instructions contained in the circular. Admittedly knowledge as regards the dispute was acquired on receipt of letter dated August 22, 1992, some time in

August/September, 1992, but much prior to the date on which action was taken on October 22, 1992. The third part of the circular says that if a return has been received by the Registrar well in time, he should proceed with the formality of recording and registering or filing the return and merely to accept the other contradictory returns filed with him later. The contradictory return must not be recorded, registered or filed in the company's record. In such a case, the Registrar should inquire into the circumstances in which the other (contradictory) return had been filed. The Registrar appears to have resorted to this part of the instructions contained in the circular, i.e., the return filed first in point of time, namely, on April 23, 1992, by respondent No. 4 and taking the same on record and registering the same, but did not follow the rest of the instructions of making an inquiry into the circumstances under which the other return (filed on behalf of the petitioner on June 10, 1992), had been submitted. According to the affidavit of respondent No. 2 this was not felt necessary, since the persons, who had filed the return on June 10, 1992, had already resigned and their resignation had been accepted on April 10, 1992.

35. The last part of the circulars says that while acknowledging the receipt of documents presented by contending parties at the same or nearly the same time, the document presented by the other contending party later, after those presented by the first party had been recorded, registered and filed, he should indicate that the acceptance of the document is without prejudice to the rights of the parties concerned. This obviously was not done since the document/return filed on behalf of the group of petitioner No. 1 on June 10, 1992, was not even taken on record and this, according to respondent No. 2, was not done because the three directors according to the return furnished on April 23, 1992, had already resigned and the resolution dated April 10, 1992, recorded the fact of resignation and its acceptance.

36. There cannot be any objection and this position has also not been disputed that the Registrar of companies is merely an administrative authority appointed u/s 609 of the Act. The office of the Registrar of Companies is merely an office of record. The Registrar is neither a court, nor an adjudicating authority. In case circulars had been issued by the Ministry of Law, Justice and Company Affairs laying down guidelines of registration or non-registration of Form No. 32, it was but necessary for the Registrar to have followed the said instructions/guidelines contained in the circular. It is not correct to say that the Registrar is not bound by the guidelines or that the same are not mandatory.

37. As of today the position is that there has already been acceptance and registration of Form No. 32, which was submitted on April 23, 1992, by the K. R. Chhabria group and the forms submitted by and on behalf of the other group on June 10, 1992, were not accepted. In view of the decision, which has already been taken in C.P. No. 29 of 1992, and by decision of the Company Law Board in C.P. No. 30 of 1993, though the same is under challenge, the question is of an academic nature. We are not concerned at this stage about the implication of the

decision in C.P. No. 29 of 1992, and C.P. No. 30 of 1993, in view of the narrow controversy. In case there has been any omission on the part of the Registrar, whether deliberate or otherwise, in not adhering strictly to the guidelines as contained in the circular dated October 24, 1961, the Registrar being merely an administrative authority, his action in merely taking on record and registering Form No. 32 submitted by the K. R. Chhabria group will not and cannot prejudice the right of petitioner No. 1 or those directors, whose resignation is stated to have been accepted or that of B. B. Nandi in any or the proceedings. Non-adhering to the guidelines also will not nullify the acts of respondent No. 2. Obviously irrespective of the action of respondent No. 2 it would have been open for them to point out before the competent authorities in all appropriate proceedings the fact of non-adherence by respondent No. 2 to the guidelines contained in circular and establish their rights independently that they still continue to be the directors and resolution dated April 10, 1992, was not passed by the real board of directors. Ultimately the Registrar would be bound to act on the basis of such a decision. But much water had flown in the Ganges even prior to the filing of the writ petition, when the application of B. B. Nandi was dismissed. It may be observed that B.B Nandi is none other than the one, who was taken as a director by the petitioner group in the meeting alleged to have taken place on May 18, 1992. It may be necessary at this stage to refer to the proceedings in C.P. No. 29 of 1992.

38. In C.P. No. 29 of 1992, the company (petitioner No. 2 herein) was petitioner No. 1. The other petitioners were standard Distilleries and Beverages Pvt. Ltd., R. D. Chhabria and M. D. Chhabria. The opposite parties, namely, respondents were Shoe Specialities Pvt. Ltd., S. Subramanian, M. S. K. Eswaran, R. Krishnamorthy, R. Ramani, S. K. Damodaran, Stridewell and Co., M. R. Chhabria, K. Srinivasan, T. S. Venkatesan, P. R. Pandya, Bankerpur Simbhauli Beverages Pvt. Ltd. It is not in dispute that B. B. Nandi moved an application in 1992 praying for dismissal of the petition and for deletion of the name of the company (petitioner No. 2 herein). Though the Company Law Board in its order observed that in the proceedings before them the affairs of the company were not the subject-matter of inquiry but for the limited purpose of admissibility of the application, they were considering the authority of the company being the petitioner. The Company Law Board thereafter proceeded to record its reasons as follows :

"The resignation of three directors of Stridewell on April 10, 1992, and the induction of three more directors has been evidenced by a copy of Form No. 32 filed with the Registrar of Companies, Delhi and the cash receipt. The allegation that this receipt is a procured one does not appear to be correct as the Registrar himself has subsequently confirmed to us that such a form was actually filed on April 23, 1992, that is within 14 days of the date of the board meeting. We also find that all the original minutes books of the board right from the incorporation have been submitted by the petitioner whereas the respondents could produce only minutes books starting from May, 1992. We further find that the meetings of the company were normally held either in Delhi, where the registered office is

situated or at Bombay. The board minutes submitted by the respondents show that all the meetings were held only at the headquarters of SWC at Calcutta. This evidently establishes that the respondents had been holding parallel meetings claiming to be continuing as directors of Stridewell. It is also evident that the parallel board has prepared new stationery, minutes books, etc., to establish their genuineness. We also note that though the removal of the directors on April 10, 1992, is questioned, so far they do not seem to have raised any protest in this regard. In view of these we hold that the board meetings evidenced by the petitioners are genuine and as such this application submitted by Shri B. B. Nandi, in his individual capacity cannot be entertained. Even otherwise, the main petition can stand on its own since Standard is admittedly one of the members of SSPL out of a total membership of four as per records at present thus satisfying the requirements of section 399 of the Companies Act. We, Therefore, feel that it is unnecessary for us to go into the question of majority shareholding in "Stridewell" or dichotomy between shareholders and the directors etc. in that company.

The material before us is sufficient to conclude that the application is not maintainable and on the grounds stated in the application the name of "Stridewell" need not be deleted. We accordingly conclude and dismiss Application No. 92 of 1992."

39. In C.P. No. 30 of 1993, filed under sections 397 and 398 of the Act, Bio-foods Pvt. Ltd., M. D. Chhabria and A. K. Jain were the petitioners whereas the company was respondent No. 1. S. K. Bhattacharya, R. S. Ahluwalia and B. B. Nandi were arrayed as respondents Nos. 2, 3 and 4, respectively. Malleswara Finance and Investment Co. and Ranjiv Kapur were respondents Nos. 5 and 6, respectively. The question, which directly was involved in the said petition was about the resignation of the Respondents S. K. Bhattacharya and R. S. Ahluwalia, induction B. B. Nandi as director. It was stated that the third person, whose resignation had been accepted had thereafter not claimed himself to be the director. By decision in C.P. No. 30 of 1993, which was rendered on November 2, 1995, during the pendency of the petition, there is hardly any need now even to consider the petitioners' prayer for passing any order in their favor in this petition by issuing any direction for de-registering Form No. 32 which had been accepted by respondent No. 2 on October 22, 1992. The Company Law Board, in its order deciding C.P. No. 30 of 1993, made the following observations :

"In the present petition, the petitioners" group claim control of the board of directors of the company, and as such we do not find any reason as to why they should have filed this petition at all against the action taken by the board of directors controlled by the respondents group, which according to them is not a genuine board. In this connection, it is relevant to point out that in the earlier petition C.P. No. 29 of 1992, the Company Law Board had an occasion to go through the various meetings held by the respondents" group and the petitioners" group and came to the conclusion in the following terms (para 10).

"This evidently establishes that respondents had been holding parallel meetings claiming to be continuing as directors of Stridewell. In view of these we hold that the board meetings evidenced by the petitioners are genuine." This finding has not been reversed either by the Madras High court to which appeal was taken against the company Law Board order in C.P. No. 29 of 1992, or by the Supreme Court on an SLP filed thereafter. Thus, the position as it stands today is that the board constituted by the petitioners group is the valid and legitimate board. Under these circumstances, we do not consider it necessary to look into the allegations made in this petition against the decision of the board of directors constituted by the respondents" group and as such we dispose of this petition without any direction."

40. The Company Law Board is the authority competent to take decisions on the affairs of the company. No doubt the order passed in C.P. No. 30 of 1993, is the subject-matter of appeal, but for the purpose of the present petition, suffice it to observe that the mere acceptance and registration of Form No. 32 by the Registrar could not have prejudiced the case of the petitioners in any proceedings before the competent authorities, since, as observed above, acceptance of the form by the Registrar is only a ministerial act. The Registrar is only an administrative authority appointed u/s 609 of the Act. He is neither a court, nor an adjudicating authority. By having accepted Form No. 32 filed on April 23, 1992, filed on behalf of the K.R. Chhabria group it cannot be said that any prejudice has been caused to the petitioners. Petitioner No. 1 will be deemed to be aware of the proceedings pending in C.P. No. 29 of 1992, in which B. B. Nandi did move an application. No effort was made by the petitioners at that stage to find out the fate of the forms submitted on June 10, 1992. Even no prompt steps were taken after C.P. No. 30 of 1993 was filed. It was only when decision was rendered in appeal by the Madras High Court, which was preferred against the order passed in C.P. No. 29 of 1992 that during the pendency of C.P. No. 30 of 1993, the present petition was filed. The petitioners have had an opportunity of establishing their rights in the proceedings pending before the competent authority, which they failed to avail of.

41. In the facts and circumstances aforementioned we are not inclined to grant any relief to the petitioners in the instant case merely on the ground that there has been no strict compliance by Registrar with the guidelines contained in circular dated October 24, 1961, by accepting Form No. 32 filed by respondent No. 4 and in not taking on record various forms submitted by the petitioners" group on June 10, 1992.

42. Dismissed. Rule is discharged.