

FICCI statement on the latest direction of the Supreme Court restraining promoters from alienating personal properties

New Delhi, 24 November 2017: “The latest direction of the Supreme court restraining promoters of an Indian company from alienating personal properties in a matter pertaining to a corporate litigation comes as part of a series of such judicial pronouncements that may impinge on the concept of Limited Liability as defined by law. While all those who transgress the bounds of law should be legitimately punished under the laws of the land, violating the principle of Limited Liability can have negative consequences for entrepreneurship and business development in India. Apart from giving due consideration to the principle of Limited Liability, judicial pronouncements should also give due regard to the difference between secured and unsecured liabilities. FICCI hopes that as a respected and hallowed institution the judiciary would pay due attention to the economic consequences of judicial pronouncements”, **said Dr Sanjaya Baru, Secretary General, FICCI.**

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