

Judicial Non-Intervention in General Assembly-Appointed Liquidator Replacement: An Analysis of Athens Single-Member Court of First Instance Decision 1795/2021 and its Implications for Greek Corporate Law

Abstract

This case study provides a formal, analytical, and in-depth legal examination of Athens Single-Member Court of First Instance Decision 1795/2021, which addressed an application for the replacement of liquidators of an anonymous company, EFFER HELLAS S.A. The decision, rooted in the interpretation of Law 2190/1920 on Anonymous Companies and Article 786(3) of the Code of Civil Procedure (KPolD), unequivocally affirmed the exclusive competence of the company's General Assembly in appointing and revoking liquidators, limiting judicial intervention solely to those liquidators initially appointed by a court. This report meticulously analyzes the court's reasoning, contextualizes it within the broader Greek corporate and civil procedural legal framework, and delves into its jurisprudential implications, particularly concerning the delicate balance between corporate autonomy and shareholder protection during liquidation. The study highlights the enduring principles governing capital companies in Greece, even in light of subsequent legislative reforms, and offers insights into the scope of judicial oversight in corporate internal affairs.

I. Introduction

This report undertakes a rigorous academic analysis of Athens Single-Member Court of First Instance Decision 1795/2021. The case is of considerable significance within Greek corporate law as it precisely delineates the boundaries of judicial intervention in the internal governance of Greek anonymous companies (Sociétés Anonymes, SAs) during their liquidation phase, particularly regarding the replacement of liquidators. The judgment underscores fundamental principles of Greek corporate law concerning corporate autonomy and the distinct legal nature of capital companies. This analysis aims to contribute to a deeper understanding of the jurisprudential landscape surrounding corporate dissolution and the intricate interplay between corporate self-governance and judicial oversight in Greece.

The specific case involved a shareholder's application to replace the liquidators of a dissolved SA, EFFER HELLAS S.A. These liquidators had been appointed by the company's General Assembly. The applicant's petition alleged indifference to duties and sought the appointment of new liquidators. The court ultimately rejected the application as legally unfounded, determining that its power to replace liquidators under Article 786(3) KPolD extends exclusively to those liquidators it had itself provisionally appointed, and not to those chosen by the company's supreme corporate body. This decision reflects a strict adherence to the principle of corporate autonomy for SAs, a cornerstone of Greek company law.

II. Factual Background and Procedural History of the EFFER HELLAS S.A. Case

Company Profile and Status

The legal dispute centered on "EFFER HELLAS Anonymous Commercial and Technical Company S.A.," known by its distinctive title "EFFER HELLAS S.A." The company's headquarters are situated in Aspropyrgos, Attica, specifically at the location "Lakkos Kotsari". At the time the application was submitted and heard by the court, EFFER HELLAS S.A. had already undergone dissolution, indicating it was in the process of winding up its affairs. The individuals serving as liquidators for the company, Antonis Koliopoulos and Eleftherios Fraidakis, who were the respondents in this case, had been appointed to their roles by a decision of the company's General Assembly on December 2, 2008. The method of their appointment proved to be a pivotal detail, forming the very foundation of the court's ultimate ruling.

Applicant's Claim and Requested Relief

The legal action was initiated by Vasilis Theodorou, a shareholder of EFFER HELLAS S.A.. The essence of his petition was a request for the replacement of the incumbent liquidators, the respondents, alleging their "indifference for the duties and obligations" that stemmed from their position. Such an allegation typically invokes the concept of "serious reasons" (σπουδαίος λόγος), a common legal ground for the removal of corporate officers, though its applicability in this specific context was subject to the court's jurisdictional interpretation. Beyond seeking the replacement of the existing liquidators, the applicant also sought the appointment of himself and Konstantinos Zikas, an accountant residing in Ioannina, as the new liquidators for EFFER HELLAS S.A.. Additionally, the applicant requested that the respondents be ordered to bear the legal costs associated with the proceedings.

Court Proceedings and Applicant's Absence

The case was publicly heard by the Athens Single-Member Court of First Instance, operating under its Voluntary Jurisdiction Department, on October 30, 2020. The final decision, Number 1795/2021, was published on October 25, 2021. A notable procedural aspect of the case was the applicant's failure to appear in court or be represented by legal counsel during the hearing.

Despite the applicant's absence, the court proceeded to examine the case on its merits. This course of action was in strict accordance with Article 754 of the Code of Civil Procedure (KPolD), which stipulates that in voluntary jurisdiction cases, if the applicant does not appear but the respondent does, the proceedings continue as if the applicant were present. This provision highlights a key procedural approach in Greek voluntary jurisdiction.

Unlike contentious proceedings where an applicant's absence might lead to dismissal, voluntary jurisdiction cases—which often involve matters of public order or the protection of collective interests, such as the proper functioning of a legal entity during liquidation—are handled with a different emphasis. In such contexts, the court prioritizes the substantive examination of the matter. If other interested parties, in this instance the respondents, are present and actively participating, the court ensures the case is heard to fulfill its supervisory role over the legal entity, rather than strictly penalizing the initiating party's procedural non-compliance. This demonstrates a judicial inclination towards ensuring the proper administration of justice for the legal entity itself, reflecting a pragmatic approach that prioritizes substantive resolution over rigid adherence to procedural attendance requirements.

Rejection of Respondent's Argument on AFM

The respondents raised a preliminary objection, contending that the application should be dismissed as inadmissible because the applicant's Tax Registration Number (AFM) was not included in the pleading, a requirement under Article 118 KPolD, as amended by Law 4335/2015. The court, however, dismissed this argument. It reasoned that elements required for a pleading, with the exception of the signature, are not absolute prerequisites for the validity of the procedural act itself. The court articulated that if the purpose of the regulation—accurate and sufficient identification of the parties—is achieved through other means, such as the fact that the applicant's identity was not disputed, or if the omission could be subsequently completed, then the absence of the AFM does not automatically lead to nullity.

Crucially, the court relied on Article 159(3) KPolD, which stipulates that a procedural act is nullified only if the formal defect causes actual "procedural damage" (δικονομική βλάβη) to the opposing party, and this damage must be specifically claimed and proven. Since the respondents neither claimed nor provided evidence of any such damage, their objection was rejected. This decision exemplifies a modern trend in Greek civil procedure towards balancing strict procedural formalism with the overarching goal of substantive justice. The court's application of Article 159(3) KPolD in this context prevents technical dismissals based on minor formal defects that do not genuinely prejudice a party. This approach reflects a judicial policy aimed at promoting efficiency and access to justice by avoiding unnecessary procedural hurdles, ensuring that cases are decided on their merits rather than on technicalities, provided the core principles of fairness and due process are upheld.

Table 1: Key Parties and Company Status in EFFER HELLAS S.A. Case

<i>Category</i>	<i>Detail</i>
Company Name	EFFER HELLAS Anonymous Commercial and Technical Company S.A. (EFFER HELLAS S.A.)
Headquarters	Aspropyrgos, Attica, "Lakkos Kotsari"
Current Status	Dissolved
Applicant	Vasilis Theodorou (Shareholder)
Respondents/Current Liquidators	Antonis Koliopoulos, Eleftherios Fraidakis
Liquidators Appointment Date/Method	December 2, 2008, by General Assembly Decision
Applicant's Requested Action	Replacement of current liquidators and appointment of new ones (including himself); imposition of legal costs on respondents.

III. Legal Framework Governing Corporate Liquidation and Judicial Intervention in Greece

It is essential to contextualize the legal framework by noting that while Law 4548/2018, which reformed the law on SAs, largely superseded Law 2190/1920, the court in Decision 1795/2021 explicitly applied Law 2190/1920 "as applicable at the time of dissolution of the anonymous company". This adherence to the principle of

tempus regit actum (the law governing an act is the law in force at the time the act was done) is critical. While the specific statutory provisions may have evolved, the court's strong affirmation of the General Assembly's exclusive role under the old law suggests that this principle is a foundational aspect of Greek corporate governance for SAs. This indicates that certain core tenets of company law, such as the autonomy of capital companies, tend to persist across legislative reforms, reflecting a stable jurisprudential philosophy rather than a radical shift. This continuity is important for legal certainty and predictability in corporate affairs. Therefore, the subsequent analysis of the legal framework will focus on the provisions of Law 2190/1920, which was in force when the liquidators were appointed in 2008.

A. Law 2190/1920 on Anonymous Companies (as applicable at the time of dissolution)

Law 2190/1920, which governed Greek companies limited by shares for nearly a century before its significant reform, established the fundamental rules for their operation, dissolution, and liquidation.

Provisions on Dissolution and Liquidation (Articles 48, 48a, 49)

Under Law 2190/1920, an anonymous company, as a distinct legal entity, could be dissolved through various means, including the administrative revocation of its establishment license, as prescribed by Articles 48, 48a, and 49. For instance, Article 48a specifically addressed license revocation in cases such as the non-submission of annual accounts. Upon dissolution, the company enters a liquidation phase, during which its legal personality is deemed to continue solely for the purpose of completing the winding-up procedures.

Liquidators are mandated to manage the company's affairs during this liquidation period. Their appointment typically falls to the General Assembly. However, if the General Assembly fails to appoint liquidators within one month of the publication of the revocation decision, the Minister of Commerce is empowered to make the appointment. Article 49(6) of Law 2190/1920 imposed a critical obligation: if the liquidation process extended beyond five years, the liquidator was required to convene a General Assembly. At this meeting, the liquidator would submit a plan for accelerating and completing the liquidation, which included a report on past activities, reasons for delays, and proposed measures (e.g., waiving rights, compromises, renegotiations). This plan required General Assembly approval. If the General Assembly did not approve the plan, the liquidator or shareholders representing at least one-twentieth (1/20) of the paid-up share capital could seek court approval from the single-member court of first instance at the company's seat, with the court having the power to modify but not add new measures. Furthermore, Article 49(7) stipulated that the appointment of liquidators automatically entailed the cessation of the powers of the company's board of directors.

Exclusive Competence of the General Assembly in Liquidator Appointment and Revocation (Article 34(1)(f), 49)

A cornerstone of Greek company law, explicitly stated in Article 34(1)(f) of Law 2190/1920, is the General Assembly's *sole and exclusive competence* to decide on the appointment of liquidators. This provision underscores the principle of corporate self-governance inherent in SAs. This exclusive authority of the General Assembly is maintained throughout the entire liquidation process. The General Assembly retains its status as the "supreme corporate body", to which the liquidators are accountable and which is responsible for approving the liquidation accounts (Article 49 of Law 2190/1920).

Academic commentary further clarifies that the General Assembly possesses the power to revoke liquidators, even if they were not initially appointed by a General Assembly decision (e.g., if appointed by the Minister of Commerce due to the GA's failure to act), and notably, this revocation can occur *without* the need to demonstrate "serious reason". This contrasts sharply with the conditions typically required for judicial replacement. The consistent emphasis across multiple legal provisions and academic commentary on the "exclusive competence" of the General Assembly in appointing and revoking liquidators, even during liquidation, reveals a deeply embedded principle in Greek corporate law. This strong emphasis on the General Assembly's role reflects a deliberate policy choice to prioritize corporate self-governance. Judicial intervention is intended to be an exceptional measure, reserved for specific statutory grounds (e.g., failure of corporate organs to act, or specific insolvency regimes) rather than a routine oversight mechanism for management performance. This principle safeguards the autonomy of the corporate entity from undue external judicial interference in matters explicitly assigned to its internal supreme body, promoting stability and predictability in corporate governance.

B. Code of Civil Procedure (KPoD)

Voluntary Jurisdiction Procedure (Articles 739, 740, 754)

The application for the replacement of liquidators, as seen in the EFFER HELLAS S.A. case, falls under the framework of voluntary jurisdiction proceedings. Articles 739 and 740 KPoD establish the rules for material and territorial jurisdiction in such cases, typically designating the single-member court of first instance located at the company's registered seat as the competent authority. Article 754 KPoD specifically addresses procedural conduct in voluntary jurisdiction cases when parties fail to appear. It allows the court to proceed with the examination of the merits if the respondent is present, even in the applicant's absence, ensuring that the underlying matter can still be addressed.

Judicial Authority to Appoint and Replace Provisional Liquidators (Article 786(1), 786(3))

Article 786(1) KPoD grants competence to the single-member court of first instance to appoint provisional management or liquidators for legal entities or companies lacking legal personality. This provision is typically invoked when the corporate organs are non-existent or dysfunctional. Article 786(3) KPoD is the pivotal provision in the EFFER HELLAS case. It states that the court "can, upon the application of anyone with a legitimate interest, replace the provisional management or liquidators for serious reasons". The court's interpretation, which forms the core of its decision, is that the power granted by Article 786(3) KPoD is strictly limited to *provisional liquidators who were originally appointed by a court decision*. It explicitly clarifies that this judicial power does

not extend to liquidators who were appointed by the competent corporate organ (the General Assembly) or by virtue of law. "Serious reasons" (σπουδαίος λόγος), when applicable for judicial replacement (i.e., for court-appointed liquidators), are broadly defined. They encompass any event that renders the realization of the liquidation purpose impossible or exceedingly difficult, or from which there arise legitimate fears of significant damage to the company's interests. Examples include fraudulent or negligent conduct by the liquidator, mismanagement, or refusal to permit inspection of liquidation operations.

Procedural Formalities and Admissibility (Articles 118, 159(3))

Article 118 KPolD mandates the inclusion of specific identifying elements in legal pleadings, such as the Tax Registration Number (AFM). However, Article 159(3) KPolD provides a crucial tempering principle: a procedural act is only rendered null and void if a formal defect causes actual "procedural damage" (δικονομική βλάβη) to the opposing party, and this damage must be specifically claimed and proven. The court applied this principle to dismiss the respondents' argument regarding the missing AFM, finding no proven prejudice.

C. Civil Code (AK)

General Principles on Legal Entities and Provisional Management (Articles 69, 72, 73, 74)

The Civil Code contains fundamental provisions governing legal entities in Greece, including their dissolution (Article 72) and the subsequent liquidation process (Articles 73, 74). Article 69 AK is particularly relevant as it addresses the appointment of provisional management for a legal entity when its designated organs are lacking or unable to function effectively. Similarly, Article 73(2) AK specifically provides for the judicial appointment of provisional liquidators in certain circumstances. The court's interpretation in Decision 1795/2021 explicitly links Article 786(3) KPolD to these Civil Code provisions, asserting that the KPolD article serves to supplement and provide a mechanism for replacing

judicially appointed provisional organs established under Articles 69 and 73(2) AK.

Distinction between Anonymous Companies and Personal Companies (Articles 748, 756, 778(1) AK)

The court drew a clear and significant distinction between the legal structure of anonymous companies (SAs) and that of personal companies (such as civil companies or partnerships), the latter being regulated by provisions like Articles 748, 756, and 778(1) AK. In personal companies, partners typically possess a statutory right to participate directly in the company's management and representation. Article 778 AK, for instance, allows for judicial

appointment or replacement of liquidators in cases of disagreement among partners in a dissolved partnership, reflecting the inherent management involvement of partners.

In stark contrast, the court highlighted that shareholders in an anonymous company do not bear personal liability for the company's debts and do not have a direct right to participate in its day-to-day management (i.e., administration and representation). Their influence is primarily exercised through their voting rights within the General Assembly, a characteristic stemming from the capital-based nature of SAs. The court concluded that extending the judicial power under Article 786(3) KPolD to replace General Assembly-appointed liquidators would be "ξένο" (alien) to the established structure of an anonymous company. The court's detailed explanation of the incompatibility of Article 786(3) KPolD with the structure of anonymous companies, contrasting it with personal companies, is not merely a descriptive point but a fundamental justification for its ruling. By emphasizing this, the court implicitly argues that broadly applying a provision suited for personal companies to SAs would violate the inherent nature and doctrinal purity of a capital company. This means that the corporate personality of an SA is distinct from its shareholders, and management is primarily entrusted to elected bodies (Board of Directors, Liquidators) under the ultimate oversight of the General Assembly. This adherence to doctrinal purity dictates the scope of judicial review, where intervention is seen as an exceptional measure for SAs, reserved for specific statutory grounds or failures of corporate organs, rather than a routine oversight mechanism for management performance. This reinforces the autonomy of the corporate entity from undue direct state intervention in its internal affairs, pushing the responsibility for oversight squarely onto the shareholders via the General Assembly.

IV. Detailed Analysis of Athens Single-Member Court of First Instance Decision 1795/2021

A. Court's Rationale on Procedural Admissibility

The court initially found the application procedurally admissible and within its material and territorial jurisdiction, to be heard under the voluntary jurisdiction procedure, as provided by Articles 739, 740, and 786 KPolD. This preliminary finding confirmed the court's general competence to hear the subject matter.

The respondents' argument for dismissal, based on the applicant's missing Tax Registration Number (AFM) as per Article 118 KPolD, was systematically rejected. The court articulated that such a formal omission does not automatically lead to inadmissibility or nullity. It emphasized that the fundamental purpose of the AFM requirement—accurate identification of parties—was achieved, given that the applicant's identity was not disputed. More importantly, the court applied the principle enshrined in Article 159(3) KPolD, which stipulates that a procedural act is nullified only if a formal defect causes actual procedural harm (δικονομική βλάβη) to the opposing party, and this harm must be explicitly claimed and proven. Since the respondents failed to demonstrate any such prejudice, their objection was dismissed. This reflects a pragmatic judicial approach that prioritizes substantive justice over rigid formalism when minor procedural defects do not genuinely affect the fairness of the proceedings. The court's decision here underscores a judicial policy aimed at promoting efficiency and access to justice by avoiding unnecessary procedural hurdles, ensuring that cases are decided on their merits rather than on technicalities, provided the core principles of fairness and due process are upheld.

B. Core Legal Rationale: The Scope of Article 786(3) KPolD

Interpretation Limiting Judicial Replacement to Court-Appointed Provisional Liquidators

The central pillar of the court's decision, leading to the rejection of the application as "legally unfounded" (νόμω αβάσιμη), was its strict interpretation of Article 786(3) KPolD. The court held that this provision grants the power to replace liquidators

only when those liquidators were *initially appointed by a court decision*. These are typically "provisional" liquidators appointed under circumstances where the corporate body failed to act or was non-existent, often in conjunction with Civil Code provisions such as Articles 69 and 73(2) AK. The court explicitly stated that this judicial power does *not* extend to liquidators who were appointed by the competent corporate organ, namely the General Assembly, or by virtue of law. The rationale behind this restrictive interpretation is that

Article 786(3) KPolD serves to supplement Articles 69 and 73(2) AK by providing a mechanism for replacing

judicially appointed provisional organs. Its purpose is to protect the company's interests from mismanagement specifically by these court-appointed officials, particularly in situations where the General Assembly might be unable to exercise direct oversight over them.

Affirmation of the General Assembly's Exclusive Authority in Anonymous Companies

The court strongly reaffirmed the General Assembly's "exclusive competence" (αποκλειστική αρμοδιότητα) to appoint and revoke liquidators of anonymous companies, as explicitly stipulated by Article 34(1)(f) of Law 2190/1920. This exclusive authority is a fundamental aspect of the SA's corporate structure. It emphasized that throughout the liquidation process, the General Assembly remains the "supreme corporate body" and retains all its rights, including the crucial power to approve liquidation accounts (Article 49 of Law 2190/1920). The court reasoned that interpreting Article 786(3) KPolD broadly to allow judicial replacement of General Assembly-appointed liquidators would render the GA's exclusive competence "κενός τύπος" (an empty formality or a dead letter). Such a broad interpretation would lead to continuous judicial supervision over the liquidation process, which the court deemed contrary to the exceptional and subsidiary nature of judicial intervention in the internal affairs of corporate entities. This reinforces the principle that SAs, as distinct legal entities, are primarily governed by their internal organs (General Assembly, Board, Liquidators) with judicial oversight being strictly circumscribed to specific statutory exceptions. This interpretation protects the stability and predictability of corporate governance for SAs, preventing shareholders from bypassing the General Assembly through judicial channels for management changes. It reinforces the autonomy of the corporate entity from undue external interference in its internal affairs.

The Doctrinal Distinction Between Corporate Forms and its Impact on Judicial Intervention

The court drew a sharp and critical distinction between the legal structure of anonymous companies and that of personal companies (e.g., civil companies or partnerships), which are governed by provisions such as Articles 748, 756, and 778(1) AK. It noted that Article 786(3) KPolD is "adapted to the structure of personal companies". In personal companies, partners inherently possess a statutory right to participate directly in the company's management and representation. Therefore, judicial intervention for replacement due to "serious reasons" is more aligned with the inherent management rights of partners in such entities. Conversely, the court underscored that shareholders in an anonymous company do not incur personal liability for the company's debts and do not possess a direct right to participate in its management. Their influence is exercised exclusively through their voting

rights within the General Assembly, a characteristic dictated by the company's capital-based nature. Consequently, the court concluded that a broad judicial power to replace GA-appointed liquidators would be "ξένο" (alien or foreign) to the established structure of an SA. The court's detailed articulation of this distinction is a fundamental justification for its ruling. By emphasizing this, the court implicitly argues that applying Article 786(3) KPoD broadly to SAs would violate the inherent nature of a capital company. This reinforces the principle that SAs, as distinct legal entities, are primarily governed by their internal organs (General Assembly, Board, Liquidators) with judicial oversight being strictly circumscribed to specific statutory exceptions. This interpretation protects the stability and predictability of corporate governance for SAs, preventing shareholders from bypassing the General Assembly through judicial channels for management changes. It reinforces the autonomy of the corporate entity from undue external interference in its internal affairs.

Discussion of "Serious Reasons" in this context

Although the applicant alleged "indifference" on the part of the liquidators, which would typically fall under the definition of "serious reasons" justifying replacement if the court had jurisdiction, the court deliberately did not delve into the factual merits of this claim. Instead, its decision was based entirely on the

lack of jurisdictional competence to replace General Assembly-appointed liquidators, irrespective of whether "serious reasons" for their removal actually existed. This highlights that the question of jurisdiction is a preliminary and overriding legal prerequisite that must be satisfied before any substantive claim can be entertained. The court's refusal to even consider whether "serious reasons" for replacement existed, instead dismissing the application solely on jurisdictional grounds, underscores a critical legal hierarchy. The existence of a "serious reason" is a

substantive requirement for replacement, but it is entirely moot if the court lacks the fundamental *power* (jurisdiction) to intervene in the first place. This demonstrates that jurisdictional boundaries are absolute and must be satisfied before any substantive claim can be entertained. It reinforces the principle that courts operate within defined legal mandates, and even compelling factual arguments cannot create jurisdiction where none exists.

V. Jurisprudential Landscape and Academic Discourse

Review of Precedent and Scholarly Commentary on Judicial vs. General Assembly Powers in Liquidator Replacement

The court's decision in EFFER HELLAS S.A. is consistent with established Greek jurisprudence and academic commentary. The judgment explicitly cited prior court decisions (e.g., ΕφΠειρ 1068/2007) and scholarly works (Ελ. Αλεξανδρίδου, "Δίκαιο Εμπορικών Εταιριών – Προσωπικές & Κεφαλαιουχικές Εταιρίες", εκδ. 2016, σελ. 502) to support its interpretation that Article 786 KPolD did not, and was not intended to, modify the General Assembly's fundamental and exclusive authority over liquidator appointment and revocation in anonymous companies.

Further academic commentary reinforces that the General Assembly holds the exclusive competence for appointing and revoking liquidators, and notably, it can revoke them even without the need to demonstrate "serious reason". This contrasts sharply with the "serious reasons" requirement for judicial replacement, which is confined to court-appointed liquidators. The prevailing legal doctrine views the judicial appointment of liquidators as an exceptional, "last resort" or "provisional" measure. Such intervention is typically reserved for specific situations where the corporate organs fail to act, such as when the General Assembly neglects to appoint liquidators following a dissolution under Articles 48 or 48a of Law 2190/1920.

The Fix Brewery Case and Statutory Specificity

The Fix Brewery case (Athens Court of Appeal, 1991) presents a seemingly contrasting precedent where liquidators were judicially replaced. However, a critical distinction lies in the legal basis: that case was decided under a *different* and specific statutory framework (section 31(2) of Law No. 1947/91 amending Law No. 1386/83), and the replacement was specifically demanded by creditors representing a significant percentage of the company's debts. This highlights that while judicial intervention

is possible under specific statutory grants of power, it does not imply a general judicial authority to override the General Assembly's role under Article 786(3) KPolD for GA-appointed liquidators. The comparison with the Fix Brewery case is crucial for a nuanced understanding of judicial intervention in Greek corporate law. The distinction underscores that judicial power to intervene in corporate governance, especially regarding liquidators, is not a broad discretionary power. Instead, it is meticulously defined and limited by specific statutory grants. Where the law provides a precise mechanism for intervention (e.g., for creditor protection or provisional appointments), courts will act. The court's decision in EFFER HELLAS thus reinforces the principle of *statutory specificity*: courts will not extend

general provisions to override the fundamental autonomy of a corporate entity when a specific statutory basis for such intervention is absent.

Broader Implications for Corporate Governance and Shareholder Protection

The Athens Single-Member Court of First Instance Decision 1795/2021 carries significant implications for corporate governance and shareholder protection in Greek anonymous companies. By strictly interpreting Article 786(3) KPolD and affirming the General Assembly's exclusive competence, the decision reinforces a fundamental principle of Greek corporate law: the primacy of corporate self-governance for SAs. This approach maintains a clear separation between the internal affairs of a capital company, which are primarily managed by its designated organs under the ultimate oversight of the General Assembly, and the limited scope of judicial oversight.

Shareholders in an SA, unlike partners in personal companies, do not possess direct management rights. Their influence is channeled through their voting power in the General Assembly. The court's ruling reinforces that remedies for perceived mismanagement by liquidators appointed by the General Assembly must primarily be sought through the General Assembly itself. This places the onus on shareholders to exercise their collective rights within the corporate framework to address concerns regarding the liquidation process. While this might appear to limit direct judicial recourse for individual shareholders, it simultaneously upholds the stability and predictability of corporate governance by preventing routine judicial interference in decisions made by the company's supreme body. The decision reaffirms that judicial intervention is an exceptional measure, reserved for specific statutory grounds or instances where corporate organs are dysfunctional or non-existent, rather than a general mechanism for reviewing the performance of General Assembly-appointed management. This jurisprudential stance contributes to the overall legal certainty in the Greek corporate landscape, emphasizing the distinct nature of capital companies and the structured avenues for corporate oversight.

VI. Conclusion

Athens Single-Member Court of First Instance Decision 1795/2021 serves as a definitive statement on the boundaries of judicial intervention in the internal affairs of Greek anonymous companies, particularly concerning the replacement of liquidators. The court's rejection of the application to replace General Assembly-appointed liquidators was rooted in a strict and consistent interpretation of the relevant legal provisions, notably Article 786(3) of the Code of Civil Procedure in conjunction with Law 2190/1920 and the Civil Code.

The judgment unequivocally affirms the exclusive competence of the General Assembly in the appointment and revocation of liquidators for anonymous companies. This principle,

deeply embedded in Greek corporate law, underscores the fundamental autonomy of capital companies and their internal governance mechanisms. The court meticulously distinguished between the structure of anonymous companies and personal companies, highlighting that judicial powers to replace liquidators under Article 786(3) KPolD are primarily adapted to the latter, where partners possess inherent management rights. For anonymous companies, this judicial power is strictly limited to provisional liquidators who were initially appointed by a court.

Furthermore, the decision illustrates a pragmatic judicial approach to procedural formalities, prioritizing substantive justice over rigid adherence to minor technicalities when no actual procedural harm is demonstrated. More broadly, the ruling reinforces the principle of statutory specificity for judicial powers, emphasizing that courts will not extend general provisions to override the fundamental autonomy of a corporate entity without a clear and precise statutory basis for such intervention.

In essence, Decision 1795/2021 solidifies the jurisprudential understanding that while shareholder protection is vital, the primary avenue for addressing concerns regarding General Assembly-appointed liquidators lies within the corporate framework itself, through the exercise of shareholder rights within the General Assembly. Judicial intervention remains a subsidiary and exceptional measure, reserved for specific circumstances defined by law, thereby safeguarding the stability and predictability of corporate governance in Greece.