NATIONAL COMPANY LAW APPELLATE TRIBUNAL
PRINCIPAL BENCH, NEW DELHI

Company Appeal (AT) No. 110 of 2026

(Arising out of order dated 09.03.2026 passed by the National Company Law Tribunal, Mumbai Bench, Court-II, in CP (IB) No. 51 of 2026)

In the matter of:

MEHUL NARAYAN THAKKAR
601 - The View Building,
AS Marg Punchkutir, Powai,
Mumbai, Maharashtra– 400076

...Appellant

Vs.

1. **RUKSHMANI SYNTEX PRIVATE LIMITED**
47/48, 5B Mittal Industrial Estate,
Sir MV Road, Andheri East,
Mumbai – 400059

2. **VIKRAM NARAYAN THAKKAR**
801 - The View Building,
AS Marg Punchkutir, Powai, Mumbai,
Maharashtra– 400076

3. **NARAYAN DALPATRAM THAKKAR**
Flat No. 101, Saakar Building,
Near Kasturi Party Plot, Naroli Road,
Kasturi Residential Area, Silvassa – 396230,
Union Territory of Dadra and Nagar Haveli

4. **RUPAL TEXTILES LLP**
47/48, 5B Mittal Industrial Estate,
Sir MV Road, Andheri East, Mumbai – 400059

...Respondents

Present:

For Appellant : Mr. Bishwajit Dubey with Mr. Anuj Tiwari, Mr. Shivendra Nath Mishra, Mr. Vaibhav Vats, and Mr. Sameer Mishra Advocates.

For Respondents : **Mr. Krishnendu Datta and Mr. Gaurav Mitra, Sr. Advocates Mr. Utsav Trivedi, Mr. Sohan Kinkhabwala, Ms. Aditi Prabhu, Mr. Kashual Parsekar, Ms. Shivani Bhushan, Mr. Yash Tandon, Ms. Lavanya and Mr. Gaurav Sharma, Advocates.**

WITH

Contempt Case (AT) No. 24 of 2026 in

Company Appeal (AT) No. 110 of 2026

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For Appellant	**:**	**Mr. Bishwajit Dubey with Mr. Anuj Tiwari, Mr. Shivendra Nath Mishra, Mr. Vaibhav Vats, and Mr. Sameer Mishra Advocates.**
For Respondents	**:**	**Mr. Krishnendu Datta and Mr. Gaurav Mitra, Sr. Advocates Mr. Utsav Trivedi, Mr. Sohan Kinkhabwala, Ms. Aditi Prabhu, Mr. Kashual Parsekar, Ms. Shivani Bhushan, Mr. Yash Tandon, Ms. Lavanya and Mr. Gaurav Sharma, Advocates.**

J U D G M E N T

(18th August, 2026)

Justice Sharad Kumar Sharma

The brief facts which inevitably requires consideration in the instant company appeal are as under:-

i) That the appellant had invoked the provisions contained under Section 241, 242 and 246 of the Companies Act, 2013 by filing the company petition before the Ld. National Company Law Tribunal, Mumbai Bench, Court-II on 23.02.2026. If we look into the nature of dispute in context of array of parties, it seems to be an *inter se* dispute between the family members, wherein the petitioner to the company petition had come with the petition with an allegation of an act of Oppression and Mismanagement. The petitioner's case was that, the petitioner is a shareholder of M/s Rukshmani Syntex Pvt. Ltd. and was holding 45,993 equity shares of face value of Rs.100 each and had a fully paid-up shares constituting 37.09% of the issued and paid-up capital share of the company.

ii) The company is engaged in the business of weaving yarns into fabric from its operational factory at Silvassa, observing that respondent no.2 was a Director and share-holder of the company holding 45,993 equity shares constituting 37.09% of issued and paid-up share capital of the Company. The respondent no.2 in the present company petition is an elder brother of the petitioner/ the appellant herein.

iii) The respondent no. 3 in the company petition is a minority shareholder, whose shareholding at the relevant time stands of only 14 equity shares constituting of 0.01% of the issued and paid-up share capital of the company. The respondent no.3, is father of petitioner, as well as of respondent no.2. Alleging certain act of Oppression and Mismanagement including relating to the irregular appointment of respondent no.3 onto the Board of the company and exclusion of the petitioner from decision-making process, seizure of financial and banking control of the company by respondent no.2 and respondent no.3 and consequential exclusion of the petitioner, backed by the refusal on the petitioner's request for inspection of the companies records, favoured by withdrawal of essential facilities and obstruction of the petitioner's functioning and work at the company’s factory, removal of petitioner from whole-time directorship of the company and termination of his employment, such other acts were added to allege to be the acts of oppression. Besides that, for alleging an act of mismanagement, extraction of money from the company tarnishing the transparency, sale and disposal of the company assets, mismanagement of the company’s production and oppressional planning are alleged to be contributory act of mismanagement.

Its on the aforesaid background of the alleged act of Oppression and Mismanagement, a company petition was preferred by the petitioner in February, 2026, praying for the following reliefs:-

“RELIEFS SOUGHT

The Petitioner accordingly seeks the Hon'ble Tribunal may be pleased to grant the following ***final reliefs:***

(a) To declare that the Extraordinary General Meeting purportedly held on 30 December 2025 for the appointment of Respondent No. 3 as Director on the Board of Respondent No. 1 Company is illegal, invalid and non est in law, and that the resolution passed thereat appointing Respondent No. 3 as Director, together with all actions taken pursuant thereto, are void and of no effect;

(b) To declare that Circular Resolution Nos. 2 to 5 of 2025-26, altering the authorised signatories of the Company's bank accounts are illegal, invalid and non set in law, and that all actions taken pursuant thereto, including all changes effected in banking mandates and signatory authority, are void and of no effect;

(c) To declare that the meeting of the Board of Directors held on 16 February 2026, at which (i) the Petitioner was purportedly removed from the office of Whole-Time Director,

and (ii) it was resolved to convene an Extraordinary General Meeting for the purpose of considering the Petitioner's removal as Director, is illegal, invalid and non set in law, and that all resolutions passed thereat and actions taken pursuant thereto are void and of no effect;

(d) To declare that any Extraordinary General Meeting for the purpose of considering a resolution for removal of the Petitioner from the office of Director of Respondent No. 1 Company, including the Extraordinary General Meeting proposed to be convened pursuant to notice dated 17 February 2026, is illegal, invalid and non est in law, and that any resolutions passed thereat and actions taken pursuant thereto are void and of no effect;

(e) To direct that the management of Respondent No. 1 Company be conducted strictly on the basis of mutual consent of the Petitioner and Respondent No. 2, in accordance with the Family Settlement and the agreed governance framework, and to pass such further directions as may be necessary to restore joint management and prevent unilateral control of the Respondent No. 1 Company, including but not limited to restoration of the Board composition and banking authority as it prevailed on 29.12.2025;

(f) In the alternative to prayer (e), and without prejudice thereto, to direct Respondent No. 2 and/or Respondent No. 3, or such of them as this Hon'ble Tribunal may deem fit, to purchase the Petitioner's entire direct shareholding in Respondent No. 1 Company as well as Petitioner's beneficial interest in Respondent No. 1 Company help through Respondent No. 4 LLP, at a fair value to be determined by an independent valuer appointed by this Hon'ble Tribunal, together with such further directions as may be necessary to give effect thereto;"

Besides that there were number of other interim reliefs that, was also sought by petitioner in the company petition.

2. The controversy started germinating at this stage, when the Ld. Tribunal after considering the propriety of the proceedings drawn in the shape of the company petition, numbered as CP No. 51/2026. The Tribunal had proceeded to be passed an interim order of the following nature :-

> ***"ORDER***
>
> ***Company Petition/51/2026***
>
> *Learned counsel for the Respondents files reply. It is submitted that he has filed the reply even on DMS. A copy of the reply is tendered to learned counsel for the Petitioner in the open court. Learned counsel for the petitioner presses for interim relief and submits that the petitioner is being removed from the Directorship and the Respondents may interfere with the properties of the Companies and therefore Respondents be directed to maintain status quo prevailing as on this date.*
>
> *Learned counsel for the Respondent submits that the Petitioner is already removed from the Directorship and the intimation of the same is also given to the RoC. Therefore, no interim relief survives, however, he concedes to the submission made by the Learned counsel for the Petitioner, and submits that he has no objection for maintaining the status quo as on this date.*
>
> *In view of the statement, the parties are directed to maintain status quo prevailing as on this date till Monday. List this matter before Regular Bench for further consideration on 09.03.2026."*

3. After considering the rival contention of the respondent, with regards to the alleged act of the removal of the petitioner from the directorship and the consequential intimation given to the Registrar of Companies, but still while considering the aforesaid facts and while accepting the contentions raised by the petitioner, the appellant herein, before Ld. Tribunal. The respondent gave a 'no objection' for maintaining the status quo, in the company petition, accordingly, the proceedings of the company petition remained pending till it was taken before the Ld. Tribunal on 09.03.2026, while referring to the relief sought and particularly the relief relating to Clause-F, which pertained to the offer extended by the petitioner to purchase the petitioner's entire share-holding in respondent no.1 Company, as well as the beneficial interest in respondent no.1 company. Substituting the condition that, a fair value was required to be determined the independent valuer was to be appointed by the Tribunal, together with such further directions as may be necessary. The Ld. Tribunal subject to the exceptions as carved out therein because of the fact that, there was an offer that the respondent would be considering to buy out the share of the applicant petitioner, as it was prayed in 'Relief-F' and the same was agreeable by the petitioner, the parties were left open to suggest the name of the valuer to be appointed for the purposes of carrying out the process of valuation so as to further carry out the distribution of the assets. The Ld. Tribunal proceeded to vacate the stay order, subject to the directions given therein. The relevant part of the order is extracted herein:-

> *"3. Upon consideration of the submissions made by the parties, we are not inclined to continue the interim order. The Respondents may consider buying out the shares of the Applicant as prayed for in Relief Clause (F), if the same is agreeable to the Petitioner, by the next date of hearing.*
>
> *4. The parties may mutually suggest the name of a Valuer for appointment. Upon such appointment, the valuation shall be carried out and the distribution of assets may thereafter be undertaken in accordance with law.*
>
> *5. In view of the above, the interim order stands discontinued, particularly as the Company may be required*

to sell certain assets in order to distribute the proceeds in accordance with law.

6. It is needless to state that all such steps shall be taken with due intimation to the Petitioner."

4. The nature of the order, which was passed by the Ld. Tribunal rather than the stand taken by himself of giving an offer of buy back of the shares of the petitioner, which pertained to the Relief-F, as it was modulated in the company petition and it was agreed between the parties the valuer was considered necessary to be appointed for an appropriate valuation. Under these circumstances, since it amounted to be an order with consent; the Tribunal thought it appropriate not to continue the interim order of status quo as granted on 05.03.2026.

5. It's against this order dated 09.03.2026, the instant company appeal has been preferred, which is the subject matter of challenge in the instant company appeal. When this company appeal was placed before this Tribunal, this Tribunal had passed an interim order on 27.03.2026, making the following observations:-

"O R D E R
(Hybrid Mode)

27.03.2026: *This appeal is filed against an impugned order dated 09.03.2026, wherein it records the appellant had agreed for disposal of the company's assets and the respondents may go ahead.*

2. It is the submission of the Ld. Senior Counsel for the appellant he has not yet not agreed to dispose of his shares and per order dated 09.03.2026 the Valuer was to be *appointed but prior to the appointment of such Valuer, the respondents are going ahead to dispose of the movable assets of the Company and reference was made to pages nos. 623, 624 and 625 of the appeal paper book. He has also referred to an interim order dated 05.03.2026 wherein status quo was granted qua the assets of the Company, however, on 09.03.2026, it was wrongly vacated.*

3. In any case, the question of the appointment of the Valuer is still pending before the Ld. NCLT and is listed on 27.04.2026. Since, admittedly the Valuers have not been so appointed hence it will be appropriate if the matter is listed on 13.04.2026 before us for hearing and till then the order dated 05.03.2026 of the Ld. NCLT shall continue.

4. Let the matter be listed on 13.04.2026 as a fresh case."

If, we look into the order passed by this Tribunal on 27.03.2026, infact, the revival of the status quo order by this Tribunal, was restrictively confined on the ground that since the question of appointment of valuer in pursuance to the order of 09.03.2026 was still pending before the Ld. NCLT and the valuer has not been appointed the status quo order was directed to be continue.

6. If we look into the order of 27.03.2026 passed by this Tribunal, what could be deduced from it is that this Tribunal has passed the order on 27.03.2026 because of the fact that the Ld. Tribunal owing to the consensus expressed in the order of 09.03.2026, as given by the applicant an offer to buy back the shares by the respondent. Owing to the consensus expressed by the parties thought it was to appoint the valuer, it is informed by both the parties that the name of the respective valuers has already been given by both the parties before the Ld. Tribunal, upon which the valuer report is yet to be submitted. Because of the fact that out of the total relief that, was sought for by the appellant petitioner before the Ld. Tribunal, the deliberation which was made by the Tribunal was qua the Relief-F of the offer extended by the applicant in the shape of an alternative prayer for purchasing the petitioners entire shareholding in respondent no.1. In these circumstances it would be deemed that, the proceedings by virtue of an order dated 09.03.2026 was restricted to the consideration of Relief-F, where the appellant's offers of buy back was accepted by the respondent and valuer was solicited to be appointed and for which it is informed that three names of the valuers has already been suggested by the parties, who are yet to be appointed by the Tribunal. Looking into the nature of the order dated 09.03.2026, the entire controversy, which has now been confined to be consider by the Tribunal was found to be from the perspective of the offer of buy back given by the petitioner. So far, the other issues were concerned pertaining to the other reliefs sought therein, principally those reliefs become non est for the reason being that the entire controversy that was confined to be pressed by the appellant was in the context of Relief-F, which was considered and rather stood granted by the order of 09.03.2026. This appellate Tribunal by an order dated 27.03.2026 though it observed to continue the status quo order because the valuer was thus to be appointed as observed in the impugned order of 09.03.2026, the same was permitted to be continued by the order of 27.03.2026.

7. So far as a controversy pertaining to the instant appeal is concerned the appellant grievance had been that there was no occasion for the Tribunal to vacate the status quo order. The valuers report has been solicited for the purpose of acceptance of the offer extended by appellant in context of Relief-F. In that eventuality, looking to the implication flowing from the impugned order of 09.03.2026 confining to the vacation of status quo order. The stage when the valuer's report was yet to be submitted for the purposes of considering the buyback offer of the appellant. This appellate Tribunal has granted a status quo order on 27.03.2026 and owing to the fact that the appellant petitioner had offered a buyback of share in respondent no.1. The respondents much controversy was not left to be decided on merits. In these eventualities, while maintaining the status quo order as granted by an order passed by this appellate Tribunal on 27.03.2026. It is hoped and trusted that the Ld. Tribunal would appoint a valuer called for the valuation report to act upon. The offer of buyback of the appellant as observed by this Tribunal in its order of 09.03.2026, that would decided independently and as expeditiously as possible till the decision is taken the status quo order of 05.03.2026 as maintained to be made effective by an order of 27.03.2026 would continue to operate. Subject to aforesaid, the company appeal stands disposed of.

[Justice Sharad Kumar Sharma]
Member (Judicial)

[Indevar Pandey]
Member (Technical)

(Harleen)