

IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH, COURT NO. I
KOLKATA
COMP. APPL. No. 59/KB/2024

And

CONT. A. No. 7/KB/2025

And

COMP. APPL. 43/KB/2024

And

IA (Companies Act)/144/KB/2025

And

COMP. APPL. No. 56/KB/2025

In

CP No. 421/KB/2020

In the matter of:

Ram Niranjan Kajaria & Ors.

.....Petitioners

Versus

Anil Plantations Private Limited

..... Respondents

And

COMP. APPL. No. 59/KB/2024

In the matter of:

Ram Niranjan Kajaria & Ors.

.....Applicants

Versus

Anil Plantations Private Limited

..... Respondents

And

CONT. A. No. 7/KB/2025

In the matter of:

Sangeeta Bubna & Ors.

.....Applicants

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Versus

Amit Sanganeria & Ors.

..... Contemnors/Respondents

And

COMP. APPL. 43/KB/2024

In the matter of:

Indira Kejriwal

.....Applicants

And

IA (Companies Act)/144/KB/2025

In the matter of:

Sangeeta Bubna & Ors

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Amit Sanganeria and Ors

..... Respondents

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.....Applicants

Date of Pronouncement: 10th day of June, 2026

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CORAM:

SMT. BIDISHA BANERJEE, HON'BLE MEMBER (JUDICIAL)

CMDE SIDDHARTH MISHRA, HON'BLE MEMBER (TECHNICAL)

APPEARANCE:

Mr. Debesh Panda, Adv.] For the Petitioner No. 1, 3 & 4

Ms. Urmila Chakraborty, Adv.

Mr. Sagar Shetty, Adv.

Mr. Ashish Venugopal, Adv.

Ms. Aishwarya Choudhury, Adv.

Mr. Debopriya Mallick, Adv.

Mr. Ratnanko Banerji, Sr. Adv.] For the Respondent no. 1, 2, 3, 4

Mr. Shaunak Mitra, Adv.

Ms. Sristi Barman Roy, Adv.

Ms. Priti Banerjee, Adv.

Ms. Tanvi Luhariwala, Adv.] For the Legal Heirs

Mr. Rahul Poddar, Adv.

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ORDER

Per: CMDE SIDDHARTH MISHRA, HON'BLE MEMBER (TECHNICAL):

1. The Court convened in hybrid mode.
2. Heard Ld. Counsels for the parties.

COMP. APPL. 43/KB/2024

1. The Company Application No. 43/KB/2024 has been preferred by Indira Kejriwal, daughter of Late Ram Niranjana Kajaria, to seek the following reliefs:

*“(a) C.P. No. 421/KB/2020 be dismissed;
(b) Order dated February 11, 2020 and all other orders be set aside and/or vacated;
(c) In the alternative and without prejudice to the aforesaid prayers, the order dated February 11, 2020, be suitably modified to permit the transfers and transactions stated in paragraph 9 hereto;
(d) Ad interim orders in terms of prayers above;
(e) Such further and/or other order or orders be passed, direction or directions be given, as Your Lordships may deem fit and proper.”*

2. Submissions of the Applicant:

- 2.1. It is submitted that the Applicant had executed a Power of Attorney dated 16.01.2020 in favour of Petitioner No. 3 for institution and conduct of the proceedings.
- 2.2. It is further submitted that the Applicant/Petitioner No. 2 is the only shareholder amongst the Petitioners and also represents Petitioner No. 1 as Karta thereof. Further, the remaining Petitioners do not independently hold shares in the Company and therefore is not

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competent to maintain the present petition under Sections 241 and 242 of the Companies Act, 2013.

- 2.3. Further that this Hon'ble Tribunal has, on several occasions including by orders dated 22.07.2022, 25.08.2022, 04.04.2024 and 16.05.2024, encouraged settlement between the parties considering the disputes are amongst family members.
- 2.4. It is further contended that the Applicant is aged about 64 years, suffers from medical ailments and intends to relocate to the United States of America to reside with her son. Further the Applicant has entered into a settlement agreement as stated above with Respondent Nos. 1, 3 and 4 to bring closure and peace and harmony.
- 2.5. It is further contended that by order dated 11.02.2020, this Hon'ble Tribunal directed *status quo* with respect to the shareholding and fixed assets of Respondent No. 1 Company.
- 2.6. It is further alleged that there is no surviving cause of action and therefore the Company Petition should be dismissed.

COMP. APPL. No. 56/KB/2025

1. The Company Application No. 56/KN/2025 has been preferred by Anil Plantations Pvt Ltd. to seek the following reliefs:

- (a) C.P. No. 421/KB/2020 be dismissed;*
- (b) Order dated February 11, 2020 and all other orders be set aside and/or vacated;*
- (c) In the alternative and without prejudice to the aforesaid prayers, Petitioner no. 2 be deleted from the array of parties, and all rights emanating from Petitioner no. 2's shareholding in the Respondent no. 1 company (presently held or by right of inheritance to Late Ram Niranjana*

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Kajaria's shares and the Petitioner no. 1's shares), be exercised by the Applicant no. 2 (Respondent no. 3 in the main company petition, being C.P. No. 421/KB/2020);

(d) In the alternative and without prejudice to the aforesaid prayers, the Family Settlements dated August 3, 2024 and TAR November 5, 2024, be recorded and be given effect to;

(e) The order dated February 11, 2020, be suitably modified to permit the transfer and transactions as contemplated in the said Family Settlements dated August 3, 2024 and November 5, 2024, as stated in paragraph 23 hereinabove;

(f) Ad interim orders in terms of prayers above;

(g) Such further and/or other order or orders be passed, direction or directions be given, as Your Lordships may deem fit and proper.”

2. Submissions of the Applicants:

2.1. It is submitted that after the demise of Late Shri Ram Niranjana Kajaria, the alleged HUF stood dissolved pursuant to a letter dated 6 January 2020 jointly issued by Petitioner Nos. 2, 3 and 4.

2.2. It is further submitted that this Tribunal, by orders dated 11 February 2020 and 27 July 2020, recognized the intention of the parties to partition the shares and directed the parties to take steps before the appropriate forum for partition of the shares held by Late Ram Niranjana Kajaria individually and through the HUF.

2.3. Further that the partition suits being Title Suit No. 510 of 2021 and Title Suit No. 1436 of 2022 were instituted before the Learned Civil Judge (Senior Division), Alipore, concerning the estate of Late Ram Niranjana Kajaria, and Late Kamala Devi Kajaria, and for that an order for maintenance of *status quo* subsists.

2.4. Further that this Tribunal repeatedly encouraged settlement amongst the family members and in order to bring finality to the disputes and restore

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family harmony, Petitioner No. 2 (since deceased) entered into a Family Settlement dated 3 August 2024 with the Applicants.

2.5. It is further contended that the entire consideration under the Family Settlement has already been paid and accepted by Petitioner No. 2 during her lifetime and the settlement has been acted upon.

2.6. Further that Respondent No. 5 also entered into a Family Settlement dated 5 November 2024 whereby she similarly transferred her 1/5th entitlement in the shares of Late Ram Niranjana Kajaria and RNK HUF, along with all consequential inheritance rights, in favour of Applicant No. 2 upon receipt of consideration.

2.7. It is further alleged that in view of the aforesaid settlements, no cause of action survives in the Company Petition and the same has become non-maintainable, particularly since Petitioner No. 2 was the only shareholder amongst the Petitioners.

2.8. It is further submitted that the shares standing in the name of Late Ram Niranjana Kajaria and RNK HUF have not yet devolved upon the heirs and remain subject matter of the pending partition suits before the Civil Court.

3. Submissions of the Respondents:

3.1. It is submitted that the Applicants committed several acts of oppression and mismanagement, including siphoning and misappropriation of the assets and funds of the Company and unauthorized dealings with valuable properties of the Company for wrongful gain.

3.2. Further that the Petitioners rely upon the interim order dated 11 February 2020 passed by this Tribunal directing the parties to maintain *status quo* with regard to the shareholding and fixed assets of the Company.

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3.3. Further that the partition suits being Title Suit No. 510 of 2021 and Title Suit No. 1436 of 2022 were instituted before the Learned Civil Judge (Senior Division), Alipore, concerning the estate of Late Ram Niranjana Kajaria, and Late Kamala Devi Kajaria, and for that an order for maintenance of *status quo* subsists.

3.4. It is further contended that no right, title or interest can pass under transactions entered into during the subsistence of judicial orders restraining alteration of shareholding.

3.5. It is further submitted that the circumstances surrounding execution of the purported settlement agreements create serious suspicion and raise issues of fraud and collusion, particularly when no offer was ever made to Petitioners Nos. 3 and 4 despite their alleged entitlement as legal heirs and coparceners.

IA (Companies Act)/144/KB/2025

1. The IA (Companies Act) No. 144/KB/2025 has been preferred by Sangeeta Bubna, daughter of Late Ram Niranjana Kajaria, to seek the following reliefs:

“i. A Declaration that the purported Settlement Agreements dated 3rd August 2024 and 5th November, 2024 and the consequent alleged share transfers made pursuant thereto be declared as illegal, void ab initio, non-est in law and incapable of conferring any rights upon the transferee(s);

ii. Appropriate direction or directions be passed by the Hon'ble Tribunal so that any advantage, if any secured as a result of such illegal conduct by the Respondent and their men, agents, servants etc. is completely nullified.

iii. Order of injunction restraining the Respondent and/or their men, Agents, servants etc. from taking any steps or further steps pursuant to

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such purported Settlement Agreement and be further restrained from carrying out any such act or acts which shall ensure the benefit of the Respondents and also pass such directions for reversal of the Settlement Agreements;

iv. Pass such order or further orders as this Hon'ble Tribunal may deem fit and proper in the interest of justice and to uphold the rule of law."

2. Submissions of the Applicant:

2.1. It is submitted that this Hon'ble Tribunal, by order dated 11 February 2020, directed all parties to maintain *status quo* in respect of the shareholding and fixed assets of the Company.

2.2. Further the Applicants submitted that despite full knowledge of the aforesaid order, Respondent No. 3 entered into two purported settlement agreements dated 3 August 2024 with Late Indira Kejriwal, and settlement agreement dated 5 November 2024 with Respondent No. 4, Vineeta Singhania, whereby shares and future entitlements in the Company and the HUF were purportedly agreed to be transferred in favour of Respondent No. 3.

2.3. It is further submitted that parallel partition suits being Title Suit No. 1436 of 2022 and Title Suit No. 510 of 2021 are also pending before the Learned Civil Judge (Senior Division), Alipore, wherein orders of *status quo* in relation to the shareholding are also subsisting.

2.4. It is further submitted that Late Indira Kejriwal, despite having allegedly entered into the settlement on 3 August 2024, appeared before this Hon'ble Tribunal on 21 August 2024 stating that she intended to settle the disputes with her sisters, thereby allegedly suppressing the prior settlement from the Tribunal.

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2.5. It is further contended that no copy of C.A. No. 43 of 2024 was served upon the Applicants and they became aware of the purported settlement agreements only upon obtaining certified copies and subsequent pleadings.

2.6. It is further submitted that the Respondent No. 3 cannot claim to be a bona fide transferee inasmuch as criminal proceedings are pending against him in relation to theft of 518 shares of Anil Plantations Pvt. Ltd., which were allegedly misappropriated from a sister concern, Kanchan Investments Pvt. Ltd.

2.7. It is further submitted that the any transfer of shares made during operation of a judicial order directing maintenance of *status quo* is void, non-est and incapable of conferring any right, title or interest upon the transferee.

3. Analysis and Findings:

3.1. We heard the parties and perused the records.

3.2. Upon consideration of the pleadings, documents and rival submissions, the main issues that arises for determination are:

I. Whether the present Company Petition preferred under Sections 241 and 242 of the Companies Act, 2013 has become non-maintainable on account of the Family Settlement Agreements dated 03.08.2024 and 05.11.2024 entered into by certain family members?

II. Whether the Family Settlement Agreements dated 03.08.2024 and 05.11.2024 can be recognised and given effect to by this Tribunal when they have admittedly not been entered into by all legal heirs, coparceners and interested parties having a claim in the subject matter of the settlement?

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Issue II: Whether the Family Settlement Agreements dated 03.08.2024 and 05.11.2024 can be recognised and given effect to by this Tribunal when they have admittedly not been entered into by all legal heirs, coparceners and interested parties having a claim in the subject matter of the settlement?

3.3. A family settlement is a recognised legal device whereby members of a family arrive at a mutual arrangement with the object of resolving existing or apprehended disputes relating to family property, preserving family peace, and averting future litigation.

3.4. The Hon'ble Supreme Court of India in Kale and Ors. v. Deputy Director of Consolidation and Ors., AIR 1976 SC 807 has recognised and upheld the sanctity of family settlements, and held that a family arrangement can be either oral or in writing, and that once acted upon, it acquires binding force between the parties to the arrangement. The Court further enunciated that the primary condition for a valid family settlement is that it must be entered into bona fide and for the purpose of resolving the family dispute.

3.5. The essence of a valid family settlement is that all the parties in a family must have given their consent to the settlement agreement and that it is not a partial settlement between any members of the family.

3.6. A bilateral or multilateral arrangement confined to some members of the family, which leaves out other members cannot constitute a comprehensive and binding family settlement.

3.7. The principal contentions advanced by the Applicants in C.A. No. 43/KB/2024 and C.A. No. 56/KB/2025 are, inter alia, that the disputes inter se the parties have substantially come to an end on account of the Family Settlement Agreements dated 03.08.2024 and 05.11.2024, and that the entire

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consideration thereunder has been paid and accepted, and that the Company Petition has consequentially become non-maintainable.

3.8. It is an admitted position that Petitioner No. 3 and Petitioner No. 4, being daughters of Late Ram Niranjana Kajaria, have consistently and expressly asserted their rights of succession and coparcenary entitlement to the estate and to the shareholding in question.

3.9. The partition suits being Title Suit No. 510 of 2021 and Title Suit No. 1436 of 2022, instituted before the Learned Civil Judge (Senior Division), Alipore, are pending adjudication and there is *status quo* direction in force.

3.10. The Settlement Agreement dated 03.08.2024 was entered into between Late Indira Kejriwal (Petitioner No. 2) and Respondent No. 3. The Settlement Agreement dated 05.11.2024 was entered into between Respondent No. 4, Vineeta Singhania, and Respondent No. 3.

3.11. Both agreements purportedly deal with the transfer and relinquishment of rights in the shares of Late Ram Niranjana Kajaria and RNK HUF and neither of the aforesaid settlement agreements involves or includes Petitioner Nos. 3 and 4, who represent themselves as co-heirs and coparceners.

3.12. This Tribunal has observed on several occasions during the course of these proceedings that the disputes are essentially family disputes and has encouraged all parties to explore an amicable settlement.

3.13. The repeated observations and encouragement of this Tribunal were directed towards a comprehensive, consensual and final settlement between all the family members, and not merely between some of them.

3.14. The order dated 11.02.2020 passed by this Tribunal expressly directed all parties to maintain status quo in respect of the shareholding and fixed assets of the Company. The said order has been in force throughout the

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pendency of these proceedings. Further, as is evident from the record, the Learned Civil Judge (Senior Division), Alipore, has also passed orders directing maintenance of status quo in relation to the disputed properties, including shares, in the pending partition suits.

3.15. Thus, in view of the above discussion, we conclude that the family settlement agreement dated **03.08.2024 and 05.11.2024 is void and illegal.**

Issue I: Whether the present Company Petition preferred under Sections 241 and 242 of the Companies Act, 2013 has become non-maintainable on account of the Family Settlement Agreements dated 03.08.2024 and 05.11.2024 entered into by certain family members?

3.16. The Applicants have contended that in view of the Family Settlement Agreements dated 03.08.2024 and 05.11.2024, the disputes between the parties stand resolved and, consequently the present Company Petition under Sections 241 and 242 of the Companies Act, 2013 has become non maintainable.

3.17. This Tribunal has already examined the validity and legal effect of the aforesaid Family Settlement Agreements while dealing with Issue No. II.

3.18. The purported Family Settlement Agreements dated 03.08.2024 and 05.11.2024 cannot be recognised as they were not entered into by all the legal heirs, coparceners and interested parties having claims in the subject matter of the settlement. This Tribunal has further held that the said agreements are void and illegal.

3.19. In view of the findings recorded under Issue No. II, this Tribunal holds that the Family Settlement Agreements dated 03.08.2024 and 05.11.2024 do not have the effect of extinguishing the disputes forming the subject matter

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of the present proceedings and cannot render the present Company Petition non-maintainable.

3.20. In view of the above discussion, the **IA (Companies Act)/144/KB/2025** is **allowed** and disposed of, and the **COMP. APPL. 43/KB/2024** and **COMP. APPL. No. 56/KB/2025** are **dismissed** and disposed of.

COMP. APPL. No. 59/KB/2024

1. The Comp App No. 59/KB/2024 has been preferred by Ram Niranjana Kajaria & Ors., HUF, represented by Sangeeta Bubna as the Karta, to seek the following reliefs:

“(a) An order be passed for substitution of the name of the applicant No. 2 herein namely Sangeeta Bubna as the Karta of the Ram Niranjana Kajaria & Others, HUF, in place and stead of Indira Kejriwal (Since Deceased) the petitioner no. 1 in the main company petition;

(b) Legal heirs and representatives of the petitioner No. 2 (since deceased) as named above be substituted in place and stead of the petitioner no. 2;

(c) Direction be made on the applicants to amend the cause title and substitute the name of the applicant no. 2 as Karta of the applicant no. 1 HUF in place of Indira Kejriwal in all further places as mentioned in the company petition being C.P. No. 421 of 2020 and all the pleadings filed therein;

(d) A direction upon the Department to give effect to the order of substitution in all records of the pending proceedings;

(e) Any other order or orders and/or direction or directions be made as this Hon'ble Tribunal may deem fit and proper.”

2. Submission of the Applicant:

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- 2.1. Ld. Counsel for the applicant submits that by order dated 11 February 2020, this Tribunal directed maintenance of status quo with regard to the shareholding and fixed assets of the Company.
- 2.2. It is submitted that Late Ram Niranjana Kajaria (“RNK”), promoter of Respondent No. 1 Company, died intestate on 28 October 2019 leaving behind his five daughters, namely the petitioners and Respondent Nos. 4 and 5, as his legal heirs.
- 2.3. Further the applicant stated that Petitioner No. 1 HUF holds 26,584 equity shares constituting 58.86% of the paid-up share capital of the Company, upon the death of RNK, Indira Kejriwal, being the eldest child, became the Karta of the HUF. RNK also individually held 11,210 equity shares, which devolved equally upon his five daughters.
- 2.4. It is further submitted that during pendency of the proceedings, Indira Kejriwal died intestate on 29 August 2024 leaving behind her husband, son and daughter as her legal heirs.
- 2.5. Further the applicants contend that consequent upon her death, Sangeeta Bubna, being the eldest surviving coparcener, has become the Karta of Petitioner No. 1 HUF by operation of law.
- 2.6. Therefore the applicants seek substitution of Sangeeta Bubna as Karta of Petitioner No. 1 HUF in place of deceased Indira Kejriwal and substitution of the legal heirs of Indira Kejriwal in the present proceedings.

3. Submission of the Respondent:

- 3.1. Ld. Counsel for the Respondent submitted that the application is not maintainable either in law or on facts as none of the legal heirs and representatives of Late Indira Kejriwal have been impleaded as parties

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to the application and, therefore, no order for substitution can be passed against them.

- 3.2. It is submitted that late Indira Kejriwal, along with the other petitioners, had instituted the company petition under Sections 58, 59, 241, 242 and 244 of the Companies Act, 2013 and had diligently pursued the proceedings for several years.
- 3.3. Further that owing to her deteriorating health condition and in view of the repeated observations of this Tribunal encouraging settlement, Late Indira Kejriwal entered into a Settlement Agreement dated 3 August 2024 with Amit Sanganeria, Vijaylakshmi Sanganeria and Anil Plantations Private Limited.
- 3.4. Under the said Settlement Agreement, Late Indira Kejriwal agreed to transfer:
- i. her 2,000 equity shares in Anil Plantations Private Limited for a consideration of Rs. 6,00,000/-; and
 - ii. her 1/5th share in 1,342 shares standing in the name of Ram Niranjana Kajaria and 5,317 shares standing in the name of Ram Niranjana Kajaria & Others (HUF) for a consideration of Rs. 19,97,700/-, in favour of Amit Sanganeria, subject to orders of this Tribunal.
- 3.5. It is further submitted that prior to her death on 29 August 2024, Late Indira Kejriwal had expressed before this Tribunal on 21 August 2024 her intention to amicably settle the disputes and relocate to the United States owing to her deteriorating health.
- 3.6. The order dated 21 August 2024 records the settlement between her and Respondent Nos. 1 to 4.

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- 3.7. Further that Late Indira Kejriwal consciously chose to resolve the disputes after prolonged litigation so that her legal heirs would not be burdened with further proceedings unrelated to them.
- 3.8. It is submitted that in view of the settlement entered into by Late Indira Kejriwal and her clear intention not to pursue the proceedings further, no surviving cause of action remains so far as she is concerned and no grounds exist for substitution of her legal heirs.
- 3.9. Further that the legal heirs have no intention or willingness to continue the present proceedings and do not wish to be burdened with the litigation.

4. Rejoinder by the Applicant:

- 4.1. Ld. Counsel for the Applicant stated that it is a settled position of law that an HUF is a distinct legal entity capable of owning property, suing and being sued in its own name. In the absence of a Karta, any coparcener is entitled to prosecute proceedings on behalf of the HUF.
- 4.2. It is further submitted that after the amendment to Section 6 of the Hindu Succession Act, 1956 by the Hindu Succession (Amendment) Act, 2005, daughters have been recognized as coparceners by birth with equal rights as sons, including the right to become Karta of an HUF.
- 4.3. It is submitted that upon the death of Late Ram Niranjana Kajaria on 28 October 2019, Indira Kejriwal, being the eldest coparcener, became the Karta of the HUF. Following her demise on 29 August 2024, Applicant No. 2/Petitioner No. 3, Sangeeta Bubna, being the next senior-most coparcener, lawfully assumed the position of Karta and has been discharging the functions thereof.

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- 4.4. It is further submitted that an HUF does not dissolve automatically upon the death of a member or Karta. Dissolution can occur only through a valid partition by mutual agreement or by decree of a competent court, and placed reliance on ***Vineeta Sharma v. Rakesh Sharma***, wherein the Hon'ble Supreme Court held that partition must be complete and final to be legally recognized and that mere intention or preliminary arrangements do not amount to partition.
- 4.5. Further that the letter dated 6 January 2020 expressing unwillingness to continue the HUF does not amount to legal dissolution or partition of the HUF. No actual division of assets has taken place, nor has there been compliance with Section 171 of the Income Tax Act, 1961.
- 4.6. It is further submitted that partition suits being Title Suit No. 510 of 2021 and Title Suit No. 1436 of 2022 are presently pending before the Learned Civil Judge (Senior Division), Alipore, wherein *status quo* orders regarding the shareholding have also been passed. The pendency of such proceedings itself establishes that the HUF continues to subsist and the issue of partition remains unresolved.
- 4.7. It is further contended that this Tribunal by order dated 11 February 2020 directed maintenance of *status quo* in respect of the shareholding and fixed assets of the Company. Despite the subsistence of the said order, Late Indira Kejriwal and Respondent No. 5 allegedly entered into settlement arrangements for transfer of shares in favour of Respondent No. 3, in clear violation of the *status quo* order.
- 4.8. It is submitted that contempt proceedings being CONT. APP./7(KB)2025 have already been initiated challenging the alleged

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unauthorized transfer of shares in breach of the interim order of this Tribunal.

- 4.9. It is further alleged that Respondent No. 3 is not a valid shareholder of the Company and that criminal proceedings are pending against him in relation to alleged unauthorized transfer of shares belonging to Kanchan Investments Pvt. Ltd.

5. Analysis and Findings:

- 5.1. Upon consideration of the pleadings, documents and rival submissions, the main issues that arises for determination are:
- i. Whether the Ram Niranjana Kajaria & Others HUF continues to subsist as a valid and legally recognised joint Hindu family, or whether it stands dissolved by virtue of the letter dated 06.01.2020?**
- 5.2. A Hindu Undivided Family is a distinct and well-recognised legal entity in Indian law, capable of holding property, instituting and defending suits, and maintaining its own separate identity distinct from its individual members.
- 5.3. The Hon'ble Supreme Court of India in ***Vineeta Sharma v. Rakesh Sharma [(2020) 9 SCC 1]*** has categorically held that partition of a coparcenary property and the HUF must be complete and final to be legally recognised.
- 5.4. Furthermore, a valid partition of an HUF requires either a mutual agreement resulting in actual division of assets by metes and bounds, or a decree of a competent court following due adjudication.
- 5.5. The Hindu Succession Act, 1956, as amended by the Hindu Succession (Amendment) Act, 2005, has brought significant changes to the

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structure of coparcenary rights, particularly by recognising daughters as coparceners by birth. The rights so created cannot be extinguished except through a legally valid partition.

- 5.6. Section 171 of the Income Tax Act, 1961 further provides for recognition of partition of an HUF and lays down that a partition shall be recognised only upon a finding by the Assessing Authority that a total partition has taken place. In the absence of such recognition, the HUF is presumed to continue.
- 5.7. This Tribunal finds that the letter dated 06.01.2020 was issued by only some members of the family, and does not constitute a document executed by all coparceners and members of the HUF. No actual division of the joint family assets by metes and bounds has taken place. No decree of partition has been passed by any competent court. There is no finding under Section 171 of the Income Tax Act, 1961 recognising the partition of the RNK HUF.
- 5.8. On the contrary, the pendency of partition suits being Title Suit No. 510 of 2021 and Title Suit No. 1436 of 2022 before the Learned Civil Judge (Senior Division), Alipore, is itself a clear and unequivocal indicator that the disputes relating to partition remain pending and unresolved before the competent forum.
- 5.9. Further in view of our discussion in the analysis and findings of **Comp App 43/KB/2024, Comp App No. 56/KB/2025, IA (Companies Act)/144/KB/2025**, we are of the considered view that the HUF has not been dissolved properly.

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5.10. **Rule 53** of the NCLT Rules, 2016, provides for substitution of legal representatives in case of death of a party, and therefore, in view of the above discussion, the Company Application is **allowed** and disposed of.

CONT. A. No. 7/KB/2025

1. The Contempt Application No. 7/KB/2025 has been preferred by Sangeeta Bubna and Anita Kejriwal, both of whom are daughters of Late Ram Niranjana Kajaria, to initiate contempt proceedings against the Respondents/Contemnors seeking the following reliefs:

“(a) Punish the Respondents and each one of them for contempt for violating the subsisting interim order dated February 11, 2022 Passed by this Hon'ble Tribunal;

(b) Rule do issue calling upon the Respondents to show cause why each one of them should not be committed to prison or otherwise penalised or dealt with in an appropriate manner and their properties sequestered for having committed willful, deliberate, contumacious disobedience of the solemn Order dated February 11, 2020, inter alia, in the following manner:

(i) The Contemnors including the Contemnor Nos. 1 has wilfully violated the solemn Order dated February 11, 2020 by entering into a Settlement Agreement with the petitioner No. 2 in the Company Petition namely C.P. No. 421/KB/2020, for transfer of her shares of and in the company in the manner stated and more fully elaborated in the Petition;

(ii) Despite being directed to the parties to the C.P. No 421/KB/2020 by the said order dated February 11, 2020, inter alia, to maintain status quo on shareholding, the Contemnors have deliberately and wilfully not complied with such directions;

(iii) Despite having notice and knowledge of the said Order dated February 11, 2020, the Contemnors including in particular the Contempt No. 1 have wilfully and deliberately refused and/or neglected to act in accordance with the said Order;

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(iv) The Respondents/Contemnors have wilfully violated the directions passed by this Hon'ble Tribunal;

(v) The Respondents/Contemnors have wilfully and deliberately interfered with and obstructed and/or interfered with the administration of justice and in the process abused the process of law;

(vi). The Respondents/Contemnors and their men, agents, servants and employees etc. have deliberately and wilfully interfered with the course of judicial proceedings and thus abused and misused the process of law;

(vii). The Respondents/Contemnors are otherwise acted/acting in contempt of court;

(c) If no cause or insufficient cause is shown, the Rule be made absolute and the Respondents/Contemnors and each one of them and their men, agents, servants and employees etc be committed to prison and be penalized and his properties dealt with in an appropriate manner;

(d) The Contemnors/Respondents and their men, agents, servants and employees etc be suitably and appropriately punished with imposition of fine and/or with imprisonment in a civil prison for a term found to be fit and proper by this Hon'ble Tribunal and/or otherwise as this Hon'ble Tribunal may deem fit and proper;

(e) An order of sequestration be passed in respect of all the properties of the Respondents/Contemnors;

(f) Ad-Interim Orders in terms of Prayers above

(g)Costs;

(h)Pass any other order or orders as this Hon'ble Tribunal may deem fit and proper.”

2. Submissions of the Applicant:

2.1. Ld. Counsel for the Applicant submitted that the present Contempt Application has been filed seeking initiation of contempt proceedings against the Contemnors, namely Amit Sanganeria, Bimal Tulsyan and Vijayalakshmi Sanganeria, for wilful, deliberate and contumacious violation of the Order dated 11 February 2020 passed by this Hon'ble Tribunal in C.P. No. 421/KB/2020 directing the parties to maintain

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status quo in respect of the shareholding and fixed assets of Anil Plantation Private Limited.

- 2.2. During pendency of the proceedings, this Hon'ble Tribunal by Order dated 11 February 2020, directed all parties to maintain *status quo* with regard to the shareholding and fixed assets of the Company.
- 2.3. It is further submitted that the Contemnors had full knowledge and notice of the said order since the same was passed in their presence, and despite such knowledge, the Contemnors wilfully acted in breach of the order by entering into a settlement arrangement with Late Indira Kejriwal during pendency of the proceedings.
- 2.4. Further the Applicants discovered that Late Indira Kejriwal purportedly agreed to transfer 2000 shares held by her personally, transfer of 1/5th of shares of the total number of shares, and all shares receivable by inheritance from Late Ram Niranjana Kajaria or otherwise.
- 2.5. It is further contended that the aforesaid acts directly affect and alter the shareholding structure of the Company and are in blatant violation of the *status quo* order dated 11 February 2020.
- 2.6. Further that the separate orders of *status quo* concerning the shareholding of the Company are also operating in Title Suit No. 1436 of 2022 and Title Suit No. 510 of 2021 pending before the Learned Civil Judge (Senior Division), Alipore.
- 2.7. It is further contended that the actions of the Contemnors are conscious, deliberate and mala fide, and by entering into such transactions during pendency of the proceedings, the Contemnors have attempted to alter the corporate and shareholding structure of the Company and thereby frustrate the rights and claims of the Applicants.

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- 2.8. Further the Applicants have issued contempt notices dated 28 April 2025 and 8 May 2025 calling upon the Contemnors to cease and desist from further violations and to reverse the acts committed in breach of the order. Despite receipt of the said notices, the Contemnors failed and neglected to comply with the directions of this Hon'ble Tribunal and continue to act in wilful and contumacious disregard of the subsisting order dated 11 February 2020.
- 2.9. Further the Applicants by filing supplementary affidavit dated 13 June, 2025 stated that a notice was issued to Ms. Vineeta Singhania on 12 June, 2025, calling upon her to purge the contempt and take corrective measures, and in spite of the said notice, no steps have been taken by Ms. Vineeta Singhania to comply with or restore the status quo ante.

3. Submissions of the Respondent:

- 3.1. It is submitted that the original Petitioner No. 2, Late Indira Kejriwal, had revoked the Power of Attorney earlier executed in favour of Applicant No. 1 and had brought such revocation on record before this Hon'ble Tribunal by affidavit dated 22 August 2023.
- 3.2. It is further submitted that since 2022, repeated efforts have been made by the parties to amicably resolve the disputes pending amongst family members. This Hon'ble Tribunal by several orders dated 22.07.2022, 25.08.2022, 04.04.2024, 16.05.2024 and 21.08.2024, encouraged settlement between the parties considering the familial nature of the disputes.
- 3.3. Further that the Late Indira Kejriwal, owing to her advanced age and medical condition, voluntarily desired to bring closure to the long-

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standing family disputes and litigations and accordingly entered into a written family settlement with the Respondents.

- 3.4. Under the said settlement, Late Indira Kejriwal agreed inter alia:
- (i) to transfer 2000 shares held by her in the Company to Respondent No. 1;
 - (ii) to transfer her alleged 1/5th entitlement in shares standing in the name of Late Ram Niranjana Kajaria;
 - (iii) to transfer her alleged 1/5th entitlement in shares standing in the name of Ram Niranjana Kajaria & Others HUF; and
 - (iv) to transfer any other shares receivable by inheritance from Late Ram Niranjana Kajaria or otherwise.
- 3.5. However, the said settlement agreement specifically contemplated that an application would be made before this Hon'ble Tribunal seeking suitable directions and modification of the interim order dated 11 February 2020 for implementation of the contemplated transfers. Therefore, no transfer was intended to be effected without leave and permission of this Hon'ble Tribunal.
- 3.6. Further the Late Indira Kejriwal filed C.A. No. 43/KB/2024 before this Hon'ble Tribunal seeking dismissal of the Company Petition or alternatively seeking modification of the interim order dated February 11, 2020 to permit implementation of the settlement.
- 3.7. It is further submitted that Late Indira Kejriwal subsequently expired intestate on 29 August 2024 and the substitution application being C.A. No. 59(KB) of 2024 filed by the Applicants is still pending adjudication.
- 3.8. It is further submitted that the Applicants themselves do not hold shares in the Company, and the shares held in the name of Late Ram

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Niranjan Kajaria and Ram Niranjan Kajaria & Others HUF are already the subject matter of pending partition suits before the Learned Alipore Court where separate *status quo* orders have been passed with regard to such shares.

- 3.9. It is further submitted that the Applicants themselves are guilty of violating *status quo* orders passed by the Learned 3rd Civil Judge (Senior Division), Alipore in Title Suit No. 1436 of 2022, and despite subsisting orders directing maintenance of *status quo*, the Applicants have allegedly sold portions of the suit property by registered deeds dated 09 April 2024 and 22 May 2024, and for that Misc. Case Nos. 92 and 93 of 2025 have already been filed by the respondent and are pending adjudication.
- 3.10. It is further contended that there has been no wilful, deliberate or contumacious violation of the order dated 11 February 2020, as the family settlement is a private and confidential agreement and was not intended to make effective unless suitable directions were made in this regard from this Hon'ble Tribunal.

4. Analysis and Findings:

- 4.1. It is observed that the *status quo* order passed by this Tribunal was unequivocal and intended to preserve the existing shareholding structure pending adjudication of disputes concerning ownership and control of the Company.
- 4.2. The respondents admittedly entered into settlement arrangements to transfer 2000 shares held by her in the Company to Respondent No. 1, transfer her alleged 1/5th entitlement in shares standing in the name of Late Ram Niranjan Kajaria, transfer her alleged 1/5th entitlement in

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shares standing in the name of Ram Niranjan Kajaria & Others HUF, and transfer any other shares receivable by inheritance from Late Ram Niranjan Kajaria or otherwise.

- 4.3. Section 2(a) & 2(b) of the Contempt of Courts Act, 1971 defines the contempt as under:

“2. Definitions.-In this Act, unless the context otherwise requires,- (a) "contempt of court" means civil contempt or criminal contempt; (b) "civil contempt" means wilful disobedience to any judgment, decree, direction, order, writ or other process of a court or wilful breach of an undertaking given to a court;”

- 4.4. Non-compliance of the order of this Authority is civil contempt, for which two elements are required to be established i.e.,

(i) Disobedience of any judgment, decree, directions, orders or other process of Court.

(ii) Disobedience or breach must be wilful, deliberate and intentional.

- 4.5. The key ingredient of civil contempt as defined under Section 2(b) of the Contempt of Courts Act, 1971 is deliberate flouting of orders of this Authority i.e. "willful" disobedience. The element of willingness is an indispensable requirement to bring home the charge within the act.

- 4.6. The Hon'ble Supreme Court, in the case of **Anil Ratan Sarkar Versus Hiralak Ghosh** reported in [(2002) 4 SCC 21] In Para No.15 observed as follows:

“15. It may also be noticed at this juncture that mere disobedience of an order may not be sufficient to amount to a "civil contempt" within the meaning of Section 2(b) of the Act of 1971 the element of willingness is an indispensable requirement to bring home the charge within the meaning of the Act and lastly, in the event two interpretations are possible and the action of the alleged contemnor

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pertains to one such interpretation—the act or acts cannot be ascribed to be otherwise contumacious in nature. A doubt in the matter as regards the wilful nature of the conduct if raised, question of success in a contempt petition would not arise.”

- 4.7. Further the Hon'ble Supreme Court in **Indian Airports Employees' Union versus Ranjan Chatterjee (1999) 2 SCC 537:**

“7. It is well settled that disobedience of orders of Court, in order to amount to 'Civil Contempt' under Section 2(b) of the Contempt of Courts' Act, 1971 must be 'wilful' and proof of mere disobedience is not sufficient. S.S. Roy v. State of Orissa and Ors. AIR 1960 SC 190 . Where there is no deliberate flouting of the orders of the Court but a mere misinterpretation of the executive instructions, it would not be a case of Civil Contempt Ashok Kumar Singh and Ors. v. State of Bihar and Ors. 1992 CriLJ 284.”

- 4.8. In **Kapildeo Prasad Sah & Ors. versus State of Bihar & Ors. (1999) 7 SCC 569** also it is clearly stipulated that disobedience should be wilful and should be clear violation of court's order with the knowledge of contemnor. It also records that initiation of contempt proceeding is not a substitute for execution proceedings though at times purpose may also be achieved.

- 4.9. The Hon'ble Supreme Court of India in **U.N. Bora versus Assam Roller Flour Mills Ass. reported in (2022) 1 SCC 101** has elaborately dealt with the issue as what amounts to civil contempt and how it is to be proved. The relevant paragraphs of the judgment reads as under :

“8. We are dealing with a civil contempt. The Contempt of Courts Act, 1971 explains a civil contempt to mean a wilful disobedience of a decision of the Court. Therefore, what is relevant is the "wilful" disobedience. Knowledge acquires substantial importance qua a contempt order. Merely because a subordinate official acted in disregard of an order passed by the Court, a liability cannot be

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fastened on a higher official in the absence of knowledge. When two views are possible, the element of wilfulness vanishes as it involves a mental element. It is a deliberate, conscious and intentional act. What is required is a proof beyond reasonable doubt since the proceedings are quasi-criminal in nature. Similarly, when a distinct mechanism is provided and that too, in the same judgment alleged to have been violated, a party has to exhaust the same before approaching the court in exercise of its jurisdiction under the Contempt of Courts Act, 1971. It is well open to the said party to contend that the benefit of the order passed has not been actually given, through separate proceedings while seeking appropriate relief but certainly not by way of a contempt proceeding. While dealing with a contempt petition, the Court is not expected to conduct a roving inquiry and go beyond the very judgment which was allegedly violated. The said principle has to be applied with more vigour when disputed questions of facts are involved and they were raised earlier but consciously not dealt with by creating a specific forum to decide the original proceedings.

*9. We do not wish to reiterate the aforesaid settled principle of law except by quoting the reasoned decision of this Court in *Hukum Chand Deswal v. Satish Raj Deswal* [*Hukum Chand Deswal v. Satish Raj Deswal*, (2021) 13 SCC 166] wherein the celebrated judgment in *Ram Kishan v. Tarun Bajaj* [*Ram Kishan v. Tarun Bajaj*, (2014) 16 SCC 204 : (2015) 3 SCC (L&S) 311], has been quoted. The following paragraphs would govern the aforesaid principle: (*Hukum Chand Deswal* case [*Hukum Chand Deswal v. Satish Raj Deswal*, (2021) 13 SCC 166], SCC paras 20-21 & 25-27). "20. At the outset, we must advert to the contours delineated by this Court for initiating civil contempt action in *Ram Kishan v. Tarun Bajaj* [*Ram Kishan v. Tarun Bajaj*, (2014) 16 SCC 204 : (2015) 3 SCC (L&S) 311]. In paras 11, 12 and 15 of the reported decision, this Court noted thus : (SCC pp. 209-11) '11. The contempt jurisdiction conferred on to the law courts power to punish an*

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offender for his wilful disobedience/contumacious conduct or obstruction to the majesty of law, for the reason that respect and authority commanded by the courts of law are the greatest guarantee to an ordinary citizen that his rights shall be protected and the entire democratic fabric of the society will crumble down if the respect of the judiciary is undermined. Undoubtedly, the contempt jurisdiction is a powerful weapon in the hands of the courts of law but that by itself operates as a string of caution and unless, thus, otherwise satisfied beyond reasonable doubt, it would neither be fair nor reasonable for the law courts to exercise jurisdiction under the Act. The proceedings are quasi-criminal in nature, and therefore, standard of proof required in these proceedings is beyond all reasonable doubt. It would rather be hazardous to impose sentence for contempt on the authorities in exercise of the contempt jurisdiction on mere probabilities...

12. Thus, in order to punish a contemnor, it has to be established that disobedience of the order is "wilful". The word "wilful" introduces a mental element and hence, requires looking into the mind of a person/contemnor by gauging his actions, which is an indication of one's state of mind. "Wilful" means knowingly intentional, conscious, calculated and deliberate with full knowledge of consequences flowing therefrom. It excludes casual, accidental, bona fide or unintentional acts or genuine inability. Wilful acts does not encompass involuntarily or negligent actions. The act has to be done with a "bad purpose or without justifiable excuse or stubbornly, obstinately or perversely". Wilful act is to be distinguished from an act done carelessly, thoughtlessly, heedlessly or inadvertently. It does not include any act done negligently or involuntarily. The deliberate conduct of a person means that he knows what he is doing and intends to do the same. Therefore, there has to be a calculated action with evil motive on his part. Even if there is a disobedience of an order, but such disobedience is the result of some compelling circumstances under

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which it was not possible for the contemnor to comply with the order, the contemnor cannot be punished. "Committal or sequestration will not be ordered unless contempt involves a degree of default or misconduct."

4.10. Since the respondents simultaneously approached the Tribunal seeking modification of the interim order before implementation of the settlement, and an agreement was made which will be effective only when this Hon'ble Tribunal would give its nod, the element of complete disobedience is not proved.

4.11. In view of the above discussion, the Contempt Application is **dismissed** and disposed of.

5. The Registry is directed to send e-mail copies of the order forthwith to all the parties and their Ld. Counsel for information and for taking necessary steps.

6. Certified Copy of this order may be issued, if applied for, upon compliance with all requisite formalities.

Siddharth Mishra
Member (Technical)

Bidisha Banerjee
Member (Judicial)

The Order signed on this, the 10th day of June, 2026.

Sagar M. (LRA)