

NATIONAL COMPANY LAW APPELLATE TRIBUNAL

PRINCIPAL BENCH

NEW DELHI

COMPANY APPEAL (AT) No.228 of 2025

(Arising out of judgement and order dated 12.09.2025 passed by the National Company Law Tribunal, Jaipur Bench, Rajasthan in Company Petition No.16/241-242/JPR/2025)

In the matter of:

Satyanarayan Gupta

Appellant

Vs

Shivangan Realestate Pvt Ltd & Ors

Respondent

For Appellant: Mr Abhijeet Sinha, Sr Advocate, Mr Gaurav Mitra, Mr Naresh Kumar Sejwani, Ms Aishwarya Hodi, Advocates.

For Respondent: Mr Krishanendu Datta, Sr Advocate, Mr Tanuj Sud, Mr Ajay Kumar, Ms Stuti Vatsa, Mr Vijayant Goel, Mr Govind, Advocates.

ORDER

HYBRID MODE

09.10.2025: This appeal is filed by the appellant under Section 421 of the Companies Act, 2013 against an impugned order dated 12.09.2025 passed by Ld. NCLT, Jaipur Bench, Rajasthan, in CP No.16/241-242/JPR/2025 thereby dismissing the petition at its threshold. The appellant submits he is the beneficial owner of the 5000 Equity shares in Respondent no.1 company and his 50% of the total share capital, has wrongfully been acquired by Respondent No.3 and the same is unequivocally been acknowledged by both the respondents in MoU dated 01.01.2022. It is submitted the Respondent No.3 is an unlawful transferee of such 5000 equity shares and both respondents are attempting to take undue advantage of their position.

2. The appellant had filed a Company Petition before the Ld. NCLT, Jaipur, seeking various prayers, including the appellant being declared as a beneficial owner of the 5000 equity shares and also sought consequential directions against Respondents No.2 and 3 to rectify the Register of Members of the company and other statutory records so as to reflect the appellant's beneficial ownership, including under Section 89 of the Companies Act, 2013.

3. Admittedly the appellant had himself transferred his shares in Respondent No.1 company in favour of Respondent No.3 in the year 2017 itself and such shares transfer is duly reflected in company's record since such date.

4. On 01.01.2022 one MoU was executed between the Appellant, Respondent No.2 and Respondent No.3. The said MOU noted Respondents No.2 and 3 had provided funds to the appellant as loan and in lieu of the said loan some jointly owned properties were transferred in the name of Respondents No.2 and 3 and both the parties Respondent No. 2 and 3 were equal owners. The MoU recorded the appellant had borrowed money and the properties were transferred as securities to Respondents No.2 and 3 and upon repayment of loan, the Respondents No.2 and 3 were to re-transfer directorship and shares back to the appellant herein.

5. In this litigation the actual dispute is with regard to property/land at *Chand Ji Ki Dhani, Jaipur*. This land was purchased jointly by both parties and both have invested equal capital and such land was registered in the name of

Respondent No.1 company. It was also a part of the MoU whenever this land will be sold, the sale proceeds shall be equally shared between the parties.

6. Admitted in the MOU dated 01.01.2022 the liability of the appellant was computed at Rs.11 crores, including the interest and whenever the appellant would make payment to Respondents No.2 and 3 his shares were to be restored to the appellant and till the date of final payment the appellant was also to pay an additional amount of Rs.5 lakh per month to Respondents No.2 and 3. The MoU also talks about an additional amount of Rs.78 lakh, payable to Respondent No.2 and 3. *Admittedly* none of such payments have since been made by the appellant to Respondents No.2 and 3. Rather a reference was made to an order dated 22nd August, 2025 passed in Civil Suit No.93/2025 between the same parties, on the basis of MoU dated 01.01.2022 alleging the subject property worth at approximately Rs.50 crores, is being misappropriated by Respondents No.2 and 3.

7. However, the said suit No.93/2025 was dismissed as on an application under Order 7 Rule 11, CPC and the Court was of the view the disputed property belong to Respondent No.1 company and it was never made a party to the suit and that the Respondents No.2 and 3 were impleaded in the said suit in their personal capacities. It was also a part of the said order at the time of filing of the suit the appellant had no connection with the company that owns the disputed property as neither he was a director nor a shareholder. These findings

in Civil Suit No.93/2025 given by the Upper Civil Judge No.13, Bassi, Jaipur were never challenged and had attained finality.

8. In these circumstances, it was argued by the Respondents, the Company Petition itself is not maintainable as *admittedly* the appellant is neither a member nor shareholder of Respondent No.1 company and the petition was never filed *qua* the affairs of the company and rather was filed to execute the MoU dated 01.01.2022, between private parties. Further, in such MoU, Respondent No.1 was never a party. Admittedly not a single penny towards the amount of loan and interest, as stated in the MOU has been returned till date by the appellant towards his liability, hence cannot seek *status quo* on sale of company's property on the basis of MOU dated 01.01.2022. Of course, the appellant would get his share from the sale proceeds, after deducting his liabilities towards loan(s) against him together with interest etc.

9. In the circumstances we do not find any reason to grant any interim relief as prayed in IA No. 5713/2025. IA is accordingly dismissed.

10. Qua the contention of the appellant pertaining to non-adherence of Section 89(5) of Companies Act, 2013, the Ld. NCLT has rightly held such non-adherence of Section 89 cannot be considered as an act of Oppression and Mismanagement since Section 89(5) prescribes a duty on the person who holds the share to declare to the company about the details of the beneficial owner and if a person fails to make such requisite declaration he faces a *penalty*.

11. Though the argument of the Ld. counsel for the appellant is the Respondents No.2 and 3, being beneficial owners of his 5000 equity shares ought to have made such declaration under Section 89 of the Companies Act, 2013 but if one peruse the prayer(s) in Company Petition No.16/2025, the appellant himself sought a declaration to be *beneficial owner* of such shares. Thus per Section 89 it also casted a duty upon him to make declaration under Section 89 (Supra). Moreso the consequences of avoiding such declaration are itself provided under the Act, *viz* penalty, hence this act cannot be treated as an act causing Oppression and Mismanagement. In the result we are in agreement with the impugned order passed by Ld. NCLT, thus finding no merit in the appeal, we dismiss the appeal.

12. Pending applications, if any, are also closed.

(Justice Yogesh Khanna)
Member (Judicial)

(Mr. Ajai Das Mehrotra)
Member (Technical)

Bm/md