

NATIONAL COMPANY LAW APPELLATE TRIBUNAL
AT CHENNAI
(APPELLATE JURISDICTION)
IA No.796/2025

in
Company Appeal (AT) (CH) No. 83/2025
IA Nos. 794 & 795/2025

IN THE MATTER OF:

Mrs. Kandimalla Gowri Raja Rajeswari & Anr.	... Appellants
V	
Geetha Cotton Mills Pvt. Ltd. & 22 Ors.	... Respondents

With
IA No.809/2025
in
Company Appeal (AT) (CH) No. 86/2025
IA Nos. 808 & 810 /2025

IN THE MATTER OF:

Mrs. Kandimalla Gowri Raja Rajeswari & Anr.	... Appellants
V	
Green Thumb Agro Pvt. Ltd. & 8 Ors.	... Respondents

Present:

For Appellants : Mr. Ranghasayee & Ms. Priyanka Varma, Advocates

For Respondents : Ms. RS. Sravan Kumar, Advocate for R2 & R3

ORDER
(Hybrid Mode)

08.12.2025:

Oral Judgment: Justice Sharad Kumar Sharma, Member (Judicial)

These are two company appeals, CA (AT) (CH) No.83/2025 & CA (AT) (CH) No.86/2025, which had been preferred by the Appellants invoking Section 421 of the Companies Act, 2013, where the Appellants had expressed their grievances, as against the impugned order dated 04.12.2024, as it was passed in CP No.179/241/AMR/2019 and CP No.180/241/AMR/2019, respectively.

2. The impact of the impugned order had been that, the Appellants who had preferred the Company Petition by invoking the provisions contained under Section 59, Section 241, to be read with Section 242, Section 244 of the Companies Act, 2013, the same has been rejected by the impugned order.
3. The company appeals are accompanied with, IA No.796/2025 and IA No.809/2025, respectively, where the Appellant has sought a condonation of 90 days of delay that has chanced in refiling of the company appeal.
4. When the company appeal was taken up on 24.06.2025, since the reason in the condone delay application in refiling was not satisfactory, a supporting affidavit was called for, by an order that, was passed by us on 24.06.2025. When these company appeals were subsequently taken up on 30.06.2025, in compliance of the prior order passed by us, the Appellant had filed better affidavit explaining the reasons for delay. However, the said affidavit was defective and hence the same was rejected with a liberty to file an affidavit afresh. Subsequently when the matter was taken on 30.07.2025, at that stage, Respondent No.1 had put an appearance. Besides that, in compliance with the earlier order of issuance of notice, the Appellant has filed an Affidavit of Service and as per the details given therein, Respondent Nos. 1, 2, 3, 4, 8, 9, 10, 12, 13, 14, 18 and 19 was shown to have been served with the notices. However, Respondent Nos. 5, 6, 7, 11, 15, 16, 17, 20, 21, 22, 23 were not served. Hence, we had passed a direction to the Appellant, to serve the unserved

Respondents of Company Appeal (AT) (CH) No.83/ 2025, by a substitutive mode of service.

5. Similarly, in Company Appeal (AT) (CH) No.86/2025, by an order passed by us on 30.07.2025, we have issued directions to the Appellant to take steps to serve the unserved Respondent Nos. 7, 8 & 9, by a substitutive mode of service. Thereafter the matter was listed on 08.09.2025 and 10.10.2025, but couldn't be taken up.

6. When the matter was taken up today, the learned counsels for the parties to the Company Appeals, had made a unanimous statement that, parties to both these company appeals are open to resolve their dispute through mediation.

7. They submitted that, in a related appeal, that is, **Company Appeal (AT) (CH) No.26/2025, Mr. Kandimalla Bhaskar VS Amaravathi Textiles Pvt. Ltd. & Ors.**, where the Appellants and some of the Respondents of the instant Appeals were parties to the proceedings, it has been ordered by this Appellate Tribunal vide its order dated 07.04.2025 that the parties to the proceedings may settle their dispute arising out the proceedings of CP No.184/241/AMR/2019, through mediation, and similar orders may be passed in the instant two appeals, asking the parties to the proceedings of instant two appeals to settle their disputes through mediation. The relevant paragraphs 5 & 6 of the said order dated 07.04.2025 passed in CA (AT) (CH) No. 26/2025 are extracted below:

“5. In compliance of the order of 01.04.2025 the Learned Counsel for the Appellant had filed a memorandum wherein, the terms of the memorandum, was proposed that the proceedings of C.P.No.184/241/AMR/2019, may be referred to mediation, accordingly, in para 6 of the said memorandum the Appellant has modulated the terms and conditions under which the settle for mediation was required to be proceeded with, Para 6 which is extracted hereunder: -

“6. Accordingly, the Appellant place the following requirements for the kind consideration of the Hon’ble Tribunal.

- a. That the Mediation be strictly confined to the issues raised in the Company Petition / Appeal and that no other issues arising out of personal relationship between the parties be considered or heard or discussed during the course of the Mediation.*
- b. That the entire process of the Mediation be completed within a period of 2-3 Months and the Mediator shall submit his report to the Hon’ble Tribunal within the said time period.*
- c. That the cost towards the entire Mediation process be borne by the 1st Respondent Company.*
- d. That all the contentions, facts in issues, questions of laws etc., as part of the Appeal remain open to be pursued by the Appellant in the event the Mediation fails”.*

6. In accordance with the terms contained in para 6, as extracted above, the mediation was supposed to be held between

the parties in relation to the controversies, which were the subject matter of the Company Petition and in continuation in the Appeal too, arising out of the personal relationship between the parties and the entire process of mediation was settled to be concluded within a period of two or three months and the Mediator was required to submit his report before the Learned Tribunal, upon conclusion of mediation. The controversies inter se between the parties were to be settled based on the memorandum as submitted by the Appellant. The Respondents were apprehensive with regards to the conditions contained under Clause C of para 6 pertaining to the cost payable towards the mediation, which was observed to be borne by the 1st Respondent Company. The same has been vehemently objected by the Respondent's Counsel, though they had kept themselves open for mediation, but the cost aspect was not acceptable by them. During the course of the proceedings, the parties have expressed their unanimity that both the parties would be bearing the 50% of the cost of mediation". "

8. It was left open for the parties to select a Mediator and to initiate the mediation process. It was also left open to the parties to resort to legal remedies available under law, if the need so arises, as against the decision of the Mediator and the said Company Appeal CA (AT) (CH) No. 26/2025 was disposed of subject to aforesaid terms and conditions.

9. When inquired about the progress of mediation as ordered above, the learned counsels for the parties have stated that, though the earlier Company Appeal (AT) (CH) No.26/2025 was disposed of, leaving it open for the parties

to appoint the Mediator, the same is yet to be done and the mediator is yet to be appointed owing to a disagreement between the parties with regards to the selection of Mediator, who would be taking up the matter to be decided amongst the parties. Even today the same stalemate prevails and hence the parties agreed that, if this Appellate Tribunal appoints a retired Hon'ble Judge of a High Court as a Mediator, it would be acceptable by them, and that they would be effectively and willingly participating in the proceedings before the Mediator, as ordered by this Appellate Tribunal.

10. We made earnest efforts to contact the Hon'ble retired judges of Hon'ble High Court of Andhra Pradesh. Ultimately, our efforts have borne fruit, when his Lordship Hon'ble Justice Mr. M. Satyanarayana Murthy, the former judge of the Hon'ble High Court of Andhra Pradesh, was gracious enough to extend his consent to undertake the mediation for the matters contained in CA (AT) (CH) No. 26/2025 as well as the instant two company appeals CA (AT) (CH) No. 83/2025 and 86/2025. Hence, we pass the following orders: -

- i. Based upon the willingness extended by his Lordship, we request his Lordship to act as a Mediator between the parties to these 3 company appeals, so as to resolve the dispute between them by making an effort for mediation/settlement.
- ii. In the light of the observation made, the Hon'ble Mediator would be paid with a remuneration of Rs.1,00,000/- per sitting, which would be

borne equally by both the parties to the company appeal (i.e., 50% each).

- iii. In order to meet out day to day expenses for conducting of the mediation, it will be for his Lordship to intimate the probable expenditures to be incurred, which too would be borne in equal proportions by both the parties.
- iv. The place of sitting of the mediation would be as per the convenience of the Hon'ble Mediator, which would be either at Guntur or Hyderabad, as convenient to the Hon'ble Mediator.
- v. The procedure to be adopted for the purposes of mediation as agreed between the parties will be as per Section 424 of the Companies Act, 2013, to be read with Section 89 of the Code of Civil Procedure (CPC) and the provisions of the Companies (Mediation and Conciliation) Rules, 2016.
- vi. The Hon'ble Mediator, is requested to complete the mediation proceedings as far as possible, within maximum of 10 sittings.
- vii. As per the consent extended by the Hon'ble Mediator, the parties are directed to approach the Hon'ble Mediator positively on 21.12.2025, at 11:00 am, at the given address: -

Plot No.71,
Ramakrishna Venuzia,
Nagarjuna Nagar, Namburu,
District Guntur,

Andhra Pradesh.

E-mail address: murthyj1961@gmail.com

Phone Number: 9493193345

11. Accordingly, the **Company Appeal (AT) (CH) No.83/2025** and **Company Appeal (AT) (CH) No.86/2025**, would stand disposed of, subject to aforesaid terms and conditions, except for that either of the parties to the mediation who is party to these Appeals will have the right to judicial remedy as available to these under law as against the decision of the Mediator.

12. Any decision of the Hon'ble Mediator would be without prejudice to the rights of the parties to the Company Appeal, for resorting to the recourses/remedies available to them under law.

13. Registry to intimate the Hon'ble Mediator, as well as, all the parties to the Company Appeal on their respective email addresses.

14. The Registry is directed to supply the records of the Appeals, to the Mediator on his e-mail address, within one week from today.

**[Justice Sharad Kumar Sharma]
Member (Judicial)**

**[Jatindranath Swain]
Member (Technical)**

AR/RS/AK