NATIONAL COMPANY LAW TRIBUNAL
GUWAHATI BENCH
GUWAHATI

ORDER SHEET OF THE HEARING ON 9th JULY 2026

IA(Comp. Act)/1/GB/2025
Comp. App./1/GB/2025
In CP/16/GB/2021

Present: 1. Hon'ble Member (Judicial), Shri Rammurti Kushawaha
2. Hon'ble Member (Technical), Shri Yogendra Kumar Singh

In the Matter of	Rishi Prasad Agarwal, 2. Sunita Agarwal, 3. ShreyanGoyel, 4. Rhea Goyel, 5. RP Metaliks Pvt. Ltd. Vs DrukFules Ltd. 2. BalwanBhama, 3. YoudhistraBhama, 4. Krishna Bhama, 5. Gaurav Bhama 6.Roshan Soni& 7.Vaishno Devi Traders Private Limited
Under Section	U/Rule 11 NCLT Rules, 2016

Appearances (via video conferencing/physically)

IA(Comp. Act)/1/GB/2025

For Petitioner (s) : None

For Respondent (s) : Mr. Y. Bhama, R-3 in person.

Comp. App./1/GB/2025

For Petitioner (s) : Mr. Y. Bhama, R-3 in person

For Respondent (s) : None

ORDER

Order pronounced in open court *vide* separate sheets.

Sd/-
Yogendra Kumar Singh
Member (Technical)

Sd/-
Rammurti Kushawaha
Member (Judicial)

Shubham PS

NATIONAL COMPANY LAW TRIBUNAL

GUWAHATI BENCH

GUWAHATI

IA(Comp. Act)/1/GB/2025
And
Comp. App./1/GB/2025
In
CP/16/GB/2021

An Application under Rule 11 of the National Company Law Tribunal Rules 2016.

In the matter of IA(Comp. Act)/1/GB/2025:

Rishi Prasad Agarwal, having address at N.S. Road, Jalpaiguri, West Bengal - 736182;

-And-

Sunita Agarwal, having address at N.S. Road, Jalpaiguri, West Bengal – 736182;

-And-

Shreyan Goyal, having address at N.S. Road, Jalpaiguri, West Bengal – 736182;

-And-

Rhea Goyal, having address at N.S. Road, Jalpaiguri, West Bengal – 736182;

-And-

R.P. Metaliks Private Limited, a Company incorporated under the provisions of the Companies Act, 1956, having its registered office at 61 A, Park Street, Ambassador Suite 55, Kolkata – 700016.

...Applicants/Petitioners

-Versus-

Druk Fuels Limited, a Company incorporated under the provisions of the Companies Act, 2013, having its registered office at Village Mookympad, Elaka Sutnga, Jaintia Hills, Meghalaya;

-And-

Balwan Bhama, having address at H No.35A, Bongaon, Guwahati Assam – 781028;

-And-

Youdhistra Bhama, having address at H No.35A, Bongaon, Guwahati Assam – 781028;

-And-

Krishna Bhama, having address at H No.35A, Bongaon, Guwahati Assam – 781028;

-And-

Gaurav Bhama, having address at H No.35A, Bongaon, Guwahati Assam – 781028;

-And-

Roshan Soni, having address at H No.35A, Bongaon, Guwahati Assam – 781028;

-And-

Vaishno Devi Traders Private Limited, a Company incorporated under the provisions of the Companies Act, 2013, having its registered office at NH 37, Beltola, Guwahati, Dist. Kamrup Assam - 781028.

…Respondents

-And-

In the matter of Comp. App/1/GB/2025:

Youdhistra Bhama, having address at H No.35A, Bongaon, Guwahati Assam – 781028.

…Applicant

-Versus-

Rishi Prasad Agarwal, having address at N.S. Road, Jalpaiguri, West Bengal - 736182;

-And-

Sunita Agarwal, having address at N.S. Road, Jalpaiguri, West Bengal – 736182;

-And-

Shreyan Goyal, having address at N.S. Road, Jalpaiguri, West Bengal – 736182;

-And-

Rhea Goyal, having address at N.S. Road, Jalpaiguri, West Bengal – 736182;

-And-

R.P. Metaliks Private Limited, a Company incorporated under the provisions of the Companies Act, 1956, having its registered office at 61 A, Park Street, Ambassador Suite 55, Kolkata – 700016.

...Respondents

<u>In the matter of CP/16/GB/2021</u>:

Druk Fuels Limited, a Company incorporated under the provisions of the Companies Act, 1956, having its registered office at Village Mookympad, Elaka Sutnga, Jaintia Hills, Meghalaya.

Coram:

Shri Rammurti Kushawaha	:	Member (Judicial)
Shri Yogendra Kumar Singh	:	Member (Technical)

Appearances (through video conferencing/physical):

For Petitioner	:	Ms. Swapna Choubey, (Adv.) Ms. Sneha Khaitan, (CS)
For Respondent	:	Mr. Aditya Jain, (Adv.)

Order pronounced on: 09.07.2026

<u>As Per Bench</u>

1. The present Interlocutory Application, being IA(Comp. Act)/1/GB/2025 has been filed by Rishi Prasad Agarwal, Sunita Agarwal, Shreyan Goyal, Rhea Goyal and R.P. Metaliks Private Limited ('Applicants') under Rule 11 of the National Company Law Tribunal Rules, (NCLT Rules) 2016. The Applicant seeking the following substantive prayer:
   a. *Direction upon the Respondents to immediately prepare the accurate Financial Statement of the respondent no.1 Company as on 21st August 2021 as per strict adherence to GAAP and statutory provisions and provide the same to the Ld. Valuer Mr. Manish Agarwal or other valuer for the preparation of a revised valuation report.*
   b. *Alternatively, an Independent Auditor be appointed to prepare the Financial Statement of the Respondent no.1 Company as on 21st August, 2021 and consequently the Respondents*

be directed to cooperate and assist the Independent Auditor in preparing the financial statement.

c. *The Respondents be directed to comply with the directions passed by this Hon'ble Tribunal vide its Order Dated 28th May,2024 regarding the buyout of the shares of the Petitioners as directed by this Hon'ble Tribunal in C.P No. 16/GB/2021.*

d. *The petitioner is also agreed to sell out its stake at Rs.62 lakhs as agreed by the respondents in their reply or Rs.47 lakhs as calculated above in point no. (u).*

e. *Status quo in regard to the changes in directors or shareholdings or sale of any assets be also maintained till then.*

f. *Interim and Ad-interim relief in terms of prayers above;*

g. *Such further order or orders, direction(s) as this Hon'ble Tribunal may deem fit for expeditious disposal of the Application.*

2. Submission on behalf of the Applicant/Petitioner:

2.1 The Petitioners submitted that the Petitioners and the Respondents representing the Agarwal Group and Bhama Group, had initially agreed upon a quasi-partnership structure to ensure parity in ownership and control over the Company. However, despite such an arrangement, the Respondents engaged in unauthorized actions, including the issuance of shares beyond the agreed ratios, unauthorized capital increases and tried to make arbitrary appointments of directors on the board of the Respondent no.1 Company in violation of agreed terms of quasi-partnership principle. Hence, Company Petition being C.P No.16/GB/2021 has been filed by the Petitioners under Sections 241, 242, 244 and Sections 58 & 59 of the Companies Act, 2013. The copy of the Company Petition without annexure is annexed as '*Annexure A-1*'.

2.2 The Petition concerns act of oppression and mismanagement by the Respondents in Respondent No. 1 Company, Druk Fuels Limited, a public limited company incorporated on 27.01.2021 under the Companies Act, 2013.

2.3 The Petitioner further submitted that the Hon'ble Tribunal, upon hearing the matter in depth, acknowledged that due to complete breakdown of trust between both the Respondents and petitioners' group there is no possibility of any settlement between the parties. It is important to note that the Respondent Bhama Group had previously offered Rs. 62 Lacs to the Petitioners, the Agarwal Group, for the sale of their shares. The petitioners accepted this offer of Rs. 62,00,000/- (Rupees Sixty-Two Lakhs) and agreed to transfer their shares to the Respondents.

2.4 However, the Bhama Group later changed their position, which they had initially agreed to in their reply affidavit. Consequently, the Hon'ble Tribunal, in its Order 28.05.2024, directed that the Petitioners exit through a buyout mechanism, valuing the shares as of the filing date of the CP on 21.08.2021, with upper cap of Rs. 62,00,000/- (Rupees Sixty-Two Lakhs). Copy of the reply affidavit of the Respondent No. 3, 4 and 5 in the company petition along with the Copy of the Order dated 28.05.2024 are annexed as *'Annexure-A2* and *A-3'.*

2.5 The Valuer, in the Valuation Report dated 23.08.2024, stated that the valuation of Equity Shares of the Respondent No. 1 Company is done on the basis of the Statutory Audit Report made available to him. Based on this, the value of the shares as of 21.08.2021 was NIL. The Valuer also clarified that Valuation does not include the Auditing of Financial Data provided by the management and is not responsible for its accuracy or completeness. The Copy of the Valuation Report along with Financial Statement as on 21.08.2021 are annexed as *'Annexure A-4'.*

2.6 Furthermore, the Petitioners submitted that the order dated 28.05.2024 specifically directed the following steps for the fair adjudication of the matter in issue:

a. A Registered Valuer, Mr. Manish Agarwal was appointed to determine the valuation of the shares as on 21.08.2021 i.e., the date of inception of the respondent no.1 company.

b. The Respondents were directed to buy out the Petitioners' shares at the value determined, with the total payment termed as "Exit Consideration."

c. A payment schedule was to be filed within 15 days of the valuation report, with complete payment to be made within two months.

d. The Petitioners were to transfer their shares within 30 days after receiving payment, ensuring an amicable exit.

e. Both groups were directed to ensure proper functioning of the Company and compliance with statutory and financial obligations during the transition period.

f. Furthermore the order explicitly directed that in case of any further orders appropriate directions for the purpose of giving effect to the order dated 28.05.2024.

2.7 It is further submitted that the valuation was intended to ensure a fair buyout of the Agarwala Group's shares by the Bhama Group and resolve the dispute between the parties. However, contrary to the Hon'ble Tribunal direction, the Bhama Group, in collusion with the statutory auditor of the Respondent No. 1 Company, manipulated the valuation process and completely violated Generally Accepted Accounting Principles (GAAP).

2.8 The Applicants further submitted that the Audit Report by the Statutory Auditor of Respondent No. 1 Company, was prepared with malafide intention to reduce the value of shares and is full of anomalies and irregularities, particularly in the treatment of pre-operational expenses. The deviations from Generally Accepted Accounting Principles (GAAP) indicate potential manipulation and deliberate actions aimed at undervaluing the shares, causing detriment to the Petitioners. It is alleged that there was deliberate non-compliance with GAAP to grossly suppress the valuation of shares of Respondent No. 1 Company, as expenses incurred during the construction stage of the manufacturing facility, which should have been capitalized as per GAAP, were wrongly classified as operational expenses, leading to undervaluation of the company's shares.

2.9 The Independent Valuer appointed by the Hon'ble Tribunal assessed the share value as negative/NIL as on 21.08.2021 based on the Balance Sheet and Profit & Loss Account, but the Financial Statements were not prepared in compliance with Indian GAAP. Certain observations show that statutory auditor has connivingly acted as per the dictate of Respondent Group and has prepared the Financial Statement with an oblique motive to undervalue the shares of the Respondent no.1 Company. These observations are as follows:

a. That the Plant of the Respondent No.1 Company was under Construction stage as on 21.08.2021 and the expenses incurred as per the GAAP are required to be Classified as Pre-operative expenses / Capital Work in Progress, But these entire Capital expenses of Rs. 2,15,99,096 /- has been wrongly shown and have been Charged in Profit and Loss Account in the Financial Statement which resulted in negative net worth.

b. The Financial Statement for FY 2021-2022, Rs. 1,10,78,261/- has been debited to Profit and Loss Account which itself proves that the Statutory Auditor has with oblique motive has prepared the Financial Statement for the Period 01.04.2021 to 21.08.2021 by debiting higher amount to the expenses, instead of capitalising the said pre-operative expenses, the statutory auditor/company has debited the said expenses to Profit and Loss Account that resulted in negative net worth. For Example Road Development Cost of Rs. 1,29,43,400 / to be debited Capitalized as Capital Work in Progress. The Fuel Expenses for power amounting to Rs. 20,16,108/- also needed to capitalized. The other expenses of Rs. 65,21,628/- also were required to be treated as Pre-operative Expenses as on 21.08.2021 as the Commercial Production was not started till then.

c. The Independent Valuer has categorically stated that his valuation report is completely based on the data made available to him and the Financial Report prepared by the Statutory Auditor, wherein wrong adjustments were made by showing full expenses instead of capitalizing them.

d. The Financial Statement for F.Y. 2021-22 were signed and adopted on 03.10.2022 & were duly audited by the Statutory Auditors, Sheril Gupta & Associates in which the company has correctly treated the expenses incurred as pre-operative expenses/ capitalised the expenses as per Indian GAAP.

e. The Balance Sheet and Profit & Loss Account for the period 01.04.2020 to 21.08.2021 was prepared and certified by Statutory Auditor Mr. Gaurav Gupta on 21.06.2024 *vide* UDIN No. 24465072BKAFJR7808, around 18 months after the complete Financial Year statements were prepared and audited. Thus, while preparing this broken period Financial Statement, the same GAAP principles and treatment of expenses as followed in FY 2021-22 should have been adopted. However, with intent to cheat the Petitioners, those accounting principles were intentionally not followed and expenses treated as pre-operative/capital expenditure in FY 2021-22 were deliberately charged to the Profit & Loss Account, resulting in negative book value per share with intention to defraud the Petitioners. Copy of UDIN downloaded from, ICAI Website with 21.08.2021 balance sheet are annexed as *'Annexure-A5'.*

2.10 Furthermore, it is submitted that if these expenses are capitalised as per the GAAP principles and as per the Financial Statement prepared by the Statutory Auditor himself and as available on the records of the Respondent No.1 Company on MCA Portal clearly establishes the malafide intent of the Respondent Bhama Group in collusion with Registered Valuer. The Copies of the Financial Statement for the Financial Year 2021- 2022 are annexed as *'AnnexureA-6'.*

2.11 It is further submitted that the Respondents' deliberate manipulation of the valuation process undermines the very purpose of the Hon'ble Tribunal's order for a fair and equitable resolution, resulting in significant undervaluation of the Petitioners' shares, financial prejudice, violation of accounting principles and non-compliance with the Tribunal's direction to value shares as on the date of filing of the petition.

2.12 Furthermore, it is submitted that Under GAAP, expenses incurred during the construction stage such as direct costs, indirect costs, pre-operating expenses and interest on borrowings requires the capitalization of specific expenses as assets on the Balance Sheet. These are Provisions Under Relevant Accounting Standards have been misclassified by the respondents:

- ASC 360 (Property, Plant, and Equipment): Guidance on capitalization of construction-related costs.
- ASC 835 (Interest): Guidance on capitalizing interest costs during the construction stage.

2.13 The Petitioner further submitted that the Respondents misclassified pre-operational expenses as operational expenses instead of capitalizing them under GAAP, which reduced the valuation of the Company and significantly lowered the net asset value, thereby suppressing the financial worth of the Petitioners' shares. Also crucial financial details were also concealed therefore misclassifying expenses.

2.14 The Respondents have failed to maintain transparency throughout the valuation process, withholding crucial financial details and deliberately misclassifying expenses. Such conduct is a clear demonstration of their mala fide intent to suppress the true value of the Company and undermine the Petitioners' rightful claims.

2.15 The Petitioner further submitted that the Respondents' actions constitute a clear violation of Section 129 of the Companies Act, 2013, which mandates that the financial statements of a company must present a true and fair view of its affairs. The manipulated valuation and misrepresentation of financial records not only contravene this statutory requirement but also compound the wrongful actions of the Respondents.

2.16 Such undervaluation is designed to minimize the financial outflow required for a buyout by the respondents, defeating the very purpose of the settlement and the principle of equity. The respondents have also acted in bad faith by withholding material financial details and deliberately misclassifying expenses, demonstrating a mala fide intent to suppress the petitioners' rightful claims.

2.17 Hence, the Acts of the Respondents in collusion with the Statutory Auditor of the Company clearly proves that the Respondents have tried to mislead the Hon'ble Tribunal by providing the manipulated Financial Statements of the Company to the Ld. Valuer. The Financial Statement filed by the Respondent on the MCA Portal for 31.03.2022 should be the basis of the valuation of shares proportionately while calculating valuation as per Hon'ble NCLT direction. It is evident from the 31.03.2022 audited balance sheet the proportionately NAV till August 2021 is produced below-

	31.03.2021	Proportionate till August 2021
		For 5 months
Paid Up capital---	Rs. 1,93,00,000/-	1,93,00,000/-
Reserve & Surplus		
Profit(loss)	(68,85,494/-)	(28,68,955/-)
No of Equity Share of Rs.100/- each	193000	193000
Net Worth= Paid up Value + Reserve & Surplus		

So, Net Worth is		164,31,045/-
Net Assets Value(NAV) Per Shares = Net Worth/ no of Shares		
NAV is Rs. 85.13 per share		
NAV is 85.13x55000 shares = Rs 46,82,150/-		

So the Petitioners' Share are 55000 equity shares, So the Net Assets Value of ours shares as per Audited Balance Sheet as 31.03.2022, Calculated proportionately till August 2021 is coming to Rs. 46,82,150/- as above.

2.18 The Petitioner further submitted that it is just and proper that the interest of the petitioners as shareholders of the company must be protected and it is a fit case for exercise of power of this Hon'ble Tribunal for the fair adjudication of the Company Petition.

3. Submission by the Respondent *vide* Reply dated 18.04.2025, filed on 20.04.2025.

3.1 The Respondents Submitted that the said application is misconceived and made mala fide with ill motive and is not maintainable and the same should be dismissed in Limine. Furthermore, it submitted that the critical procedural defect in the Petitioners' application is that there is failure to include the valuer as a party to Petition. Excluding the Valuer denied them the Opportunity to Clarify and defend their conclusion, violating the principle of *Audi Alteram Partem*- No one should be Condemned Unheard.

3.2 The Petitioners' claims appear to be a mala fide filed to obstruct the lawful share transfer process initiated in compliance with the Hon'ble Tribunal's Final Order dated 28.05.2024. This contradict their prior consent and active participation in the valuation process.

3.3 The Respondent further submitted that the petitioner is deliberately attempting to prolong the proceedings by disregarding the substantive findings of the valuation report by Independent valuer by selectively emphasizing standard disclaimers and disclosures that are routinely included in such reports. This approach is misleading and contrary to settled principles of Interpretation. '*Verba accipienda sunt secundum subjectum materiam*' -words must be understood in the context of the subject matter, and '*verba artis exarte*' -technical terms must be interpreted in accordance with the discipline they belong to. The petitioner's tactic ignores both the context and technical nature of the report, undermining its true intent and value and purpose.

3.4 The valuation process, conducted under the Hon'ble Tribunal's directive have been adhered strictly to, International Valuation Standards, Generally Accepted Accounting Principles (GAAP), ICAI norms and statutory mandates which makes the Petitioners' challenge malafide and selective and raised only after the valuation did not suit them.

3.5 The present petition is an abuse of process of law and barred by Henderson Doctrine and constructive res judicata and the claims appear to be a mala fide obstructing the implementation of the Hon'ble Tribunal's orders by complicating the resolution of a longstanding dispute.

3.6 It is further submitted that the petitioners' conduct demonstrates forum shopping and an attempt at bench hunting, due to their failure of objection at the appropriate stage. And their investment to equity was with full knowledge of inherit risks and business risks and that their entire claim rests on conjuncture rather than legal or financial evidences as the report accurately reflected the financial position of the company, including necessary adjustments for the closure of assets with no economic life.

3.7 It is further submitted that the Petitioners have concealed material facts regarding to Rs. 62,00,000 offer, which was a conditional and optional offer made in 2021 during the initial hearings, if the Petitioners refused to increase their stake in the company (their original demand). The offer was no longer acceptable due to the passage of time and subsequent events unknown to the Respondents earlier. Further, the valuation date of 21.08.2021 was finalized during judicial proceedings with the express consent of the Petitioners, as reflected in the order sheets.

3.8 Furthermore, it is submitted that the Petitioners are only trying to highlight a general disclaimer in the Valuation report which is a routine part of any valuation by any standard valuer. The order was for valuation and not audit and the Petitioners are estoped for claiming new assignments and revisit the order. The valuation report shows active participation from both ends in the valuation process. The object of the order was VALUATION and now petitioner are raising unnecessary issues since the report projects the true valuation. The report accurately reflected the financial position of the company, including necessary adjustments for the closure of assets with no economic life.

3.9 The Respondent further submitted that the Respondents have no additional comments to make apart from the fact that though the valuation report was out for more than last 6 months, the Petitioners approached the Tribunal with this baseless petition only after the share transfer process commenced and the Respondents updated the Tribunal. The valuation reflected fair market value, complied with judicial directives and professional norms. The share transfer process is being carried out lawfully and in strict compliance with the Hon'ble Tribunal's Final Order.

3.10 It is further submitted that the valuation process adhered strictly to professional standards, GAAP principles, and judicial directions. All relevant documents, draft reports, and underlying financial data was with the Petitioner who actively participated in the valuation proceedings without raising objections during the process. The valuation followed the required judicial directives and professional standards. Petitioners' claims of bad faith are unsubstantiated, contradict their own participation in the process, and violate judicial finality. The assumptions and presumptions were also independently verified, ensuring compliance with statutory standards, allegations of collusion are defamatory and unsubstantiated and as such it is denied that there is any manipulation in the valuation process or there had been any violation of GAAP. It is wrongly projected that the audit report by the statutory auditor had been prepared with malafide intention to reduce the value of shares. In fact the valuation process adhered strictly to International professional standards for valuations, GAAP principles, and judicial directions. Petitioners were provided with all relevant documents, draft reports, and access to underlying financial data as stated in the report.

3.11 Furthermore, it sis submitted that they actively participated in the valuation proceedings without raising objections during the process, and even upon submission of draft report by the valuer before providing final report. The petitioner were further fully explained methodology as detailed in valuation report (Pg 7 & chapter 9) which is actively being concealed by the petitioner.

Further the petitioner devoid any merit in their claims of respondents withholding financial Information as can be verified from the report. The NAV (Net Asset Value) methodology complied strictly with statutory requirements and professional valuation standards. The Petitioners allege that the valuation was manipulated to undervalue their shares and seek its nullification. The Petitioners fail to provide any such evidence and rely entirely on speculative assertions.

3.12 It is further submitted that the valuation was conducted independently by an impartial professional, under judicial and statutory mandates following International valuation standards. These processes were designed to ensure fairness and accountability, leaving no scope for manipulation or fraudulent activity. The conclusions were transparently detailed in the valuation report. The Respondents acted in good faith, fulfilling all fiduciary obligations as required under statutory and professional mandates. Petitioners have failed to provide factual or legal evidence supporting their claims, rendering these allegations defamatory and baseless. The valuation of the shares taken on 21.08.2021 is based on final order wherein the valuation date, 21.08.2021, was finalized during judicial proceedings with the express consent of the Petitioners. The Petitioners are barred by the principle of estoppel by conduct from now challenging this valuation date (*Nemo Contra Factum Suum Venire Potest* -No One May Contradict Their Own Deed). And as such it is wrongly projected that valuation of shares as on 21.08.2021 was based on Balance sheet and Profit and Loss account which lacked statutory requirements and standards of Indian GAAP but it was based on the NAV on that date where by on page 23 of the report of valuer clearly mentions the reasons for not considering the value of asset as on that date which is the main reason for negative NAV, and this tribunal is being misguided on the name of GAAP and other accounting principles.

3.13 It is false that valuation process was manipulated by the respondent's infact Claims of non-transparency are therefore rejected as they are contradicted by their active involvement and tacit consent during the valuation process. Infact a wrong projection is being portrayed in regards of the classification of the operational expenses in financial statements instead of capital expenditure, as such same would also not make any difference in the NAV for the reasons disclosed in valuation report and as such the same capital asset would also have been impaired for as per GAAP and written off for the reasons mentioned in the report.

3.14 It is further submitted that the audited financial statements were transparently filed, ensuring compliance and accountability. A significant factor affecting the company's valuation was the impairment of the plant and machinery which was not within the knowledge of the respondents. The plant and machinery was closed due to not meeting statutory permissions required. Under GAAP and impairment rules, the write-off of this asset was necessary impacting the Net Asset Value (NAV). This impairment factor have been overlooked by the Petitioner, and the NIL valuation reported by the valuer is justifiable. The valuation process adhered to GAAP, ICAI norms, and statutory mandates. Due diligence and professional judgment have been applied in assessing the company's financial position and the scenario of the industry have been verified independently. The treatment of pre-operational expenses complied with GAAP and petitioners are trying to show a colorable effect on the principles of accounting whereas the reality is that process of valuation as in this case will in-fact bear same results even of for a second the operational expenses are capitalized as evident from the report of the valuer as the asset value as on date of valuation was not considered considering the events explained in details in the report which are being concealed by the petitioners.

3.15 The valuation of the equity shares was conducted by an independent valuer appointed by the Tribunal. who, in the report dated 23.08.2024, determined the share value as of 21.08.2021 to be NIL The valuation report clearly mentions that the valuation does not include the auditing of financial data provided by the management and the valuer is not responsible for the accuracy and completeness of the same. Now this disclaimer is standard practice in valuation reports across the industry which describes the scope of the valuer's work and clarifies that the valuation is dependent on the reliability of the information provided. The Petitioners are attempting to misinterpret this disclaimer to cast doubt on the entire valuation. Crucially, the date of the valuation (21.08.2021) was a point of contention during the proceedings, with the Petitioners specifically arguing for this date. The Hon'ble Tribunal, in its considered decision, directed the valuation to be conducted as of this date. The Petitioners, cannot now be permitted to challenge the valuation on the basis of GAAP or alleged accounting irregularities. The final order dated 28.05.2024 has already achieved finality.

3.16 The valuation reflected fair market principles and adhered to judicial directives. Petitioners' claims of intentional undervaluation are baseless and speculative. The valuation adhered strictly to required norms and directives and compliance with established valuation standards and the blame by the petitioner of manipulation of the value is false and misguiding once the value of the shares has not come in favour of the petitioner. The Petitioners' did Consent during Valuation and are now only raising objections post-facto when the results did not meet their expectations. And all the Misrepresentation of Facts are unsupported by evidence, speculative, and is done to mislead this Hon'ble Tribunal which had been misguided since Inception by the petitioners.

3.17 Claims of fraud and collusion remain unsupported, with no evidence of wrongdoing by the Respondents or the valuer or the Auditor, Valuation Conducted had been in Strict Compliance with International Valuation Standards and GAAP & Tribunal's Orders

3.18 It is further submitted that the Petitioners only challenged the valuation after they got reminder of their obligation to transfer their shares. This act itself evidences mala fides (bad faith) on their part and an attempt to delay compliance with the Tribunal's order. If the valuation was truly flawed, the Petitioners should have raised objections earlier. The Petitioners have presented the valuation report in bits and pieces instead of reading it in its entirety. A holistic reading of the report clarifies that classification of financial data has no impact on the valuation methodology adopted and does not alter the conclusions reached by the valuer. The Petitioners have selectively quoted the valuation report. The Respondents have complied with all applicable provisions of the Companies Act, 2013. The Respondents have always acted in the best interest of the company and have not breached any fiduciary duties towards the Petitioners, the valuer considered all relevant factors, including the company's assets, liabilities, and financial performance and industry external factors effecting the valuation of the enterprises.

3.19 The petitioner have come to this tribunal with unclean hands and concealed material facts from adjudicating authorities with the intent to induce and to get favorable orders, amounting to fraud. Financial statements enjoy the presumption of correctness under *Omnia Praesumuntur Rite Et Solemniter Acta* and without any evidence the blame of misleading the tribunal are being put on the petitioners for delaying the transfer process of the shares. And now once the valuation process was over, the share transfer were to be undertaken in compliance with the Hon'ble Tribunal's Final Order dated 28.05.2024. The Judicial Finality is being challenged as in, Attempts to reopen the matter undermining the principle *Res Judicata* and disrupt legal certainty for all stakeholders and a setting up a wrong Precedent.

3.20 Furthermore, it is submitted that the petitioners cannot accept a process, participate in it, and then claim bias only after an unfavourable result and want to get the date changed for valuation in relying on the financial statement filed by the Respondent on the MCA Portal for 31.03.2022, as the valuation was to be conducted as on 21.08.2021 and hence the petitioners are barred by the principle of estoppel. The Petitioners did not engage an independent valuer to challenge the valuation. The petitioners have made their own valuation with their own. Further the petitioners are in kind off seeking reimbursement of their failed investments. Any financial statement post that date is irrelevant for the valuation exercise in question.

3.21 Furthermore it is submitted that the petitioners falsely projected the Claim that the Tribunal ordered valuation as of the date of filing the petition (21.08.2021) as Directive. In reality, the petitioners themselves insisted on this valuation date, and the Tribunal merely recorded it in the order. Now, since the valuation is unfavourable, they are contradicting their own stance, demonstrating clear bad faith.

3.22 The Valuer's Report clearly states (Page 25, Last Line) that it must be read as a whole and is based on standard valuation methodologies. The petitioners mislead the Tribunal by selectively citing portions of the report while concealing its key findings and facts and reading the report in bits and parcels. Valuation was conducted as per professional standards i.e., IVS and is not subject to the petitioners' arbitrary objections.

3.23 The petitioners wrongly allege that the Statutory Audit Report was manipulated to undervalue shares. The valuation report (Page 23, Point 3) states that plant and machinery were not considered in valuation, meaning even if certain expenses were treated differently, it would not have impacted the final valuation.

3.24 The petitioners have misrepresented the Tribunal's ruling, falsely claiming that the valuation was set to minimize financial outflow for buyout. Settlement was based on valuation, not reimbursement of investment.

3.25 The petitioners are now attempting to shift the valuation date despite previously demanding 21.08.2021 as the cutoff date. This clearly shows forum shopping and bad faith. Moreover, valuation is based on a complex set of factors, not just book value, as per the Valuer's Report.

3.26 The petitioners falsely claim to hold 55,000 shares, while their actual holding is only 50,000 shares. If they insist on their own calculation of Rs. 47 lakhs, they must be willing to buy the Respondents' 3/4th shareholding at three times the rate, i.e., Rs.141 lakhs, in the interest of justice and equality.

3.27 The petitioners falsely claim that at first the Respondents made an offer of Rs. 62 lakhs. The Rs. 62 lakh figure was an upper cap set by the Tribunal, not a direct offer. The petitioners were first given the option to increase their stake, which they declined, and now they are misrepresenting facts to mislead the Tribunal.

3.28 The Respondent further submitted that the financial statements as on 21.08.2021 strictly adhere to GAAP and the valuation methodology has been transparently set out in the Valuation Report. The Respondents have acted in full compliance with GAAP, including ASC 360, ASC 835, and ASC 450, as well as Section 129 of the Companies Act, 2013 requiring a true and fair view of financial statements, with no misrepresentation. The valuation process was never meant to be an audit and therefore the Petitioners' objections relating to accounting principles are misplaced, irrelevant, and contrary to the assumptions as referred at Page 7 and Chapter 9 of the Valuation Report.

3.29 Furthermore, it is submitted that the Petitioners are misrepresenting the purpose of the valuation exercise, which was to determine share valuation and not to conduct an audit. The Tribunal-appointed Independent Valuer has already explained the valuation methodology, to which no objections were raised by the Petitioners during the process. Any subsequent demand for appointment of an alternative CA is baseless, an afterthought, and amounts to re-litigation of an issue already settled

3.30 It is further submitted that the Respondents have fully complied with the Final Order by issuing notice to the Petitioners for surrender of share certificates against the token amount of Rs. 5100, and IA have already been filed by the Respondents in this regard. The Petitioners are now unjustifiably challenging the very same order which they had earlier accepted without objection, clearly reflecting contradictory conduct and lack of bona fides.

3.31 Furthermore, it is submitted that the Petitioners have concealed material facts by failing to disclose that they were first offered an opportunity to increase their stake to 50% by infusing additional capital to clear the company's liabilities. They have further suppressed the fact that valuation as on 21.08.2001 was insisted upon by them, and now, since the valuation has turned unfavourable, they are attempting to change their own stance. Their arbitrary demand of Rs. 47 lakhs is baseless, and if they genuinely believe the same to be fair value, they may purchase the Respondents' 3/4th equity shares at proportionate value of Rs. 141 lakhs without any conditions.

3.32 It is further submitted that the Petitioners cannot seek to interfere with the internal management of the company, having already left no stone unturned to achieve their ulterior motives. The day-to-day operations and ownership decisions lie solely within the discretion of the existing shareholders, and any attempt to obstruct or halt business operations is frivolous, unwarranted, and detrimental to the continuity and functioning of the company.

3.33 Furthermore it is submitted that the Petitioners have failed to establish any legitimate grounds for seeking interim relief, and their plea is purely speculative and without merit. The Petitioners are forum shopping and attempting to reopen issues already settled, which deserves to be strongly discouraged

3.34 In view of the Petitioners' blatant misrepresentation of facts, concealment of material particulars, and abuse of the judicial process, it is just, proper, and necessary that costs be imposed upon them for misleading this Hon'ble Tribunal.

3.35 It is further submitted that the allegations made against the respondents in the instant Application have been made with the intention to give the illusion of cause of action and the instant application is filed by suppressing the correct facts to mislead the Hon'ble Bench by stating that the respondents after gaining all the advantages and acquiring all the rights over the company are trying to run away from their responsibility and liability It is further submitted that the allegations made in the instant Application are malicious and do not warrant any orders or relief as prayed in the application from this Hon'ble Tribunal.

3.36 In view of the above, the Respondents pray for the dismissal of the Present application with costs, as it is devoid of merit and based on misrepresentations. With the following Reliefs Sought

a. Dismissal of the Petition: The Respondents pray for the dismissal of the Petition with costs, as it is devoid of merit and based on misrepresentations and non-rejoinder of necessary party.
b. Affirmation of Valuation: The Respondents request this Hon'ble Tribunal to affirm that the valuation process, and the valuation methodology as conducted by the independent valuer are valid, transparent, and compliant with judicial directives, professional standards, and statutory mandates.
c. Order Directing Completion of Share Transfer Process: The Respondents pray for this Hon'ble Tribunal to direct the Petitioners to cooperate fully in the completion of the share transfer process as per the valuation conducted and as outlined in the Hon'ble Tribunal's Final Order dated 28th May 2024, ensuring its orderly and timely implementation in the interest of justice and equity.
d. Costs: The Respondents respectfully seek the imposition of exemplary costs on the Petitioners for filing a vexatious and unsubstantiated petition designed to obstruct lawful proceedings and disrupt judicial finality.

e. Other Reliefs: The Respondents request this Hon'ble Tribunal to grant any further reliefs or directions deemed fit and proper in the interest of justice, fairness, and good conscience

4. Additional submission by the Applicant *vide* Rejoinder dated 20.05.2025.

4.1 It is submitted that the application is not misconceived and not mala fide with no ill motive as alleged or that is not maintainable or that there is not any procedural defect in the application as valuer has not been made party to the petition as alleged or at all. As the applicants have prayed the setting aside of the valuation report and preparation of a new valuation report by a new independent auditor to adjudicate the fair value of the shares as on the date of filing the CP i.e., (21.08.2021).

4.2 It is further submitted that the competency of the Valuer has not been challenged as valuation of the equity shares of the Respondent No. 1 Company is done on the basis of the statutory audit report made available to him. The Valuer has very clearly in his report has mentioned that the valuation does not include the auditing of financial data provided to him and he is not responsible for the accuracy and completeness of the same. The non-impleadment of the valuer as a party does not constitute a procedural defect and the flawed audit report and its outcome is being challenged.

4.3 The Petitioners further submitted that the Statutory Auditor appointed by the Respondents acted at their dictate in preparing a flawed audit report through deliberate manipulation aimed at undervaluing the shares. It is denied that the Petitioners' claims are an afterthought or intended to obstruct the share transfer process as alleged or at all. The present application arises out of serious and material irregularities in the valuation report, which has grossly undervalued the Petitioners' shareholding.

4.4 The Petitioner further submitted that the Petitioners have never contradicted their consent to participate in the valuation process or are attempting to misuse this forum for financial advantage as alleged or at all. The Petitioners categorically deny that the valuation process was conducted strictly in accordance with international valuation standards, GAAP, and ICAI norms as alleged, or that their challenge is mala fide, selective, and raised merely because the valuation did not suit them as alleged or at all.

4.5 Furthermore, it is submitted that the Petitioners are not seeking to delay or prolong the proceedings, but are only seeking a just and equitable valuation of their equity stake. It is denied that their conduct amounts to forum shopping or that they seek fresh determination merely because the valuation does not favor them as alleged or at all.

4.6 It is further submitted that that the present petition is not an abuse of process of law or hit by the doctrine laid down in Henderson or constructive res judicata, or that the Petitioners seek unjust enrichment or intend to complicate resolution of the dispute as alleged or at all. The Petitioners are challenging a flawed audit process which resulted in flawed implementation of the valuation process, constituting a distinct cause of action not adjudicated upon in the order dated 28.05.2024.

4.7 The allegations of forum shopping or bench hunting are unfounded, as the Petitioners have approached this Hon'ble Tribunal in good faith as expressly permitted in the order dated 28.05.2024. It is denied that the report accurately reflected the financial position of the Company as alleged or at all. While the Petitioners invested in the Company with awareness of commercial risks, the present issue is not business failure but a manipulated and misleading valuation exercise designed to deprive them of the fair value of their investment.

4.8 Furthermore, it is submitted that Petitioner denies that the actions taken by the Respondents were in the Company's best interest and in compliance with the Companies Act 2013 or that the matter has already attained finality as alleged or that the petitioners have concealed material fact of the matter in regard to Rs. 62,00,000/-offer as alleged or that the said offer was conditional and optional as alleged or at all. It is to be noted that the offer of Rs. 62,00,000/ Lacs was a material fact and not a conditional or speculative offer, additionally the respondents changed their position when the finance of the company began to indicate future potential.

4.9 The valuation date was fixed as 21.08.2021, however the Respondents, with oblique motive, misused the same and manipulated the financial statements in complete violation of General Accepted Accounting Principles (GAAP). Such deviations were made with mala fide intention to reduce the value of the shares, and the audit report prepared as on 21.08.2021 is full of anomalies and irregularities. The deliberate non-compliance with GAAP by showing several pre-operative expenses, which ought to have been capitalised, as revenue expenditure has deflated the book value and artificially reduced the share value of the Petitioners.

4.10 The Petitioner further submitted that it is denied and disputed that the Petitioners are raising unnecessary issues regarding the valuation report as alleged, or that the report accurately reflects the financial position of the Company, or that the Petitioners are seeking to revisit the order, or that they had unrestricted access to the records of the Company as alleged or at all. It is further denied that the Petitioners, with mala fide intentions, are selectively relying upon the general disclaimer in the valuation report as alleged or at all. The disclaimer in the valuation report cannot be used as a shield against fundamental errors and inconsistencies where the valuation itself is based on a flawed audit report. A disclaimer does not absolve the valuer, statutory auditor, or management from the duty to ensure a fair, complete, and professionally sound report.

4.11 Furthermore it is submitted that the mere cessation of operations does not render a company's assets valueless, as leasehold land, infrastructure, and plant continue to retain realizable value even in liquidation. The Petitioners denied the allegation that the petitioner approached this Hon'ble Tribunal only at the stage of share transfer as alleged, or that the present application is baseless as alleged or at all. The Petitioners have approached this Hon'ble Tribunal in a timely and reasonable manner upon reviewing the valuation report. Furthermore, if the shares truly have zero value, what is the urgency on the part of the respondent to acquire them.

4.12 It is further submitted that the valuation process is not adhered to professional standards, GAAP principles, and judicial directions as alleged, or that Petitioners had access to relevant documents, draft reports, or underlying data as alleged or at all. It is to be noted that Company Petition C.P. No.16/GB/2021 was filed as disputes arose due to manipulation of funds infused by the Petitioners and failure of the Respondents to provide details regarding utilization of such funds, particularly when Respondent No. 3 was the sole signatory of Respondent No. 1 Company.

4.13 Furthermore it is submitted that challenging the valuation report violates judicial finality or that Petitioners have wrongly alleged mala fide intent behind preparation of the audit report as alleged or at all. It is stated that the valuation process was defective, lacked transparency, failed to meet statutory accounting standards, and relied on manipulated financial statements. Two separate versions of financial statements, one ending 21st August 2021 and another 31st March 2022, containing materially different figures, clearly establish inconsistencies and manipulation aimed at suppressing the true value of the Company.

4.14 It is further submitted that if the financial statements relied upon by the Respondents are in conformity with GAAP, there should be no objection to appointment of an Independent Auditor for preparing financial statements as on 21st August 2021. Petitioners believe a forensic audit will reveal mismanagement and inflated expenditures wrongly recorded as liabilities. It is denied that Petitioners are misusing the judicial forum or that allegations of manipulation, suppression, and fiduciary breach are unsupported or intended to mislead this Hon'ble Tribunal. The present application has been filed solely for fair adjudication of the issue.

4.15 The Petitioners have not challenged the valuation date of 21st August 2021, being the date on which the petition was filed, nor are they contradicting their own stance as wrongly alleged by the Respondents. It is denied that the Petitioners have made false allegations regarding GAAP valuation, false claims of deliberate minimization of share value, or are attempting to shift the valuation date from 21st August 2021 to 31st March 2022 as alleged or at all. It is specifically denied that the Petitioners have falsely claimed holding 55,000 equity shares instead of 50,000 shares as alleged. It is further denied and disputed that the Respondents had not offered Rs. 62 lakhs for buyout of the Petitioners' shares, as the Respondents' own reply affidavit in the present application clearly records their willingness to pay Rs. 62 lakhs without interest immediately.

4.16 It is further submitted that the Respondents' insistence on acquiring the Petitioners' shares, despite claiming that the shares have no value shows an ulterior motive. The Petitioners challenge the Respondents to reciprocally transfer their own shares to the Petitioners at the same nominal valuation of Rs. 15,000/- as reflected in the impugned report, a proposition the Respondents are unlikely to accept, thereby exposing the hypocrisy of their stance.

4.17 It is to be noted that the final order of the Hon'ble Tribunal dated 28.05.2024, at paragraph 9.25, recorded that the issuance of additional shares which reduced the Petitioners to minority status constituted an act of mismanagement. Further, investments and expenditures undertaken after filing of the Company Petition were made without the consent or participation of the Petitioners. The said order had also directed the Respondents to file monthly status reports before the Hon'ble Tribunal and share the same with the Petitioners, which direction was blatantly disregarded. Further, the liberty granted to parties to approach this Hon'ble Tribunal as required clearly negates the Respondents' allegation of forum shopping.

4.18 It is finally submitted that the valuation report is vitiated due to failure of the following reasons:

a. Failure to consider the Company's future potential and operational revival prospects.
b. Improper application of the Net Asset Value method.
c. Undervaluation or complete exclusion of physical and intangible assets.
d. Non-recognition of the value of leasehold developed land, constructed roads, plant and machinery, and intellectual property.
e. Reliance on outdated, manipulated, and unreliable financial records.
f. Ignoring the principle that even in the event of closure, assets retain realizable scrap or resale value. The report is not in conformity with the Tribunal's directions nor with the prescribed valuation standards under the Companies Act, 2013.

4.19 Therefore it is most respectfully prayed that this Hon'ble Tribunal declare the valuation report null and void and appoint an Independent Auditor to conduct a forensic audit of the accounts of the Company as prayed for in the application. It is further submitted that the Respondents be restrained from selling any assets of the Company or repaying any unsecured liabilities until the matter is adjudicated.

4.20 Hence, it is submitted that any transfer of shares based on the impugned valuation would gravely prejudice the Petitioners, cause irreparable loss, and facilitate unjust enrichment of the majority shareholders at the cost of the minority. In the aforesaid facts and circumstances, the Petitioners respectfully pray that the reliefs sought in the application be granted by this Hon'ble Tribunal.

Comp. App./1/GB/2025

5. The Present Company Application (Comp. App./1/GB/2025) has been filed by the Mr. Youdhistra Bhama under Rule 11 of the NCLT Rules 2016, as per order Passed By this Honorable Tribunal on 28.05.2024 and Offer as per the Same Order. The Applicant seeking the following substantive prayer:
   a. *It is therefore, respectfully prayed that the application be allowed and the applicant may kindly be permitted to place on record the documents, Annexure A-1 and A-2 for correct adjudication of the controversy involved in the present petition.*
   b. *Pass such further and other orders and directions as the nature and circumstances of the case may require and as this Hon'ble Tribunal may deem fit and proper.*
6. Submission by the Applicant:

   6.1 The Applicant submitted that main petition came up for hearing before this Hon'ble Tribunal on 28.05.2024 and this Hon'ble court *vide* the directions issued in para no. 15.2, ordered placing on record of the valuation report of the registered valuer. A copy of the orders dated 28.5.2024 is annexed as *'Annexure A-1'.*

   6.2 The registered valuer, *vide* his letter dated 23.08.2024 submitted his detailed report. A copy of the report is annexed as *'Annexure A-2'.*

   6.3 The documents, Annexure A-l and A-2 are necessarily to be placed on record for correct adjudication of the controversy involved in the present petition.

   6.4 As per the order of this Honourable Tribunal, the respondent of the company petition are in process of acquiring to the said shares, token of Rs. 5100/-.
7. Submission on behalf of Respondents *vide* Reply Affidavit dated 20.05.2025.

   7.1 The Respondents submitted that present application is misconceived, devoid of merits and filed with a mala fide motive. It is not maintainable under the

Companies Act 2013, as the applicant has failed to make out any case to be allowed.

7.2 The Respondent further submitted that the present application seeks to bring on record purported valuation report which have been prepared based on the Audit Report prepared by the Statutory Auditor who was unilaterally appointed by the Applicants herein. The Statutory Auditor appointed by the respondents have acted at the dictate of the respondents Bhama Group to prepare the flawed audit report with a deliberate manipulation aimed at undervaluing the shares of the present respondents Agarwal Group who are petitioners in the Company Petition being C.P 16/GB/2021.

7.3 Further, it is submitted that Respondents have challenged the Valuation Report which has been prepared by the Independent Valuer appointed by this Hon'ble Tribunal vide its Order dated 28.05.2024.

7.4 The Respondent further submitted that the application filed by the applicants herein is also listed before this Hon'ble Tribunal wherein the applicants have elaborately dealt that the valuation report is not correct as it does not depict the fair value of the shares due to the manipulations deliberately made by the Statutory Auditor of the Company.

7.5 Furthermore, it is submitted that respondents have filed the application challenging the Valuation Report in their I.A. (Comp)/ 1/GB/ 2025 seeking to quash the Audit Report and Valuation Report prepared based on it and appointment of a new Independent Auditor and the Respondent to cooperate and assist the new independent auditor in preparing the financial statement and the Ld. Valuer Mr. Manish Agarwal or other valuer for the preparation of a revised valuation report.

7.6 The Respondent further submitted that it is denied and disputed that the present valuation report is germane to the adjudication of the issue as alleged or at all. The valuation report is flawed and is prepared on the basis of the manipulated audit report, prepared by the statutory auditor inconnivance with the Applicant herein, aimed at undervaluing the shares of the present Respondents. Respondents have filed an Interlocutory Application being I.A. (Comp)/ 1/GB/ 2025 challenging and setting aside the said valuation report which is pending before this Hon'ble Bench under the grounds mentioned in the aforementioned paragraphs and for the sake of brevity is not repeated here.

8. Heard the submissions made by the Learned Counsel for the parties and perused the records.
9. The present Interlocutory Application, being IA (Comp. Act)/1/GB/2025, has been filed under Rule 11 of the NCLT Rules, 2016, seeking, inter alia, a direction for the immediate preparation of the financial statements of Respondent No. 1 Company as on 21.08.2021 in strict compliance with the GAAP and the same to be furnished to the Ld. Valuer, Mr. Manish Agarwal for the purpose of preparing a revised valuation report. The Applicants have further sought the appointment of an Independent Auditor to prepare the financial statements of Respondent No. 1 Company as on 21.08.2021.
10. Upon consideration of the pleadings and materials placed on record, this Tribunal had earlier passed an order dated 28.05.2024 in CP/16/GB/2021 under Section 241 & 242 of the Companies Act 2013, whereby it was observed that the disputes between the parties had reached a stage where continuation of the existing relationship was no longer feasible. The Tribunal had also taken note of the allegations regarding dilution of shareholding and the complete breakdown of trust and confidence between the groups.
11. Hence, this Tribunal *vide* order dated 28.05.2024 directing separation of the parties through a buy-out the entire shareholding of the Petitioners including that of Petitioner No.5 Company amounting to as many Equity Shares as held on date, in order to bring an end to the continuing disputes and to ensure smooth functioning of the Company.
12. Pursuant to that this Tribunal appointed Registered Valuer for Respondent No.1 Company to carry out the exercise for valuation of the Equity Shares of the Respondent No.1 Company as on the date of filing of the CP, i.e. 21.08.2021. This Tribunal also ordered the Registered Valuer to prepare the Valuation report and submit before this Tribunal within 7 days of service of such valuation report to the parties.
13. Also, the Exit Consideration must be the amount arrived at by the Registered Valuer which shall be the value per share as on the date of filing of the above CP or Rs. 62 Lakh, which was originally offered by the Respondent in their Reply Affidavit, whichever is lower. The Petitioners, including Petitioner No.5 Company, shall deposit its entire Equity Shares, along with duly executed transfer forms with the Respondent

Company within 30 days from the date on which the Valuation Report is served upon them.

14. Pursuant to the aforesaid order, a valuation exercise was undertaken by the appointed Registered Valuer. Thereafter, the Applicants filed IA (Comp. Act.)/1/GB/2025 contending that a revised valuation report ought to be prepared by the appointed Valuer on the basis of the financial statements of Respondent No. 1 Company as on 21.08.2021, prepared in strict compliance with the Generally Accepted Accounting Principles (GAAP).
15. According to the applicant, the valuation report proceeded on the basis of financial statements prepared as on **21.08.2021**, which according to them did not reflect the true financial position of the Company. It has been contended that substantial pre-operative expenditure incurred by the Company had not been capitalized and that the accounts were prepared in a manner designed to suppress the value of the Company's assets. Accordingly, such accounting treatment resulted in an artificially depressed net worth and ultimately led to a NIL valuation of their shareholding.
16. The Applicants further alleged that the financial statements furnished to the Registered Valuer were neither prepared in accordance with applicable accounting standards nor reflective of the actual state of affairs of the Company. On that basis, it was prayed that the valuation report should be revised and a fresh exercise be undertaken after appointment of an independent auditor.
17. Per contra, the Respondents submitted that the valuation was conducted by an independent Registered Valuer pursuant to directions of this Tribunal and that all relevant documents and records were made available during the valuation process. It was submitted that the Applicants had participated in the proceedings and that the objections raised by them are merely an attempt to reopen issues already concluded by the order dated 28.05.2024.
18. Upon consideration of the Submission made by the Parties, this Tribunal finds that the original Company Petition raised substantial allegations regarding conduct oppressive to the Petitioners and prejudicial to their interests. The pleadings disclose that the relationship between the parties had irretrievably broken down and that disputes concerning control, management and shareholding of the Company had rendered continuation of the existing arrangement impossible.

19. The order dated 28.05.2024 was passed in exercise of powers under Section 242 of the Companies Act, 2013 with the objective of bringing an end to the matters complained of. The remedy of buy-out was considered appropriate in the peculiar facts of the case and was intended to ensure a complete and final separation between the disputing groups.
20. The Principal issue in this Interlocutory Application for consideration is that this Tribunal is of the considered opinion that the controversy now sought to be raised travels far beyond the scope of implementation of the judgment dated 28.05.2024.
21. It is equally significant that the Registered Valuer was appointed pursuant to judicial directions and has submitted the valuation report dated 23.08.2024 in discharge of the mandate issued by this Tribunal. The valuation report cannot be discarded merely because one of the parties is dissatisfied with the outcome unless fraud, patent illegality, jurisdictional error or perversity is demonstrated by cogent material.
22. Mere disagreement with the methodology adopted by the Registered Valuer or with the accounting treatment reflected in the financial statements would not justify directing an entirely fresh valuation exercise. Likewise, the Applicants' contentions that the Registered Valuer failed to consider the future potential of the Company, improperly applied the Net Asset Value method, undervalued or excluded certain assets including leasehold land, infrastructure, plant and machinery, intangible assets or ignored their realizable or scrap value, are all matters relating to the merits of the valuation exercise undertaken by the expert. This Tribunal does not find any apparent infirmity, patent illegality, perversity or jurisdictional error in the valuation process or the report so as to warrant judicial interference. Such objections, in the absence of any cogent material cannot constitute a valid ground for setting aside the valuation report or directing a fresh valuation. Accepting such a course would virtually amount to reopening the final judgment itself.
23. This Tribunal also finds considerable force in the submission that the relief sought would, in substance, amount to reviewing or modifying the operative directions contained in the judgment dated 28.05.2024. This Adjudicating Authority does not possess any inherent power of substantive review.
24. Rule 11 of the NCLT Rules preserves the inherent powers of the Tribunal only to secure the ends of justice or prevent abuse of process. The said provision cannot be

invoked to reopen findings recorded in a final judgment or to substitute an entirely fresh adjudicatory mechanism after the judgment has attained finality.

25. The liberty reserved by this Tribunal in paragraph 15.10 of the judgment dated 28.05.2024 in CP/16/GB/2021 was intended only for issuance of ancillary directions necessary to effectively implement the final order. Such liberty cannot be construed as conferring a right upon either party to seek reconsideration of the valuation process itself or to reopen issues already concluded.
26. We are therefore of the considered opinion that no ground has been made out for appointment of an Independent Auditor, preparation of fresh financial statements or directing a fresh valuation of the shares of Respondent No.1 Company.
27. In so far as the Company Application (Comp. App./1/GB/2025) has been filed for bringing on record the valuation report dated 23.08.2024 submitted by the Registered Valuer pursuant to the directions contained in the final judgment dated 28.05.2024, this Tribunal is of the considered view that the Valuation Report dated 23.08.2024 should be taken on record for correct adjudication of this Application as the valuation report is a document prepared in compliance with the directions issued by this Tribunal and constitutes an integral part of the implementation of the final order dated 28.05.2024.
28. The mere act of taking the report on record does not amount to acceptance of every observation contained therein, nor does it reopen or enlarge the scope of adjudication already concluded by the judgment dated 28.05.2024.
29. Since the valuation report has been prepared pursuant to direction of this tribunal and forms part of the implementation of the final judgment, there is no legal impediment in taking the same on record.
30. Accordingly, Comp. App./1/GB/2025 deserves to be allowed only to the limited extent of taking the valuation report and connected documents on record for the purpose of implementation of the judgment dated 28.05.2024. Such taking on record shall not amount to adjudication upon the correctness of the valuation beyond what has already been held herein.
31. Accordingly, IA(Comp. Act.)/1/GB/2025 is liable to be dismissed.

Order

32. In view of the foregoing discussion and findings recorded hereinabove, the following order is passed:
    a. IA(Comp. Act.)/1/GB/2025 is **dismissed** and **dispose of**, there being no sufficient ground for directing preparation of fresh financial statements as on 21.08.2021, appointment of an Independent Auditor or undertaking a fresh valuation exercise.
    b. Comp. App./1/GB/2025 is **allowed** only to the extent that the valuation report dated **23.08.2024** submitted by the Registered Valuer along with the accompanying documents is taken on record.
33. The directions contained in the Final Order dated **28.05.2024** passed by this Tribunal in **CP/16/GB/2021**, providing for separation of the parties through the buy-out mechanism, shall continue to remain operative, binding and enforceable upon all the parties.
34. The Respondents are directed to Strictly Comply the order dated 28.05.2024 passed in CP/16/GB/2021 by this Tribunal.
35. The Registry is directed to send e-mail copies of the order forthwith to all the parties inclusive of the Counsels.
36. Urgent certified copy of this order, if applied for, be issued upon compliance with all requisite formalities
37. File be consigned to records.

Sd/-
Yogendra Kumar Singh
Member (Technical)

Sd/-
Rammurti Kushawaha
Member (Judicial)

Signed this on 9th day of July, 2026

Aditya Prakash. (LRA)