IN THE NATIONAL COMPANY LAW TRIBUNAL, BENGALURU BENCH

[Through Physical hearing/ VC Mode (Hybrid)]

ITEM No.20
CA 140, 181, 182/2024
CA 88, 107, 06/2026
CP No. 67/BB/2024

IN THE MATTER OF:

Mr. K.L.A. Padmanabhasa HUF & Anr. … Petitioners
Vs.
Khodays Breweries Pvt. Ltd. & Ors. … Respondents

Petition under Sec 241-242 of CA, 2013

Order delivered on: 19.08.2026

CORAM:

SHRI. SUNIL KUMAR AGGARWAL
HON'BLE MEMBER (JUDICIAL)

SHRI. RADHAKRISHNA SREEPADA
HON'BLE MEMBER (TECHNICAL)

COUNSELS PRESENT:

For the Petitioner	:	Appeared
For the Respondent	:	Appeared for R3 & R4
For CA 140/2024	:	Shri CK Nandakumar, Senior Advocate
For IA 107/2026	:	Mr. Abhijit Atur & Ms. Siva Tejaswini

ORDER

1. Heard the Ld. Counsels for the parties.
2. List the matter on **18.09.2026** for hearing.
3. C.A.No.140/2024 is **allowed** vide separate order. The embargo vide order dated 26.06.2024 so far as land comparison on MOA dated 16.05.2023 is lifted and the rest of the interim order continues.

-Sd-
RADHAKRISHNA SREEPADA
MEMBER (TECHNICAL)
RO

-Sd-
SUNIL KUMAR AGGARWAL
MEMBER (JUDICIAL)

IN THE NATIONAL COMPANY LAW TRIBUNAL, BENGALURU BENCH

C.A. No. 140 /BB/2024
In
C.P. No. 67/BB/2024
(Under Section 242 of the Companies Act, 2013 R/w 11 & 32 of the NCLT Rules, 2016)

In the matter of:

Prestige Projects Private Limited
Having its office at Prestige Falcon Tower,
No. 19, Brunton Road,
Bangalore - 560 023 … Applicant

Versus

1. Mr. K. L. A. Padmanabhasa
(Since deceased and represented by his
Legal heir Shri. K P Ghanshyam)
Residing at No. 9, Seshadri Road,
Gandhinagar, Bengaluru - 560 009.

2.Khodays Breweries Private Limited
Regd. Office at Brewery House,
7th Mile, Kanakapura Road,
Bengaluru -560 062. … Respondents

Order Delivered on: 19.08.2026

Coram: 1. Shri Sunil Kumar Aggarwal, Hon'ble Member (Judicial)
2. Shri Radhakrishna Sreepada, Hon'ble Member (Technical)

Counsels Present

For the Petitioner	:	Shri C K Nandakumar, Sr Advocate.
For Respondents	:	Shri Arjun Rao, Advocate

O R D E R

1. This Application has been filed by **Prestige Projects Private Limited** (hereinafter referred to as the "Applicant" who are arrayed as Respondent No. 20 in the main Company Petition, under Section 242 of the Companies Act, 2013 read with Rules 11 and 32 of the NCLT Rules, 2016, through its authorized signatory Mr. T Arvind Pai, for the following reliefs:
   a. *Vacate the interim order dated 26.06.2024 to the extent of the immovable properties of Respondent No. 1.*
   b. *Consequently, permit Respondent No. 1 to dispose its immovable properties, as agreed upon, to Respondent No. 20 in accordance with law.*
   c. *Pass any other order (s) as this Hon'ble Tribunal may deem fit and proper in the facts and circumstances of the case.*

2. Brief Background of the filing of application:

   i. Khodays Breweries Private Limited/Respondent No. 1 is the company comprising family members. The Company Petition was filed by Petitioner as one of its shareholders, who was earlier its director, alleging Oppression and Mismanagement in the affairs of Khodays Breweries Private Limited. On his demise on 26.08.2024, his legal heirs were substituted vide order dated 07.11.2025 The main Petition, *inter-alia*, challenges the alienation of the Company's immovable properties situated at Konanakunte Village, Uttarahalli Hobli, Bengaluru South Taluk, forming part of the Schedule Properties.

   ii. During the pendency of the Company Petition, an interim order dated 26.06.2024 was passed under Section 242(4) of the Companies Act, 2013, directing parties to maintain status quo in respect of the

Company's shareholding and restraining alienation, encumbrance or creation of third-party rights in respect of the Company's immovable properties, including the properties forming the subject matter of the present Application. The said interim protection is continued from time to time.

iii. Vide order dated 25.03.2025, it was clarified that the restraint dated 26.06.2024 operates only in respect of the properties remaining in the hands of the Company and would not extend to properties already alienated.

iv. The present Application has been filed by Prestige Projects Private Limited, who are arrayed as Respondent No. 20 in the Company Petition, seeking vacation of the interim order to the extent it prevents completion of the transaction in respect of the remaining Schedule Properties.

v. This application had earlier been dismissed on 02.04.2026 for not impleading the legal heirs of Petitioner, who had, in the meanwhile passed away. That order has been set aside by the Hon'ble High Court of Karnataka vide order dated 24.04.2026 passed in W.P. No. 13104/2026 with a direction to consider the Application afresh on merits.

3. The relevant facts pleaded in the application, filed on 01.10.2024, are following:

   i. The Applicant/Respondent 20 had entered into a transaction with Respondent No. 2 Company in respect of certain immovable properties situated at Konanakunte Village, Uttarahalli Hobli, Bengaluru South Taluk, Bengaluru, collectively measuring approximately 18 acres 36 guntas (“Schedule Properties”).

ii. The transaction had been initiated in the year 2022 and subsequently recorded through a **Memorandum of Agreement dated 16.05.2023**. The transaction was undertaken pursuant to the decisions and resolutions of the Board of Directors of Respondent No. 2 and on the basis of valuation reports.

iii. The total agreed consideration under the Memorandum of Agreement was **₹510.30 Crores**, calculated at the rate of approximately **₹27 Crores** per acre. An amount of **₹169 Crores** has already been paid to Respondent No. 2 on or before execution of the Memorandum of Agreement, with stipulation to pay balance consideration upon fulfilment of the obligations contemplated under the agreement. The Board Resolutions dated 13.09.2022 and 12.04.2023 form part of the transaction and the Memorandum of Agreement records the agreed sale consideration of ₹510.30 Crores and acknowledges receipt of part payment of ₹169 Crores.

iv. A substantial portion of the transaction has already been completed and out of the total extent of 18 acres 36 guntas, approximately 14 acres 10 guntas has already been conveyed in favour of the Applicant under registered sale deeds, while approximately ***4 acres 26 guntas*** remains to be conveyed for which approximately **₹52.35** Crores has been paid. The Applicant therefore contends that the interim order has stalled the completion of a transaction which has already been substantially performed by the parties.

v. It is stated that the Schedule Properties formed part of a larger estate of Respondent No. 2 and were held as fixed assets. Respondent No. 2 had proposed to sell the properties, *inter alia* for augmenting income, meeting working capital requirements, expansion of business and retirement of pressing liabilities. A public notice concerning the proposed sale was issued in The Indian Express dated 30.11.2023 to contend that the transaction was not sudden or conducted in clandestine manner but had been in contemplation for a considerable period.

vi. The Applicant is a bona fide purchaser acting in the ordinary course of its business and it had no knowledge of the alleged internal disputes of Respondent No. 2. The Applicant is engaged in the business of acquisition and development of real estate and the transaction was undertaken after examining the relevant documents and corporate approvals.

vii. The continuation of interim order causes substantial prejudice to the Applicant particularly when considerable amounts have already been paid and a major portion of the property already conveyed.

viii. The balance of convenience lies in its favour as it has altered its position by making substantial payments and investments, whereas the Petitioner has not demonstrated any irreparable injury which cannot otherwise be compensated or addressed at the final stage of the main Company Petition.

ix. Relying on Section 180(3) of the Companies Act, 2013, it is averred that a bona fide third-party purchaser ought not to be adversely affected because of the disputes *inter se* the shareholders or management of the Company.

x. The Applicant has accordingly urged that the interim order dated 26.06.2024, in so far as it prevents completion of the balance transaction, no longer serves the purpose for which interim protection was granted. The transaction had substantially progressed before the institution of

Company Petition and the continuation of the restraint disproportionately prejudices the Applicant.

4. Per contra, the Company Petitioner/Respondent No. 1 vide memo dated 04.11.2024 has opposed the Application on the following grounds:
    i. The application is mala fide and a result of collusion between the Respondents, particularly the persons/entities referred to in the petition as Respondent No. 1 and Respondent Nos. 20 and 21 and the transaction sought to be protected constitutes a further act of Oppression and Mismanagement.
    ii. The interim protection was granted on 26.06.2024 after consideration of the allegations raised in the Company Petition, including the alleged alienation of the assets of the Company.
    iii. The Petitioner has specifically challenged the sale transactions involving the Applicant and contended that the Memorandum of Agreement dated 16.05.2023 is illegal, unregistered, insufficiently stamped and fabricated. The document cannot create any right or interest in immovable property.
    iv. The sale deeds executed in favour of the Applicant have been disputed as the transactions form part of a larger scheme of alienation of the Company's assets. The existence and validity of the alleged Board approvals is contested. The Board resolutions relied upon by the Applicant are fictitious as the Petitioner was neither invited nor consulted in respect of the alleged meetings.
    v. The transaction was not entered into pursuant to any valid corporate process and the Applicant cannot claim the benefit of being a bona fide purchaser when the very authority and validity of the transaction are under challenge.

vi. The adequacy of consideration has been challenged and it is asserted that the transactions are undervalued and fraudulent. According to the Petitioner, the payments allegedly made by the Applicant do not create any equity in its favour when the underlying transaction itself is illegal. The amounts received by Respondent No. 2 ought to be secured/deposited so that the interests of the Company and its shareholders are protected.

vii. The Applicant intends to develop the Schedule Properties and permitting completion of the transaction would result in irreversible changes, creation of third-party rights and multiplicity of proceedings.

viii. According to the Petitioner, therefore, the continuation of interim order is necessary to preserve the Company's asset base and substratum until the allegations of oppression and mismanagement in the main Company Petition are finally adjudicated.

ix. The Petitioner has disputed the applicant's contentions regarding delay and knowledge of the transaction. It is submitted that the Petitioner was systematically excluded from the affairs of Company and had no knowledge of the alleged transactions. The contemplation of transaction in 2022 is refuted as the Applicant and other Respondents were acting in collusion.

x. Mere passage of time cannot justify permitting further alienation of the Company's assets when the very transactions are under challenge in the main proceedings.

xi. The Applicant is not entitled to invoke the doctrine of bona fide purchaser or Section 180(3) of the Companies Act, 2013. The Applicant's knowledge, involvement and conduct in relation to the transaction are disputed questions which cannot be presumed in its favour at the interlocutory stage.

5. On return of the matter from Hon'ble High Court of Karnataka, the Applicant has filed its written submissions dated 06.08.2026.

   i. The Applicant is a company forming part of the Prestige Group and acquisition and development of immovable properties constitutes its ordinary course of business. It has no involvement in the internal affairs of Respondent No. 1 Company and is only a third-party purchaser. The Company Petition seeks, inter alia, setting aside of the sale deeds executed in its favour, restoration of possession and restraint against Applicant from dealing with the properties of Respondent No. 1. An interim order dated 26.06.2024 which was clarified on 25.03.2025, is in existence.

   ii. Applicant submits that pursuant to the Memorandum of Agreement dated 16.05.2023, Respondent No. 1 had agreed to sell approximately 18 acres 36 guntas of its land situated at Konanakunte Village for a total consideration of ₹510.30 Crores, at approximately ₹27 Crores per acre. The consideration was arrived at having regard to the valuation report of a Registered Valuer, the Board Resolution dated 12.04.2023, the nature/status of the properties, prevailing market conditions and comparable transactions.

   iii. It is further submitted that out of the total extent, approximately 14 acres 10 guntas has already been conveyed in favour of the Applicant by registered sale deeds dated 07.02.2024. An amount of ₹169 Crores was paid to Respondent No. 1 at the time of execution of the MoA and approximately **₹464 Crores** in all has been paid towards the transaction.

iv. Applicant therefore submits that only the balance extent remains to be conveyed and that the transaction had progressed substantially beyond the stage of a mere executory agreement as substantial contractual obligations have already been performed by both parties before institution of the Company Petition.

v. The interim order dated 26.06.2024 does not preserve the status quo existing before the institution of the proceedings but prevents completion of the residual portion of an already substantially performed transaction.

vi. The transaction was preceded by a corporate decision taken in Board resolutions and valuation report dated 09.02.2023. The first Board resolution approving the intention to sell was passed on 13.09.2022, followed by valuation in February 2023 and approval of the terms of sale in April 2023. The Petitioner was an erstwhile Director at the time of the first resolution and was removed from the Board in November 2022.

vii. The allegations of fraud, collusion and undervaluation are disputed and the same are unsupported by sufficient documentary material. The valuation report relied upon by the Petitioner was prepared in 2024, whereas the Company's valuation relied upon a contemporaneous assessment of the property as vacant land and considered the applicable guideline values and conversion status of the individual parcels.

viii. The Petitioner has no proprietary interest in the assets of the Company merely by virtue of being a shareholder. His challenge to the sale cannot be treated as a claim over the Company's property and that internal disputes between the shareholders/directors cannot, by themselves, be used to stall a transaction with a third party.

ix. Regarding delay and laches, it is stated that the transaction was initiated as early as 2022 and payments had commenced from March 2022. The first Board resolution was passed on 13.09.2022 and a public notice concerning the sale was published in *The Indian Express* on 30.11.2023. The Petitioner thus had knowledge or ought to have had knowledge of the transaction but did not challenge it until the institution of the Company Petition on 25.06.2024.

x. It is additionally submitted that the relief sought for is barred by limitation under Section 242(2)(f) of the Companies Act, 2013. A complaint concerning a third-party transaction ought to have been brought within the prescribed period. Moreover, the relief against a third party cannot be maintained at the instance of a single shareholder particularly when he has no proprietary interest in the Company's assets.

xi. It is therefore submitted that continuation of the interim restraint causes substantial prejudice to the Applicant, whereas the Petitioner has failed to establish any irreparable injury which cannot be addressed at the final stage. C.A. No. 140/2024, therefore is sought to be allowed and interim order dated 26.06.2024 as modified by order dated 25.03.2025, vacated in so far as it restrains alienation of the immovable properties of Respondent No. 1.

6. Respondent No. 2/Company has also filed written arguments dated 12.08.2026, supporting the Arguments of Applicant/Respondent No. 20 stating:

   i. The Company submits that it has itself filed C.A. No. 88/2025 seeking substantially the same relief and that both C.A. No. 140/2024 and C.A. No. 88/2025 ought to be allowed. The interim order dated 26.06.2024 by repeated extensions has effectively imposed an indefinite company-wide embargo merely on the basis of broad allegations of oppression by a minority shareholder.

ii. The relief sought by the Petitioner is barred under Section 242(2)(g) of the Companies Act, 2013. It submits that the provision permits setting aside of a transfer only where the relevant act falls within the prescribed three-month period. According to the Company, the MoA was executed on 16.05.2023, pursuant to Board resolutions passed in 2022, the sale transaction was completed substantially through sale deeds dated 07.02.2024, whereas the Company Petition was filed on 25.06.2024.

iii. The Company disputes that Section 242(2)(g) is confined to individual insolvency proceedings. It incorporates the relevant insolvency-law test into proceedings under Section 242 and the three-month look-back period applies to acts which are sought to be set aside under the provision. Therefore, challenge to the completed transactions falls outside the statutory window.

iv. The jurisdiction of the Tribunal under Section 242 is remedial and cannot be treated as an unlimited equitable power to interfere with every transaction of the Company. The interim restraint cannot continue merely because allegations of fraud, undervaluation or collusion have been made.

v. The Petitioner's grievance is substantially connected with his removal from the directorship in November, 2022, who thereafter had no authority over the Company's assets. A shareholder has no proprietary interest in the Company's assets and cannot seek to restrain the Company from dealing with its property as though the property belonged to him personally.

vi. Citing the chronology of the transaction, it is stated that the Board first approved the intention to sell on 13.09.2022, a valuation was thereafter undertaken in February 2023, and the Board adopted the valuation and approved the sale in April 2023. The Petitioner's allegation that the transaction was subsequently created without corporate authority is inconsistent with the documentary chronology relied upon by the Company.

vii. Regarding delay and laches, Respondent No. 2 submits that the Company Petition itself was filed on 25.06.2024, notwithstanding that the alleged acts commenced more than two years earlier. Such delay demonstrates that the urgency now asserted by the Petitioner is artificial and weighs against continuation of equitable interim relief.

viii. Respondent No. 2 disputed the valuation relied upon by the Petitioner as it was prepared in 2024 and proceeds upon assumptions concerning hypothetical residential/commercial development and relies upon values of apartment complexes and properties not adjacent to the Schedule Property. In contrast, the valuation report relied upon by the Company matches the time of transaction, which valued the property as vacant land, considered the parcel-wise conversion status and adopted the applicable guideline for properties abutting the Schedule Property.

ix. The Petitioner's challenge is principally directed against sale transactions which have already been completed, whereas the interim order presently operates only against properties remaining in the Company's hands. It is therefore contended that the continued restraint over the unsold balance property is beyond the scope of the relief sought and the power contemplated under Section 242.

x. The Company also opposed the Petitioner's request that C.A. Nos. 181/2024 and 182/2024 be decided along with C.A. No. 140/2024. The said applications are yet to be heard and the Hon'ble High Court has specifically directed consideration of C.A. No. 140/2024. It further relies upon the order dated 25.03.2025 clarifying that the interim restraint did not extend to properties already alienated.

xi. Respondent No. 2 ultimately submits that a blanket freeze on the Company's properties cannot be sustained merely on allegations and that the relief, if any, must be confined to legally maintainable grievances and should not paralyze the Company's affairs. It accordingly supports the application of Respondent No. 20 and prays for vacation of the interim order dated 26.06.2024.

7. We have heard the Learned Senior Counsel/Counsels for the parties and have carefully perused the relevant material on record.

8. The contested transactions have substantially preceded the institution of the Company Petition. The Applicant relies upon the Board Resolutions, the valuation, the Memorandum of Agreement dated 16.05.2023 and the subsequent registered sale deeds. The sale deeds in respect of approximately 14 acres 10 guntas having been executed, the interim order really operates in respect of the remaining approximately 4 acres 26 guntas of land forming part of Memorandum of Agreement.

9. There is no denial that part consideration even in respect of such remaining land stands paid by the Applicant to the Company. The Applicant had altered its position pursuant to the transaction, and the Company had correspondingly acted upon the decision taken by its Board.

10. The Petitioner disputes the very foundation of the transaction. It is alleged that the relevant Board Resolutions are fictitious, that the Memorandum of Agreement is illegal and fabricated, that the properties were undervalued and that the transaction forms part of a larger scheme of oppression and

mismanagement. It is further alleged that the Applicant is not a bona fide third-party purchaser but had participated in or facilitated the alleged scheme.

11. The contention that the Petitioner was not favouring the proposal to sell the immovable properties of Company and therefore has been clandestinely ousted from its Board, is not borne out of the contemporaneous record. It needs to be appreciated that Directors of the Board of a Company may have different opinions about an agenda or policy which they have a right to voice in the meeting but ultimately it is the majority, as may be specifically prescribed under Companies Act and Rules/Regulations framed thereunder, ultimately hold the field as a matter of Corporate Governance. Looking into the removal of petitioner from the Board as an inconvenient person, may be skewed in the context of considering the Application in hand. Had it been so linked, the Petitioner would not have waited for long for raising the grievance by way of an approaching a judicial forum.

12. The contention against disposal of property without taking the petitioner into confidence would carry weight, had he any ownership right therein. As far as company properties are concerned, the Board is there to take care and take appropriate decisions in the interest and for the growth of the company. For every decision taken, malafide intention and motives cannot be imputed to the Board and its constituents. Even the decisions that may subsequently turn out to be awry, such perceptions may not be acceptable. Of course, in cases of fraud, collusion etc. for which evidence is culled, the outcome may be different. The company constituents belonging to the same family had some issues for which the services of the Director of Applicant were co-opted and he had obliged. There are no allegations that he had not made earnest and genuine efforts to mend/reconcile their differences. The things however did not materialize as

were intended. The Applicant in that sense cannot be said to be stranger to the petition parties yet that did not disqualify it from bidding for the land proposed to be sold by the Company. Absolutely no evidence except surmises, has been adduced to cull any fraudulent element in the conduct of dealing parties. A purchaser in a commercial transaction for a large land parcel is necessarily required to engage with the Company's representatives for negotiating the terms and completing the transaction. The Board of Company had taken a conscious call to liquidate some of its immovable assets for which a Valuation report from registered valuer was taken. Deeming the reported valuation to be appropriate, at the given time, stage and circumstances, the Company gave green signal for disposal of property at that valuation. The MoA dated 16.05.2023 then came to be executed. It was not a hushed-up exercise but a sufficiently pondered over months' decision involving huge land and money. Interdicting with such deliberated commercial decisions of the Company takes its vision and policy haywire.

13. So far as the allegation of undervaluation of land value is concerned, the two reports have no commonality apart from the fact that they pertain to the land in question. We will therefore have to consider relevant parameters forming the basis of two opinions. One of the plus points of the report filed by the Company is that it had been prepared very close in time of actual deal. While the report filed by the Petitioner came after about a year. One need not press his memory to recall that towards the end of 2022 the world was trying to salvage itself from the vagaries of COVID pandemic. The distress had substantially given way to economic recovery by the year 2024. Moreover, the Valuation relied upon by the Petitioner rests on a distinct foundation in as much as it adopts valuation of properties where construction/ development had already taken place, for reaching conclusion. A subsequent valuation based upon a different

character, use or development potential of the property cannot, by itself, establish that the consideration determined at the time of the original transaction was inadequate or fraudulent.

14. The commercial consideration agreed between the parties, therefore, has to be examined with reference to the circumstances prevailing at the time when the transaction was entered into. The fact that a subsequent valuation may attribute a higher value to the property, particularly by proceeding on the basis of its development or a different use of the land, cannot by itself displace the contemporaneous valuation which the Board had taken into account when it took the decision to sell. In the absence of prima facie material reflecting that the other valuation was manipulated or that the Board's decision was actuated by fraud, the commercial decision taken at the relevant time cannot be substituted merely on the basis of hindsight.

15. The Petitioner has disputed the genuineness of the Board Resolutions and alleged that he was not invited to the relevant meetings. Although going into that question may have a bearing on the main Company Petition yet it would be sufficient to observe that majority shareholders are still supporting the land deal, the presence of the minority shareholder would not dent the outcome of Board decision qua land deal.

16. The existence of successive Board Resolutions, the valuation, the MoA followed by substantial payments and execution of registered conveyances coupled with continued commitment of Company indicate that the transaction was a structured commercial transaction that had commenced and substantially progressed well before the filing of the Company Petition. The material produced does not justify treating the transaction to be aimed at prejudicing the petitioner or other shareholders of the Company.

17. Undoubtedly, the applicant dealing in land being a real estate developer may have negotiated with Company keeping its interest paramount but the Board members of Company cannot also be deemed to be gullible and expected to have taken the decision of sale of land at a particular price in its best interest keeping all prevailing parameters in view. For such value decision making, it would be overboard to discern that the parties had an unlawful design or the Applicant exercised control over the Company's decision-making process.

18. Even otherwise insufficiency of consideration cannot be a ground to taint a deal particularly when the allegation is lacking concrete evidence that is required to undo the deal even in respect of remaining property wherein substantial consideration has already been transacted and utilized by the vendor

19. Another important circumstance is the stand of Respondent No. 2 Company itself. The Company supports the Applicant's prayer for vacation of the interim restraint. The Company relies upon the transaction, the corporate approvals and the substantial implementation thereof and seeks permission to complete the balance transaction.

20. The interim order dated 26.06.2024 was passed at the initial stage of the proceedings. Since then, the pleadings have been completed and the Tribunal now has before it the Memorandum of Agreement, Board Resolutions, valuation material, registered sale deeds, particulars of payments and the rival contentions of the parties. The factual position which existed at the time of passing the interim order has therefore materially developed. As submitted by the Applicant, continuation of the interim order now operates upon the residual portion of a transaction which had already been substantially implemented.

21. In the facts of the present case, continuation of the restraint would effectively prevent completion of the remaining portion of a transaction which has already been substantially performed. It would also have the effect of keeping the Applicant out of the benefit of a transaction pursuant to which substantial consideration has already been paid, while the Company has retained and utilised the consideration received. The Applicant specifically submits that the Company has accepted and utilised the consideration paid pursuant to the transaction.

22. The balance of convenience, therefore, lies in favour of permitting completion of the transaction rather than continuing an interlocutory restraint indefinitely. The final rights of the parties can still be worked out in the main Company Petition. The vacation of the restraint does not amount to a declaration that the transaction is finally valid, nor does it prevent the Tribunal, in the main proceedings, from granting such relief as may be found permissible in law upon adjudication of the allegations.

23. Consequently, the material presently available before us does not warrant continuation of the restraint over the balance extent merely on the basis of the allegations which are yet to be established. The Applicant has demonstrated sufficient circumstances for modification of the interim order, particularly having regard to the pre-litigation origin of the transaction, the contemporaneous corporate record, substantial consideration paid, substantial conveyance already completed and the Company's own stand supporting completion of the transaction.

24. In view of the foregoing discussion, we are of the considered view that the Applicant has made out sufficient grounds for vacation of the interim restraint insofar as it prevents completion of the transaction in respect of the balance

extent of approximately 4 acres 26 guntas forming part of the Schedule Properties.

25. Accordingly, **C.A. No. 140/BB/2024 is allowed.**

26. The interim order dated 26.06.2024, is **hereby vacated to the limited extent that it restrains Respondent No. 2 Company from completing the conveyance of the balance extent of approximately 4 acres 26 guntas covered by the Memorandum of Agreement dated 16.05.2023 in favour of the Applicant.**

27. Respondent No. 2 Company shall be at liberty to complete the aforesaid transaction in accordance with the terms of the Memorandum of Agreement dated 16.05.2023 and applicable law.

28. It is clarified that this order shall not be construed as a final adjudication upon the validity of the said Memorandum of Agreement, the Board Resolutions, the valuation adopted by the parties, the consideration agreed or paid, or the allegations of fraud, collusion, undervaluation, oppression and mismanagement raised in the main Company Petition.

29. Any rights or equities arising pursuant to the completion of the transaction shall remain subject to the final adjudication in C.P. No. 67/BB/2024 and the orders that may ultimately be passed therein.

30. The interim order dated 26.06.2024 shall continue in all other respects, including to the extent it relates to the shareholding structure of the Company and such other properties or assets of the Company which are not covered by the present Application.

31. The observations made in this order are for the purpose of disposal of this Application and may not be construed as opinion of the bench in the main Company petition.

-Sd-	**-Sd-**
(RADHAKRISHNA SREEPADA)	**(SUNIL KUMAR AGGARWAL)**
MEMBER(TECHNICAL)	**MEMBER (JUDICIAL)**