IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH, COURT – 1, AHMEDABAD

ITEM No.301
IA/120(AHM)2026
in
CP/19(AHM)2024

Under Section Rule 11 NCLT Rules 2016 r/w Sec, 420 and 424 of the Companies Act, 2013

IN THE MATTER OF:

Niklesh Nihalani **.....Applicant**
V/s
Shah Poddar Nihalani Organisers & Others **.....Respondent**

ITEM No.302
CP/19(AHM)2024

Under Section 58(3), 59 of Companies Act, 2013

IN THE MATTER OF:

Niklesh Nihalani **.....Applicant**
V/s
Shah Poddar Nihalani Organisers & Others **.....Respondent**

C O M M O N - O R D E R
(Hybrid Mode)

The case is fixed for pronouncement of order. The common order is pronounced in the open court, vide separate sheet.

-SD-
SANJEEV SHARMA
MEMBER (TECHNICAL)

-SD-
SHAMMI KHAN
MEMBER (JUDICIAL)

IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH, COURT-I, AHMEDABAD

IA No. 120(AHM) of 2026
With
Company Petition No.19/(AHM)/2024

(An application under Sections 420 and 424 of the Companies Act, 2013 read with Rule 11 of the National Company Law Tribunal Rules, 2016)

In the matter of:

Niklesh Nihalani

..... Applicant / Petitioner

VERSUS

Shah Poddar Nihalani Organisers LLP & Ors.

..... Respondents

MEMO OF PARTIES
(Amended)

Niklesh Nihalani
Having address at:
2-A, Ratnamilan Apartment,
Ravidham Complex, Panjara Pole,
Ghod Dod Road, Surat – 395007,
Gujarat.

..... Applicant

VERSUS

1. **Shah Poddar Nihalani Organisers LLP.**
(LLPIN: ACF-6485)
Having its registered address at:
Office No. 102, 1st Floor, Rittz Square,
Near Indoor Stadium,
Athwalines, Surat – 395001.
Also, at:
1-A, Merushikhar, Opp. Jivan Bharti Notary,
Timaliyawad, Nanpura, Surat – 395001.

2. **Rajesh Poddar**
Having address at:
B-1102, Four Seasons Apartment,
Opp. Ginger Hotel, Piplod,
Surat- 395007, Gujarat.

3. **Tulsidas Nihalani**
Having address at:
A/302, Four Seasons Apartment,
Opp. Ginger Hotel, SVR College,
Piplod, Surat – 395007, Gujarat.

4. **Madhav Bagaria,**
Having address at:
B-375, New Friend's Colony,
New Delhi – 110025.

5. **Nimmidevi Tulsidas Nihalani**
Having address at:
A/302, Four Seasons Apartment,
Opp. Ginger Hotel, SVR College,
Piplod, Surat – 395007, Gujarat.

6. **Apurva Poddar**
Having address at:
B-1102, Four Seasons Apartment,
Opp. Ginger Hotel, Piplod,
Surat- 395007, Gujarat.

……. Respondents

Order Pronounced On: 28.10.2026

C O R A M:

SH. SHAMMI KHAN, HON'BLE MEMBER (JUDICIAL)
SH. SANJEEV SHARMA, HON'BLE MEMBER (TECHNICAL)

A P P E A R A N C E S:

For the Applicant : Mr. Sunil Fernandes, Sr. Advocate a.w.
Mr. Parth Davar, Advocate

For the Respondents : Mr. Pawan S. Godiawala, Adv. for R-1
Mr. Monaal J. Davawala, Ld. Adv.
for R-2 and R-6

O R D E R
(Per Bench)

IA/120(AHM)2026

1. This Interlocutory Application has been filed on 12.10.2026 vide inward No. E-2970 by the Applicant/Petitioner, Mr. Niklesh Nihalani, under Rule 11 of the National Company Law Tribunal Rules, 2016, read with Sections 420 and 424 of the Companies Act, 2013, seeking deferment of the hearing of Company Petition No. 19/(AHM)/2024 until final disposal of Civil Appeal Nos. 5890 of 2021 and 5133 of 2021 pending before the Hon'ble Supreme Court of India, with the following prayers: -

(a) adjourn sine die / defer the further hearing of Company Petition No. 19/(AHM)/2024 until the final disposal of Civil Appeal No. 5890 of 2021 and Civil Appeal No. 5133 of 2021 by the Hon'ble Supreme Court of India;

(b) grant liberty to the Applicant, or any party, to apply for revival and listing of the Company Petition after the pronouncement of the final judgment of the Hon'ble Supreme Court in the said Civil Appeals;

(c) direct that the adjournment / deferment shall be without prejudice to the rights and contentions of the parties, all of which are kept open, and that the Company Petition shall not be treated as abandoned or dismissed for default or non-prosecution during the said period;

(d) in the interim, direct Respondent Nos. 1 to 6 to maintain status quo with respect to (i) the

partnership, contribution and profit-sharing pattern of Respondent No. 1 LLP; and (ii) the immovable properties standing in the name of Respondent No. 1 LLP / the erstwhile Company, including the land parcel admeasuring 3,595 sq. mtrs. at New R.S. No. 48/4, T.P. No. 28, F.P. No. 23, Village Rundh, Surat, and restrain them from alienating, encumbering or creating any third-party rights therein;

(e) restrain Respondent Nos. 1 to 6 from taking any steps for the dissolution, winding up, striking off, further conversion or restructuring of Respondent No. 1 LLP pending the final disposal of the Company Petition; and

(f) pass such other and further order(s) as this Hon'ble Tribunal may deem fit and proper in the facts and circumstances of the case and in the interest of justice.

2. The Applicant has placed the facts through the Interlocutory Application and documents in the following manner: -

2.1 Applicant is the Petitioner in Company Petition No. 19/(AHM)/2024 and seeks deferment of its hearing until final disposal of Civil Appeal Nos. 5890 of 2021 and 5133 of 2021. He submits that the questions pending before the Hon'ble Supreme Court affect the reliefs claimed in the Company Petition.

2.2 It is submitted that Shah Poddar Nihalani Organisers Private Limited was incorporated in December 2005 as a closely held company for holding land at Village Rundh, Surat. The Applicant held 4,000 equity shares of Rs. 10 each, constituting 8% of its paid-up capital, and relies on Articles 13 to 19 of the original Articles of Association concerning transfer of shares.

2.3 The Applicant challenged the transfer of 7,945 shares to the Poddar group in Company Appeal No. 34 of 2017 under Section 59 of the Companies Act, 2013, and filed Company Petition No. 24/NCLT/AHM/2018 under Sections 241 and 242. By common order dated 03.08.2020, this Tribunal dismissed the proceedings.

2.4 By judgment dated 02.08.2021 in Company Appeal (AT) No. 167 of 2020, the NCLAT allowed the Applicant's appeal, held the transfer of shares unsustainable, set aside the amendment to the Articles made on 12.12.2017 and directed rectification of the register of members. The judgment is stated to be annexed to the Company Petition as Annexure-F.

2.5 The Poddar group challenged the NCLAT judgment before the Hon'ble Supreme Court in Civil Appeal No. 5890 of 2021 and the connected Civil Appeal No. 5133 of 2021. By order dated 22.10.2021, the Hon'ble Supreme Court framed six questions of law and stayed the operation and effect of the NCLAT judgment; the orders are annexed as Annexure-A1 (Colly).

2.6 During pendency of the Civil Appeals, the Company allegedly approved and executed a sale deed dated 22.05.2023 in favour of M/s Avadh Infracraft LLP for Rs. 60,00,00,000, concerning land at Village Rundh, Surat. The Applicant alleges that the transaction was undertaken without compliance with applicable

requirements and while the membership and Articles of the Company remained disputed.

2.7 The Applicant states that a Share Transfer Form and a Declaration cum Undertaking concerning his 4,000 shares were obtained on 27.06.2023 against agreed consideration, of which only Rs. 25,00,000 was paid on 16.10.2023 and Rs. 50,00,000 on 01.03.2024. He alleges that his name was removed from the register and Respondent No. 6 was entered as transferee despite non-payment of the balance consideration.

2.8 The Company was converted into Respondent No. 1 LLP on 21.02.2024. The Applicant alleges that the conversion occurred without his consent and that the financial statements omitted a land parcel measuring 3,595 sq. mtrs. He instituted the present Company Petition on 18.04.2024 seeking rectification, inclusion as a designated partner, investigation into the affairs of the Company and cancellation of the asset sale.

2.9 The Applicant states that the Hon'ble Gujarat High Court dismissed R/Special Civil Application No. 16816 of 2024 on 16.12.2024 as not maintainable, observing that his status would be decided in the proceedings before this Tribunal. On 15.09.2025, the Hon'ble Supreme Court impleaded M/s Avadh Infracraft LLP in Civil Appeal No. 5890 of 2021; the Applicant's Counter-Affidavit/Reply filed in September 2026 is annexed as Annexure-A2.

2.10 Relying on Rule 11 and Sections 420 and 424 of the Companies Act, 2013, the Applicant cites *Manohar Lal Chopra v. Rai Bahadur Rao Raja Seth Hiralal*, AIR 1962 SC 527, and *Ram Chand & Sons Sugar Mills (P) Ltd. v. Kanhayalal Bhargava*, AIR 1966 SC 1899, on inherent powers. He also relies on *Shree Chamundi Mopeds Ltd. v. Church of South India Trust Association*, (1992) 3 SCC 1, Section 52 of the Transfer of Property Act, 1882, and the decisions in *Indian Bank v. Maharashtra State Co-operative Marketing Federation Ltd.* and *Pukhraj D. Jain v. G. Gopalakrishna*, (2004) 7 SCC 251, in support of deferment and interim protection.

3. The Respondents appeared pursuant to service of the Interlocutory Application. No reply has been filed by any Respondents. However, the Respondent No. 1 has filed written submissions opposing the application.

4. The Applicant filed written submissions on 19.10.2026 vide inward No. D-9090. The principal contentions are as follows: -

4.1 The Applicant submits that the reliefs in the Company Petition depend on the lawful membership of the Company and the interpretation of its original Articles of Association, which are also involved in the pending Civil Appeals before the Hon'ble Supreme Court.

4.2 It is contended that the Supreme Court proceedings now include subsequent events concerning the sale of land, transfer of the Applicant's shares and conversion

of the Company into an LLP. The purchaser, M/s Avadh Infracraft LLP, has also been impleaded in Civil Appeal No. 5890 of 2021.

4.3 The Applicant submits that the final judgment in the Civil Appeals will affect the determination of the Company Petition and that parallel adjudication may result in inconsistent findings and further proceedings.

4.4 Relying on Rule 11 and Sections 420 and 424 of the Companies Act, 2013, and Manohar Lal Chopra v. Rai Bahadur Rao Raja Seth Hiralal, AIR 1962 SC 527, the Applicant submits that the Tribunal may defer proceedings in the interest of justice even where Section 10 of the Code of Civil Procedure, 1908, does not strictly apply.

4.5 The Applicant contends that the subsequent transactions should be examined in light of the Supreme Court's final decision. He relies on Section 52 of the Transfer of Property Act, 1882, and submits that the transactions undertaken during pendency of the appeals remain subject to their outcome.

4.6 The Applicant seeks deferment with liberty to revive the Company Petition and interim protection against further alienation, encumbrance or restructuring. He submits that he does not abandon any relief or contention and that the application is intended to facilitate adjudication after the Supreme Court's decision.

5. The Respondent No. 1 filed written submissions on 21.10.2026 vide e-filing No. 2401105029702026/2. The principal contentions are as follows: -

5.1 The Respondent No. 1 contends that the application is misconceived and intended to delay the Company Petition. It relies on the order dated 01.10.2026, which recorded earlier opportunities for the Applicant to advance final arguments and directed that the matter would proceed on the next date without further adjournment.

5.2 The Respondent No. 1 submits that the Hon'ble Supreme Court has not directed a stay of the Company Petition and that the Applicant has not sought such relief before that Court. It contends that the pendency of the Civil Appeals does not justify deferment of the present proceedings.

5.3 The Respondent No. 1 contends that the Company Petition concerns rectification of the register in respect of the Applicant's 4,000 shares and is distinct from the Civil Appeals, which concern the transfer of 7,945 shares and proceedings relating to oppression and mismanagement.

5.4 The Respondent No. 1 submits that the Applicant's documents show that the transfer formalities concerning his 4,000 shares were completed and that any non-payment of consideration is a dispute between the transferor and transferee. It contends that such

non-payment does not make the Company or the LLP liable to rectify the register.

5.5 The Respondent No. 1 relies on the Applicant's affidavit dated 14.09.2026 filed in Civil Appeal No. 5890 of 2021, particularly paragraph 34, wherein the Applicant is stated to have distinguished the dispute concerning 7,945 shares from the separate dispute concerning his 4,000 shares pending before this Tribunal.

5.6 The Respondent No. 1 contends that the application presents a version inconsistent with the Applicant's affidavit before the Hon'ble Supreme Court and that the Civil Appeals do not determine the issues raised in the Company Petition. It disputes the Applicant's claim for deferment and interim protection.

5.7 The Respondent No. 1 submits that the application is intended to delay adjudication and seeks its dismissal with exemplary costs, alleging abuse of the process of law and of this Tribunal.

6. We have heard the learned Senior Counsel appearing for the Applicant/Petitioner and the learned counsel appearing for Respondent Nos. 1, 2 and 6, as recorded in the appearances, and perused the application, annexures, written submissions and material available on record. We have considered the pleadings, documents and submissions advanced on behalf of the parties.

7. Rule 11 of the National Company Law Tribunal Rules, 2016, preserves the inherent powers of this Tribunal to make orders necessary for the ends of justice or to prevent abuse of its process. Sections 420 and 424 of the Companies Act, 2013, empower the Tribunal to pass appropriate orders after hearing the parties and to regulate its procedure in accordance with law.

8. In ***Manohar Lal Chopra v. Rai Bahadur Rao Raja Seth Hiralal,*** *AIR 1962 SC 527,* the Hon'ble Supreme Court held that a court may exercise its inherent powers where necessary for the ends of justice, provided such exercise does not conflict with an express provision of law. *In* ***Ram Chand & Sons Sugar Mills (P) Ltd. v. Kanhayalal Bhargava****, AIR 1966 SC 1899,* the Court recognised the exercise of inherent jurisdiction to prevent abuse of process, subject to the limits imposed by law.

9. In ***Pukhraj D. Jain v. G. Gopalakrishna****, (2004) 7 SCC 251*, the Hon'ble Supreme Court considered the scope of Section 10 of the Code of Civil Procedure, 1908, and held that the provision does not automatically bar the court from proceeding with the subsequent suit in every circumstance. The applicability of the principle depends on the nature of the proceedings and the statutory requirements. The decision does not confer an unrestricted right to seek deferment of proceedings.

10. The Civil Appeals before the Hon'ble Supreme Court concern, inter alia, the interpretation of Articles 13 to 19 of the original Articles of Association, the transfer of 7,945 shares, limitation and the allegations of oppression and mismanagement. The present Company Petition also concerns the Applicant's separate transfer of 4,000 shares, the subsequent conversion of the Company into an LLP and the sale of its assets.

11. The final decision in the Civil Appeals may have a bearing on the questions concerning the original Articles of Association and the lawful membership of the Company. However, the Applicant's allegations regarding the transfer of his 4,000 shares, non-payment of consideration and the validity of subsequent transactions require examination with reference to the pleadings and evidence in the Company Petition.

12. The Respondent No. 1 has relied on the Applicant's affidavit dated 14.09.2026 filed before the Hon'ble Supreme Court, particularly paragraph 34, to contend that the transfer of 7,945 shares and the transfer of 4,000 shares are distinct transactions. This contention requires consideration with the other pleadings and documents and cannot, by itself, determine the maintainability or merits of the Company Petition.

13. In ***Shree Chamundi Mopeds Ltd. v. Church of South India Trust Association***, (1992) 3 SCC 1, the Hon'ble

Supreme Court held that a stay of operation of an order does not amount to setting aside that order. Accordingly, the NCLAT judgment dated 02.08.2021 remains subject to the order and final decision of the Hon'ble Supreme Court, and no conclusion on the disputed questions can be drawn merely from the existence of that judgment.

14. By order dated 22.10.2021, the Hon'ble Supreme Court stayed the operation and effect of the NCLAT judgment dated 02.08.2021. Subject to verification of the subsequent orders passed in the Civil Appeals, the material presently referred to in this application does not establish any direction staying Company Petition No. 19/(AHM)/2024. The pendency of the Civil Appeals, by itself, does not require the Company Petition to be adjourned sine die.

15. The Applicant has relied on Section 52 of the Transfer of Property Act, 1882, in relation to the transactions undertaken during the pendency of the proceedings. The applicability and effect of the doctrine of lis pendens depend on the statutory requirements and the facts of the transactions concerned. The said provision does not, by itself, establish that every transaction undertaken during the pendency of litigation is void.

16. The Applicant seeks interim protection concerning the land parcel measuring 3,595 sq. mtrs. at New R.S. No. 48/4, T.P. No. 28, F.P. No. 23, Village Rundh, Surat, and the constitution and assets of Respondent No. 1 LLP. The grant

of such relief requires consideration of the documents establishing the present status of the property, the evidence of any threatened alienation or creation of third-party rights, and the rights of persons likely to be affected.

17. The application, as summarised in the material placed before us, does not establish a sufficient basis for granting the blanket restraints sought against alienation, encumbrance, restructuring or dissolution of Respondent No. 1 LLP. Before passing any direction affecting the property, the Tribunal must also consider the status and scope of the earlier orders dated 25.04.2023 and 17.05.2023, if applicable, and whether the proposed direction would affect any person who has not been heard. This finding shall not operate as vacating or modifying any subsisting order passed by a competent forum.

18. We have also considered the procedural history recorded in the order dated 01.10.2026, as relied upon by Respondent No. 1, concerning the opportunities granted to the Applicant to advance final arguments. The Applicant's request for deferment must be considered on its legal merits; however, the inherent powers of this Tribunal cannot be exercised merely to keep proceedings pending indefinitely in the absence of sufficient grounds.

19. In view of the above, we find that the pendency of the Civil Appeals does not, by itself, justify adjournment sine die of the entire Company Petition. The questions arising in the

Company Petition shall be determined on the pleadings, documents and applicable law, while giving due effect to the orders and final judgment of the Hon'ble Supreme Court.

20. Accordingly, the prayer to adjourn sine die or defer further hearing of Company Petition No. 19/(AHM)/2024 until final disposal of Civil Appeal Nos. 5890 of 2021 and 5133 of 2021 is rejected. The prayer for liberty to seek revival after disposal of the Civil Appeals does not survive.

21. The prayer for a direction that the Company Petition shall not be treated as abandoned or dismissed for default during the proposed period of deferment also does not survive. The Company Petition shall proceed in accordance with law, subject to any further order passed by the competent forum.

22. The prayers for status quo concerning the partnership, contribution and profit-sharing pattern of Respondent No. 1 LLP, protection of the immovable properties, restraint against creation of third-party rights, and restraint against dissolution, winding up, striking off, conversion or restructuring are not granted in this Interlocutory Application. This shall not prevent the Applicant from seeking specific interim relief in the Company Petition in accordance with law.

23. Nothing stated in this order shall be construed as a finding on the merits of the claims or defences in Company Petition No. 19/(AHM)/2024, the validity of the transfer of the Applicant's 4,000 shares, the conversion of the Company

into an LLP, the sale deed dated 22.05.2023, or the rights of any person in the immovable properties. All such questions are left open for determination in the appropriate proceedings.

24. In view of the foregoing findings, **I.A. No. 120(AHM)/2026** is **disposed of** by rejecting the prayer for adjournment sine die and declining the interim reliefs sought in this application, subject to any subsisting order passed by a competent forum. In the facts and circumstances of the case, there shall be no order as to costs.

25. Let a copy of this order be placed in the record of Company Petition No. 19/(AHM)/2024. The Company Petition shall proceed in accordance with law, subject to any subsisting or subsequent order passed by the Hon'ble Supreme Court or any other competent forum.

CP/19(AHM)2024

Let the main case being **CP/19(AHM)2024** be listed for hearing for further consideration on 26.11.2026.

-SD-
SANJEEV SHARMA
MEMBER (TECHNICAL)

-SD-
SHAMMI KHAN
MEMBER (JUDICIAL)

Alpesh (PS)