

NATIONAL COMPANY LAW APPELLATE TRIBUNAL
PRINCIPAL BENCH, NEW DELHI

Comp. App. (AT) No. 135 of 2025

IN THE MATTER OF:

Harsh Singh

...Appellant

Versus

Union of India & Ors.

...Respondents

Present:

For Appellant : Mr. Ratnanko Banerjee, Sr. Advocate along with Mr. Rajat Joneja, Mr. Arpit Dwivedi, Mr. anikesh Brahma, Advocates.

**For Respondents : Mr. G.C. Yadav, Mr. Vinod Sharma, Mr. Sanjay Kumar Gupta & Dr. Kishorkumar Devarwade, Advocates.
Mr. Durga Dutt & Mr. Pradeep Yadav, for Union of India.**

O R D E R
(Hybrid Mode)

[Per : Justice Mohammad Faiz Alam Khan (Oral)]

16.06.2025 Heard Shri Ratnanko Banerjee, Learned Sr. Advocate for the Appellant and Shri Durga Dutt Counsel for the Respondent. Perused the record.

2. Learned Counsel for the Appellant while drawing the attention of this bench towards the Impugned Order passed by the Tribunal submits that without according any opportunity of being heard to the Appellant the Impugned Order has been passed and harsh directions have been issued, while Appellant was only an independent director and may not be held responsible for the decisions, which might have been taken by the Board of Directors of that company.

3. In order to buttress his submission, Learned Counsel for the Appellant has also drawn attention of this bench towards Sub-section 12 of

Section 149 of the Companies Act, 2013 as well as to the law laid down by the Hon'ble Supreme Court in **Neera Saggi vs. Union of India** reported in (2023) 16 SCC 453 and **V. Selvaraj vs. Reserve Bank of India** reported in (2019) SCC OnLine Mad 38930. Reference has also been given of the Circular dated 02.03.2020 issued by the Ministry of Corporate Affairs in order to show that it was not permissible to the Tribunal to have passed such harsh directions without providing opportunity of being heard to the Appellant, more so, when the Appellant is a Practising Advocate.

4. Learned Counsel for the Union of India submits that the order has been passed as an ad-interim measure, having regard to the investigation which was being carried out by the Central Government under Section 210 & 219 of the Companies Act, 2013 and it is with regard to the facts which have surfaced in such investigation an application has been moved before the Tribunal and keeping in view the urgency and the nature of facts investigated, the Impugned Order has been passed ad-interimly.

5. It is also submitted that in the same matter similarly situated Respondents have approached this Appellate Tribunal by filing Comp. App. (AT) No. 127 of 2025 & Comp. App. (AT) No. 128 of 2025 and vide order dated 04.06.2025 they were directed to appear before the Tribunal with further directions to treat the appeal filed before this Appellate Tribunal as their objections and with these directions, the appeals were finally disposed of.

6. Having heard Counsel for the Parties and perused the record, it is transpired that the investigation was started by the Central Government under Section 210 & 219 of the Companies Act, 2013 against the

Respondent No. 2 i.e., Gensol Engineering Limited and some other companies and also against their Erstwhile Directors and employees. Appellant is stated to be the Independent Director of one of such company.

7. During the course of investigations certain facts appears to have been investigated and on that basis an application has moved by the Union of India before the Tribunal, resulting in passing of the Impugned Order. Admittedly, the Impugned Order was passed without affording an opportunity of being heard to the Appellant, keeping in view the urgency which has been shown by the Union of India before the Tribunal.

8. We have perused the petition filed by the Union of India before the Tribunal and have found that categorical allegations of grave nature have been levelled therein. Relevant paragraphs of the application of the Union of India presented before the Tribunal, for the ready reference, is being reproduced as under :-

*“2.*** Also, Respondent No 2 to 06 are the Companies Ordered for Investigation along with Respondent No.1 under the provisions of Section 210 of the Companies Act, 2013 by the Central Government. Respondent No. 07-17 are the Companies Ordered for Investigation under the provisions of Section 219 the Companies Act, 2013 as solicited by the Inspector's appointed under Section 210 of the Companies Act, 2013 and Respondent No. 18-37 are the present or erstwhile Director's as well as Key Managerial Personnel, Chartered Accountant, Company Secretary, and other relevant concerned of the Respondent No. 1 i.e. Gensol Engineering Limited. Ministry has ordered for investigation under Section 210 & 219 of the Companies Act, 2013 vide order No. CL-11-03-120/2025-O/o DGCoA-MCA dated 28.04. 2025 for Respondent No. 1 to 6 and vide order No. CL-Il-03-120/2025-O/o DGCoA-MCA dated 15.05.2025 for Respondent No. 7 to 17. A copy of both orders dated 28.04.2025 & 15.05.2025 is annexed as Annexure- A3 (colly).”*

9. The name of the Appellant is emerging in the petition as Respondent No. 29.

10. It is to be recalled that any ad-interim or to say interim order passed by any tribunal or court may very well be set aside, modified and confirmed, if the aggrieved party appears and submits himself/ itself to the said court or the tribunal and shows that the order in the facts and circumstances, should not have been passed.

11. During the course of dictation of the order, it is informed by Learned Counsel for the Appellant that the Appellant in fact has now appeared before the Tribunal but he has not filed any objections to the interim stay application.

12. During the course of submissions, Learned Counsel for the Respondent No. 1/ Union of India has provided copy of an order passed by the Tribunal on 12.06.2025 and the same is taken on record which is also reproduced below as under :-

IN THE NATIONAL COMPANY LAW TRIBUNAL AHMEDABAD DIVISION BENCH COURT - 1	
	ITEM No.219 - CP/33(AHM)2025 With ITEM No.220 - IA/68(AHM)2025 ITEM No.221 - IA/70(AHM)2025 ITEM No.222 - IA/71(AHM)2025 ITEM No.223 - CAVEAT/7(AHM)2025 ITEM No.224 - Mis.A/4(AHM)2025 ITEM No.225 - Int.P/1(AHM)2025 ITEM No.226 - Comp.App/20(AHM)2025 ITEM No.227 - Comp.App/21(AHM)2025 ITEM No.228 - IA/56(AHM)2025 ITEM No.229 - IA/57(AHM)2025 ITEM No.230 - IA/63(AHM)2025 ITEM No.231 - IA/64(AHM)2025 ITEM No.232 - IA/65(AHM)2025 ITEM No.233 - IA/66(AHM)2025
<u>Proceedings under Section Sec. 241,242,246 r/w 339 of CA,2013</u>	
IN THE MATTER OF: Union of India, Ministry of Corporate Affairs V/s Gensol Engineering Limited & Ors	
ApplicantRespondent
<u>Order delivered on: 12/06/2025</u>	
<u>Coram:</u> Mr. Shammi Khan, Hon'ble Member(J) Mr. Sanjeev Kumar Sharma, Hon'ble Member(T)	
<u>PRESENT:</u>	
For the Applicant	: Mr. G. C. Yadav, RD (NWR), MCA : M. K. Sahu, DII, MCA : Mr. Shiv Pal Singh, Deputy Director, RD (NWR), MCA : Mr. Ankit Shah, Adv. : Ms. Prutha Bhavsar, Adv. : Mr. Dhrupad Vaghani, Adv. a. w. Ms. Gayatri Mohite, Adv., Mr. Ajiz Mk, Adv., Ms. Rashmi Shetty, Adv.
For the Respondents	: Mr. Vijay Kumar Singh, Adv. for R-1, R-10, : Mr. Parth Shah, Adv. for R- 2, R-3, R-5 & R-6 : Mr. Nilesh Udermani, Adv. for R-7, R-8 & R-17 : Mr. Manu Kapila, Adv. a. w. Mr. Tushar Agarwal, Adv., Ms. Parichay Ashar, Adv. and Mr. Priyamvada Kapila, Adv. for R-9



- : None for R-11
- : Mr. Shashwat Singh, Adv. for R-12, R-14, R-19 & R-20
- : Ms. Anagha Anasingaraju, PCS for R-13
- : None for R-15
- : None for R-16
- : Ms. Natasha D Shah, Adv. for R-18, R-35 & R-36
- : Mr. Bhash Mankad, Adv. a. w. Mr. Tejasv Anand, Adv. and Mr. Tushar Sharma, Adv. for R-21
- : Mr. Aasheer Pandya, Adv. for R-22, R-23, R-24, R-26, R-28 & R-30
- : Mr. Vinay Shukla, Adv. for R-25
- : None for R-27
- : Mr. Rajiv Chawla, Proxy Adv. for Mr. Arjun Sheth, Adv. for R-29
- : Mr. Dhinal Shah, Adv. a. w. Mr. Pavan S. Godiawala, Adv. for R-31
- : Mr. Jinesh Kapadia, Adv. for R-32
- : Mr. Navin Pahwa, Sr. Adv. a. w. Mr. Ravi Pahwa, Adv. for R-33
- : Ms. Laksha Bhavnani, Adv. a. w. Mr. Anandoday Mishra, for R-34
- : Mr. Chitranshul Sinha, Adv. a. w. Ms. Aishwarya Reddy, Adv. & Ms. Anuradha Basu, Adv. for R-37

For the RBI

: Mr. Amar Bhatt, Adv. a. w. Mr. Tirth Nayak, Adv.

ORDER
(Hybrid Mode)

CP/33(AHM)2025 with IA/68(AHM)2025, IA/70(AHM)2025, IA/71(AHM)2025, CAVEAT/7(AHM)2025, Mis.A/4(AHM)2025, Int.P/1(AHM)2025, Com.App/20(AHM)2025, Comp.App/21(AHM)2025, IA/56(AHM)2025, IA/57(AHM)2025, IA/63(AHM)2025, IA/64(AHM)2025, IA/65(AHM)2025 & IA/66(AHM)2025

CP/33(AHM)2025

1. Respondent No. 18 and Respondent No. 35 have filed an affidavit of declaration of assets. However, the learned counsel for the Union of India states that there is no declaration to the effect that these are the only assets owned by R-18 & R-35 mentioned in the affidavit.
2. Learned counsel for the R-18 and R-35 undertakes to file a revised affidavit of declaration of the effect, the total assets either in the shape of movable or immovable property owned by them as on the date.

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3. Further, the affidavit of declaration of assets filed by Respondent No. 9 was also disputed by the learned counsel for the Union of India not being proper in terms of the order dated 28.05.2025, as in prayer 22(b). It was directed to disclose their movable and immovable properties/assets, including bank accounts owned by them in India or anywhere in the world.
4. Learned counsel for the R-9 undertakes to file a revised, better affidavit of declaration in terms of the order dated 28.05.2025.
5. On perusal of the additional affidavit dated 09.06.2025 filed by the Petitioner/Union of India, the Petitioner/Union of India has stated herein in Para 5(a) qua the Respondent Companies and in Para 5(b) qua the Individual Respondents for giving consent for modification of the Interim order dated 28.05.2025, as an interim measure in order to mitigate the personal hardships of the Individuals Respondents and to keep the operational company as a going concern based on precedents and settled case laws.
6. In return, the learned counsels appearing for the Respondent Companies i.e. R-2, R-3, R-5, R-6, R-7, R-8, R-9, R-11, R-12, R-13, R-14, R-15, as well as the Individual Respondent, appear for R-22 agreed for the same subject to their IAs' prayers.
7. The Respondents have already been given an extended period to file their reply as well as affidavit of declaration within an extended period granted by this Tribunal vide order dated 03.06.2025 i.e., by 17.06.2025.
8. Learned counsel, Mr. Amar Bhatt a. w. learned counsel, Mr. Tirth Nayak appears for the Reserve Bank of India and states that he has filed affidavit on 06.06.2025 vide Inward No. D 3524, the same is taken on record.
9. Re-list for further consideration on 19.06.2025.

IA/68(AHM)2025

Learned counsel, Mr. Vinay Shukla appears for the Applicant/R-25.

This is an application filed by the Applicant/R-25 under Rule 11 with Rule 34 & 51 of the NCLT Rules, 2016 with the following prayers:-



- a) Recall the interim order dated 28.05.2025, in so far as it pertains to the Applicant/Respondent No. 25;
- b) Pass an order directing the unfreezing of the Applicant's personal bank accounts and properties, as the Applicant is neither concerned with nor liable for the acts alleged in the Company Petition;
- c) Discharge the Applicant from the array of Respondents in the present proceedings;
- d) Pass such other order(s) or direction(s) as this Hon'ble Tribunal may deem just, equitable, and appropriate in the interest of justice.

Learned counsel for the Respondent/Union of India appears and waives the notice. Let the reply, if any, be filed with an advance copy to the opposite side within a period of four working days. Thereafter, rejoinder, if any, be filed.

However, we are conscious that R-25, who has appeared in the main matter, has neither filed any reply nor declared any assets qua movable or immovable assets on oath till date in terms of the order dated 28.05.2025.

Re-list for further consideration on **24.06.2025**.

IA/70(AHM)2025

Learned counsel, Ms. Natasha D Shah appears for the Applicant/R-18.

This is an application filed by the Applicant/R-18 under Rule 49(2) read with Rule 11 of the NCLT Rules, 2016 and also read with Section 420(1) of the Companies Act, 2013 with the following prayers:-

- (a) Allow the present application and recall / vacate the order dated 28.05.2025 passed by this Hon'ble Tribunal in its entirety.
- (b) Pass an ex-parte ad-interim order staying the operation of order dated 28.05.2025 against the Applicant / Respondent No. 18 pending final hearing of the present application.
- (c) Pass an ex-parte ad-interim order permitting the Applicant / Respondent No. 18 operate her bank account pending final hearing of the present application.
- (d) Pass an ex-parte ad-interim order removing any lien/embargo places on the self-owned properties the Applicant / Respondent No. 18 vide order dated 28.05.2025.

- (e) Pass any order, further orders as this Hon'ble Tribunal may deem fit and proper in the facts and circumstances of the case and in the interest of justice.*

Learned counsel for the Respondent/Union of India appears and waives the notice. Let the reply, if any, be filed with an advance copy to the opposite side within a period of four working days. Thereafter, rejoinder, if any, be filed.

Re-list for further consideration on 19.06.2025.

IA/71(AHM)2025

Learned counsel, Ms. Natasha D Shah appears for the Applicant/R-35.

This is an application filed by the Applicant/R-35 under Rule 11 read with Rule 49 of the NCLT Rules, 2016 read with Section 420(1) of the Companies Act, 2013 with the following prayers:-

- (a) Allow the present application and recall / vacate the order dated 28.05.2025 passed by this Hon'ble Tribunal in its entirety.*
- (b) Pass an ex-parte ad-interim order staying the operation of order dated 28.05.2025 against the Applicant / Respondent No.35 pending final hearing of the present application.*
- (c) Pass an ex-parte ad-interim order permitting the Applicant / Respondent No. 35 operate her bank account pending final hearing of the present application.*
- (d) Pass an ex-parte ad-interim order dispensing the Applicant / Respondent No. 35 from disclosing her personal assets pending final hearing of the present application.*
- (e) Pass any order, further orders as this Hon'ble Tribunal may deem fit and proper in the facts and circumstances of the case and in the interest of justice.*

Learned counsel for the Respondent/Union of India appears and waives the notice. Let the reply, if any, be filed with an advance copy to the opposite side within a period of four working days. Thereafter, rejoinder, if any, be filed.

Re-list for further consideration on 19.06.2025.

CAVEAT/7(AHM)2025

This CAVEAT/7(AHM)2025 has been filed by the Applicant i.e. Jatinbhai Harishbhai Kapadia with the following prayers:

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Let no orders be passed in the appeal expected to be filed or in any petition or application or interlocutory application that may be preferred by the expected Appellant/Petitioner/Applicant without service of notice on the caveator.

The caveator undertakes to accept service of appeal or petition or application and appear before this Tribunal on the date and time at which the appeal / petition / application is moved by expected Appellant / Petitioner / Applicant.

As no further order is required, **CAVEAT/7(AHM)2025** is become **infructuous**.

Mis.A/4(AHM)2025

It is seen from the pleadings that Applicant /R-32 has filed an affidavit of declaration of assets, but no reply has been filed in the main case **CP/33(AHM)2025**.

We have heard the arguments of the learned counsel for the Applicant/R-32 as well as learned counsel for the Union of India along with the Regional Director.

After hearing the submissions on queries, the learned counsel for the Applicant/R-32 stated that the Applicant/R-32 willing to give an undertaking not to alienate the assets of the Applicant / R-32 during the subsistence of the investigation carried out by the MCA in the matter. Further, the Applicant/R-32 will assist, join, and cooperate with the investigation of the present matter. the Applicant/R-32 will also inform before leaving for abroad in advance, as and when required to the RoC as well to this Tribunal, along with a copy of the passport, visa, and return ticket details.

Learned counsel for the Applicant / R-32 also undertakes to provide the details and names of the persons to the MCA/RoC, Investigating Officer, and to this Tribunal who were instrumental in the audit or any other advisory services to the Respondent Company GE.

We have heard the parties and perused the record.

The order is reserved.

Com.App/20(AHM)2025

It is seen from the pleadings that Applicant / R-33 has filed a reply, but the affidavit of declaration of assets has not been filed in the main case **CP/33(AHM)2025**.

We have heard the arguments of the learned counsel for the Applicant/R-33 as well as learned counsel for the Union of India along with the Regional Director.

After hearing the submissions on queries, the learned counsel for the Applicant/R-33 stated that the associated partners of the Applicant Company are dealing with the Respondent Company willing to give an undertaking not to alienate the assets of the

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Applicant / R-33 during the subsistence of the investigation carried out by the MCA in the matter. Further, they will assist, join, and cooperate with the investigation of the present matter. They will also inform before leaving for abroad in advance, as and when required to the RoC as well to this Tribunal, along with a copy of the passport, visa, and return ticket details.

Learned senior counsel for the Applicant / R-33 also undertakes to provide the details and names of the persons to the MCA/RoC, Investigating Officer, and to this Tribunal who were instrumental in the audit or any other advisory services to these companies, including the partners of the companies.

We have heard the parties and perused the record.

The order is reserved.

IA/56(AHM)2025.

It is seen from the pleadings that the Applicant / R-31 has filed a reply, but affidavit of declaration of assets has not been filed in the main case CP/33(AHM)2025.

We have heard the arguments of the learned counsel for the Applicant/R-31 as well as learned counsel for the Union of India along with the Regional Director.

After hearing the submissions on queries, the learned counsel for the Applicant/R-32 stated that the Applicant/R-31 willing to give an undertaking not to alienate the assets of the Applicant / R-31 during the subsistence of the investigation carried out by the MCA in the matter. Further, the Applicant/R-31 will assist, join, and cooperate with the investigation of the present matter. the Applicant/R-31 will also inform before leaving for abroad in advance, as and when required to the RoC as well to this Tribunal, along with a copy of the passport, visa, and return ticket details.

Learned counsel for the Applicant / R-31 also undertakes to provide the details and names of the persons to the MCA/RoC, Investigating Officer, and to this Tribunal who were instrumental in the audit or any other advisory services to the Respondent Company GE.

We have heard the parties and perused the record.

The order is reserved.

Int.P/1(AHM)2025 & Comp.App/21(AHM)2025

No reply has been filed by the Respondent/Union of India, in terms of last order dated 06.06.2025. The learned counsel for the Respondent/Union of India seeks 24

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hours more time for filing the reply as reply is ready. Let the same be filed with advance copy to the opposite side. Thereafter, rejoinder, if any, be filed well before the next date of hearing by exchanging with each other.

Re-list for further consideration on 19.06.2025.

IA/57(AHM)2025

In pursuance to the order dated 05.06.2025, a reply has been filed by the Union of India on 10.06.2025 vide Inward No. D 3603, However, no rejoinder has been filed.

We have heard the arguments of the learned counsel for the Applicant / R-9 as well as learned counsel for the Union of India along with the Regional Director.

After hearing the submissions on queries, the learned counsel for the Applicant / R-9 stated that the Applicant / R-9 willing to give an undertaking not to alienate the assets of the Applicant / R-9 during the subsistence of the investigation carried out by the MCA in the matter. Further, the Applicant / R-9 will assist, join, and cooperate with the investigation of the present matter. The Applicant / R-9 will also inform before leaving for abroad in advance, as and when required to the RoC as well to this Tribunal, along with a copy of the passport, visa, and return ticket details.

Learned counsel for the Applicant / R-9 also undertakes to provide the details and names of the persons to the MCA/RoC, Investigating Officer, and to this Tribunal who were instrumental in the audit or any other advisory services to the Respondent Company GE

Further, learned counsel for the Applicant / R-9 states that he has no grievance if this IA is disposed of, in terms of the reply filed by the Union of India in the main petition, in terms of Para 5(a) for the companies.

We have heard the parties and perused the record.

The order is reserved.

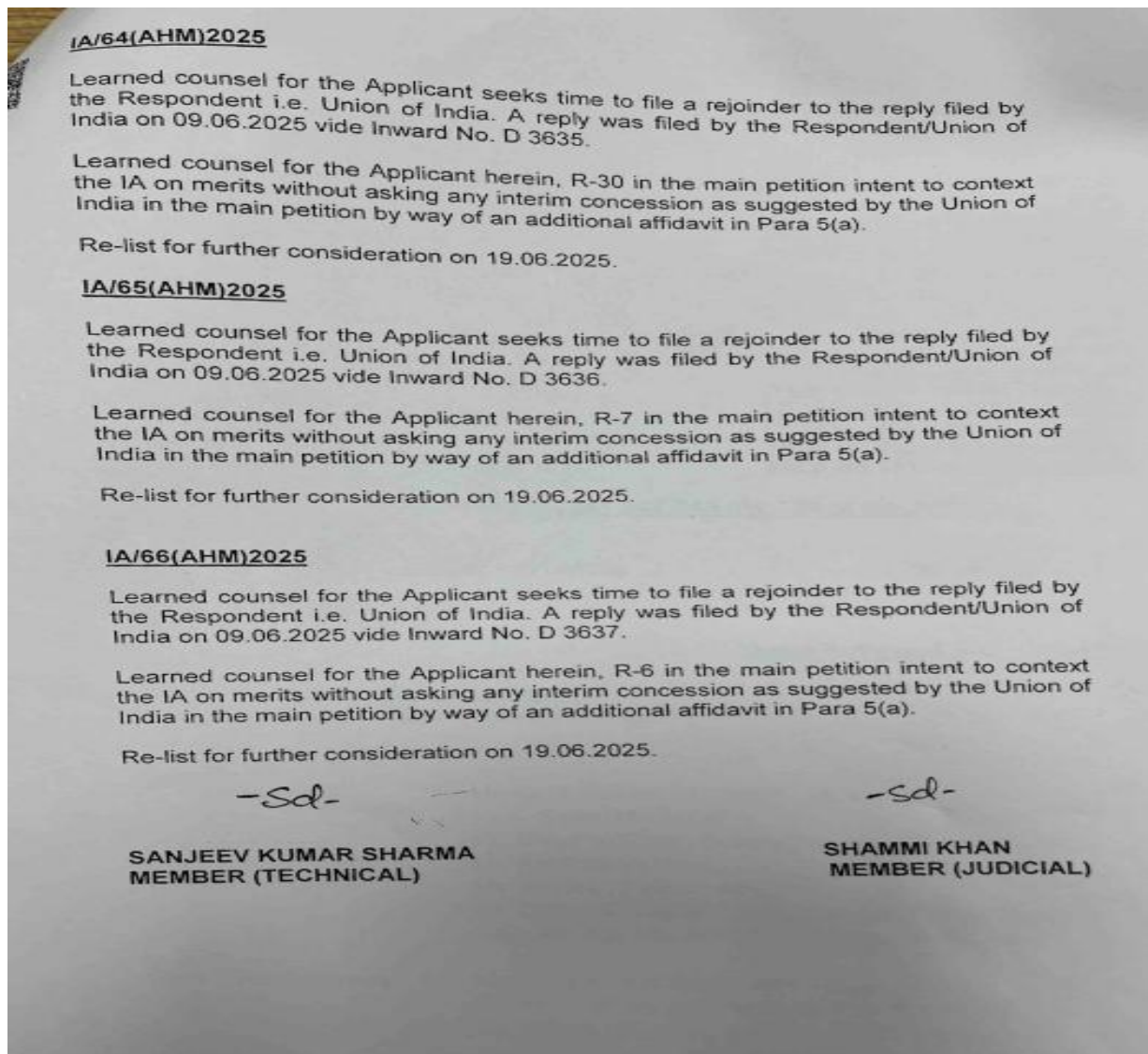
IA/63(AHM)2025

Learned counsel for the Applicant seeks time to file a rejoinder to the reply filed by the Respondent i.e. Union of India. A reply was filed by the Respondent/Union of India on 09.06.2025 vide Inward No. D 3634.

Learned counsel for the Applicant herein, R-12 in the main petition intent to contest the IA on merits without asking any interim concession as suggested by the Union of India in the main petition by way of an additional affidavit in Para 5(a).

Re-list for further consideration on 19.06.2025.

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13. The Appellant himself has provided the order of coordinate bench of this Court passed in Comp. App. (AT) No. 127 of 2025 & Comp. App. (AT) No. 128 of 2025 on 04.06.2025, wherein the Appellant Companies have been directed to approach the Tribunal with a consequential direction to the Tribunal to pass appropriate order after considering their objections.

14. Keeping in view all the facts and circumstances of this case and the importance of this matter as shown by the Union of India before the Tribunal, we are not inclined to interfere in the impugned ad-interim order passed by the tribunal. However, as the Impugned Order is purely of ad-interim nature and the Appellant has already appeared before the tribunal,

the Appellant would be at liberty to file objections pertaining to the stay application or for vacation of ad interim / Impugned Order within a very short period to say withing two days and if such application and objections are filed the Tribunal would consider the same and pass a reasoned order.

15. Thus, the instant appeal filed by the Appellant is finally **disposed of** with a direction that the Appellant who has already appeared before the Tribunal may submits its objection to the interim stay application or may file a stay vacation application within two days from today taking all the grounds which have been taken before this Tribunal, as we have been informed that the next date before the Tribunal is fixed as 19.06.2025.

15. If such application/ objections is filed, during the time stipulated herein above, the Tribunal would be under an obligation to dispose of the same strictly in accordance with law after providing an opportunity of being heard to the concerned parties.

16. I.A., if any, are Closed.

[Justice Mohammad Faiz Alam Khan]
Member (Judicial)

[Mr. Naresh Salecha]
Member (Technical)

Sim/RR