

IN THE SUPREME COURT OF INDIA

INHERENT JURISDICTION

CONTEMPT PETITION (CIVIL) NO(S). 227/2025

IN

CIVIL APPEAL NO(S). 10643/2024

S. SATHISH KUMAR & ORS.

PETITIONER(S)

VERSUS

SANDEEP JAIN & ORS.

ALLEGED CONTEMNOR(S)/
RESPONDENT(S)

O R D E R

This contempt petition is filed at the instance of the employees of the corporate debtor. It has been filed in the Civil Appeal No.10643/2024. It is the case of the contempt petitioners that the alleged contemnor(s)/respondents have willfully disobeyed and violated the judgment and order dated 12.09.2024 passed in the said appeal referred to above. The said appeal came to be disposed of by this Court

vide order dated 12.09.2024 in the following terms:-

"1 Permission to file the appeal without certified/plain copy of the impugned order is granted. A copy of the order which has since been made available was produced during the hearing.

2 The appeal arises from an order dated 6 September 2024 of the National Company Law Appellate Tribunal¹.

3 We have heard Mr Mukul Rohatgi and Dr Abhishek Manu Singhvi, senior counsel appearing on behalf of the appellant. Mr Kapil Sibal, Mr C Aryama Sundaram and Mr Dama Seshadri Naidu, senior counsel respectively appeared for the contesting respondents.

4 By the impugned order dated 6 September 2024, the NCLAT has issued the following directions:

"For a period of one week or till the next date, the Resolution Professional will continue to operate the plant as before and the "status quo" as on date, qua the Resolution Professional would be maintained, particularly for all the financial transactions."

5 Mr Mukul Rohatgi, senior counsel for the appellants submitted that the Committee of Creditors approved the Resolution Plan by a 97% vote on 22 November 2023. The plan was approved by the National Company Law Tribunal on 30 August 2024. According to the appellants, on 31 August 2024, an amount of Rs 3335 crores has been paid to sixteen lenders and possession was taken.

6 The appeal was filed before the NCLAT on 3 September 2024 and the impugned order has been passed on 6 September 2024.

7 During the course of the hearing, reliance has been placed on relevant provisions of the Expression of Interest (EoI) and the Request for

Resolution Plan (RFRP) documents. Since the proceedings are pending before the NCLAT, we are desisting from making any observation on the interpretation of the conditions on which reliance has been placed by the rival parties. However, prima facie, at this stage we are of the view that the impugned order of the NCLAT suffers from an internal inconsistency in that while on the one hand, the NCLAT directed that for a period of one week or till the next date "the Resolution Professional will continue to operate the plant as before", at the same time, it directed that "the *status quo* as on date qua the Resolution Professional would be maintained".

8 The first part of the above direction indicates that the status quo ante would have to be restored, while the second part of the above direction seems to indicate that the *status quo* as on date, namely, as on 6 September 2024, would be maintained. The proceedings have been listed before the NCLAT on 18 September 2024.

9 Mr C Aryama Sundaram, senior counsel submitted that an application under Section 12A of the Insolvency and Bankruptcy Code 2016 was filed by a shareholder of the Corporate Debtor. The application was dismissed by the NCLT against which an appeal has been filed.

10 During the course of the hearing, it has been stated on both sides that no adjournment would be sought before the NCLAT and, as a matter of fact, Mr Kapil Sibal, senior counsel for the respondent submitted that should the NCLAT be inclined to pre-pone the hearing, the respondents would be ready and willing to go on with the hearing before the NCLAT.

11 In view of the above background and particularly, having due regard to the inconsistency in the ad-interim order which has been noted above, we are of the view that the following order would sub-serve the ends of justice:

(i) The parties shall in terms of the statement which has been made on their behalf before this Court, cooperate with the NCLAT when the proceedings are taken up on 18 September 2024 for disposal of the appeal on merits; and

(ii) Until the appeal is heard and disposed of by the NCLAT, the impugned direction of the NCLAT shall not require that the status quo ante should be restored. The status quo as was operating when the order was passed on 6 September 2024 shall continue to remain in operation. This shall however be subject to two conditions:

(a) The successful resolution applicant shall not dismantle the plant or create any third party rights; and

(b) No steps shall be taken to alienate the plant or create any financial obligations except in the ordinary course of the business.

12 The impugned order of the NCLAT shall stand modified in the above terms. The present order shall not be construed by the NCLAT as any expression on the merits of the rival contentions which are kept open. No equities will be created by the present order.

13 The appeal is accordingly disposed of.

14 Pending applications, if any, stand disposed of."

2. Mr. Kamat, the learned senior counsel appearing for the contempt petitioners would submit that this Court made it very abundantly clear in its order that until the appeal is heard and disposed of by the National Company Law Appellate Tribunal, Chennai (for short, 'the NCLAT'), the *status quo* as was operating in the order that came to be passed on 06.09.2024 would continue to remain in operation subject to

the two conditions as enumerated in the order.

3. The grievance of the contempt petitioners is that although there was an order of *status quo*, yet they have been transferred to different places from Chennai. On the other hand, Mr. Nadkarni, the learned senior counsel appearing for the alleged contemnor(s)/respondents while vehemently opposing this contempt petition, submitted that the hearing before the NCLAT stood concluded almost one year back. Thereafter, the matter was again re-heard and now it has been reserved for orders since January, 2025. He would submit that there is no contempt. According to him, the promoters have put forward to these employees to raise such issues.

4. We do not propose to get into any further debate whether there is any contempt or not. It will be in the fitness of things and in the interest of all the parties concerned, if the NCLAT proceeds to pronounce the judgment in the appeal which has already been heard at the earliest.

5. We request the NCLAT to pronounce the judgment in Company Appeal (AT)(CH)(Ins.) No.325/2024 preferably within a period of two months from today. Once, the said appeal is decided one way or the other, we leave it to the parties concerned to avail appropriate legal remedy before the appropriate forum in accordance with law.

6. With these observations, the contempt petition is disposed of.

7. Pending application(s), if any, shall also stand disposed of.

.....J.
[J.B. PARDIWALA]

.....J.
[K.V. VISWANATHAN]

New Delhi;
October 10, 2025.

ITEM NO.46

COURT NO.7

SECTION XVII-B

S U P R E M E C O U R T O F I N D I A
RECORD OF PROCEEDINGS

CONMT.PET.(C) NO. 227/2025 IN C.A. NO. 10643/2024

S. SATHISH KUMAR & ORS.

PETITIONER(S)

VERSUS

SANDEEP JAIN & ORS.

ALLEGED CONTEMNOR(S)/
RESPONDENT(S)

Date : 10-10-2025 This petition was called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE J.B. PARDIWALA
HON'BLE MR. JUSTICE K.V. VISWANATHAN

For Petitioner(s) Mr. Devadatt Kamat, Sr. Adv.
Mr. Rajesh Gulab Inamdar, AOR
Mr. Revanta Solanki, Adv.
Mr. Ajay Desai, Adv.

For Respondent(s) Mr. A.N.S. Nadkarni, Sr. Adv.
Mr. Mahesh Agarwal, Adv.
Mr. Sandeep Singhi, Adv.
Mr. Arshit Anand, Adv.
Ms. Vidisha Swarup, Adv.
Mr. M.a. Kartik, Adv.
Ms. Ninni S. Thomas, Adv.
Ms. Megha Khanna, Adv.
Ms. Palak Bhagat, Adv.
Mr. E. C. Agrawala, AOR

UPON hearing the counsel the Court made the following
O R D E R

1. The Miscellaneous Application D. No. 56881/2025 is taken on board. List this application(s) on 31.10.2025.
2. The contempt petition is disposed of in terms of the signed order, which is placed on the file.
3. Pending application(s), if any, shall also stand disposed of.

(NIRMALA NEGI)
ASTT. REGISTRAR-cum-PS

(POOJA SHARMA)
COURT MASTER (NSH)