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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

% *Decided on: 20.12.2022*

\+ FAO(OS) (COMM) 280/2022 & CM APPL. 42259/2022, CM APPL. 42260/2022, CM APPL. 42261/2022, CM APPL. 45842/2022 & CM APPL. 48585/2022

SHARAD MEHRA ...Appellant

Through: Mr Jayant K. Mehta, Sr. Advocate with Mr Nikhil Singhvi, Mr Yogendra Aldak, Mr Kunal Arora, Ms Vaishali Goyal, Ms Bhavya Shukla, Mr Bilal Ikram, Mr Shikhar Kishore, Mr Badri Narayan, Mr Karan Sachdeva and Mr Archit Gupta, Advocates.

versus

SANJAY MEHRA & ORS. ..... Respondents

Through: Mr Rajiv Nayyar, Mr Akhil Sibal, Sr. Advocates with Mr Manish Baila, Mr Chravan Chandrashekhar, Ms Manisha Sharma, Mr Shreyak, Ms Sanya Kumar and Ms Asavari Jain, Advocates.

CORAM:
HON'BLE MR. JUSTICE NAJMI WAZIRI
HON'BLE MR. JUSTICE GAURANG KANTH

NAJMI WAZRI, J. (ORAL)

The hearing has been conducted through hybrid mode (physical and virtual hearing).

1. The court is informed that respondent - Sanjay Mehra has already signed the credit facility renewal letter with RBL Bank,

albeit he has been ready and willing to pay off the debt/credit facility of Rs.15 crores which has been extended to the Domestic Division. However, since RBL Bank is not releasing his properties and assets – both of the Domestic Division as well as his personal properties, which have been pledged/mortgaged or guaranteed against the said loans along with other credit facilities extended by RBL Bank to the company: M/s Superon Schweisstechnik India Ltd. (SSIL). Nevertheless, in a spirit of cooperation, he has as afore-noted, extended the enjoyment of credit facility by the appellant, for his Export Division, so that the parties can soon go their separate ways in a legitimate manner.

2. The respondent- Sanjay Mehra is also ready and willing to issue a similar 'no objection'/sanction letter apropos credit facilities being enjoyed by the Company apropos its Export Division, from the Citi Bank and ICICI Bank for which the appellant-Sharad Mehra would be solely liable. Sanjay Mehra has also moved a petition for demerger of the company in terms of the Family Settlement.

3. Mr. Jayant Mehta, the learned Senior Advocate for the appellant states upon instructions, that the appellant-Sharad Mehra has no objection to the demerger, however it would be prudent for both parties if the same is endeavoured to be achieved in a time-bound manner; that the respondent is agreeable to this process especially because, for the moment the slump-sale-proposal, is not agreeable to the respondent- Sanjay Mehra. He further

submits that the reply/affidavit to the demerger petition pending before the learned NCLT, will be filed by the end of this month, so that the same could be made available for consideration before the learned NCLT on the next date, which is 04.01.2023. The learned counsel for the parties assure the court and undertake and that they will fully assist the learned NCLT and request it to take up the demerger petition at an early date so that it could be disposed-off, preferably within a period of eight weeks from 04.01.2023. The court is confident that when such a request is made, it will be duly considered by the learned NCLT. The learned counsel for the parties assure the court that they will not seek any adjournment whatsoever and assist the learned NCLT in disposing-off the demerger petition within the aforesaid period of eight weeks.

4. The learned counsel for the parties state that they will cooperate with the Statutory Auditor apropos all data which may be sought by the latter for the expeditious audit of the Company being carried out for the period of 01.04.2022 to 31.10.2022.

5. Mr. Mehta refers to para 7 of this court's order dated 24.11.2022, which reads as under:

> *"…7. The signature of the respondent/Mr Sanjay Mehra on bank documents/communication regarding continuation of credit facility to the appellant (SSIL-Export Division) will be on the understanding that he and/or Domestic Division has no liability to financial creditors beyond Rs. 15 crores or so to RBL Bank, and the same would not be recoverable from the Domestic Division and his personal assets. It is*

agreed between the parties that the banks will be communicated that for the Export Division, operations will be conducted solely by Mr Sharad Mehra and for the Domestic Division, the operations will be conducted solely by Mr Sanjay Mehra without either of them requiring to sign on cheques..."

6. He submits that in terms of the aforesaid the banks were to be communicated that for the Export Division, operations will be conducted solely by Mr Sharad Mehra and for the Domestic Division, the operations were to be conducted solely by Mr Sanjay Mehra, without either of them being required to sign on cheques pertaining to the other Division.
7. Mr. Akhil Sibal, the learned Senior Advocate for the respondents submits that the said agreement is part of a larger settlement between the parties, which required, *inter alia,* that RBL Bank and other Banks transfer/release/discharge the personal assets and guarantees pledged for the credit facilities being enjoyed by the Export Division. This has not happened. The assets of the Company which have come to the Domestic Division have also been pledged. In the circumstances, the respondent-Sanjay Mehra has not been sufficiently reassured of monies being exclusively used for the Export Division.
8. He further submits that the progress in the NCLT proceedings will itself be sufficient proof for the respondent to look at the issue afresh to effectuate the agreement in terms of para 7 of this court's order dated 24.11.2022.
9. In view of the above, no further orders are required. The appeal

stands disposed-off, leaving it open to the parties to approach the court in case of difficulty only apropos agreements recorded in this court.

NAJMI WAZIRI, J

GAURANG KANTH, J

DECEMBER 20, 2022/*rd*