



IN THE NATIONAL COMPANY LAW TRIBUNAL

KOCHI BENCH

Contempt Petition (IBC)/5/ KOB/2025

IN

IA(IBC)/97/KOB/2023

IN

CP(IB)/45/KOB/2021

(Under Section 425 of the Companies Act, 2013 read with Section 11 & 12 of the Contempt of Courts Act,1971 & Rule 11 of NCLT Rules, 2016)

Date of Institution:09.10.2025

Order delivered on: 06.04.2026

In the matter of:

M/S Savute Textiles Private Limited

MEMO OF PARTIES:

Mr. Satish Gopalakrishna Pillai,

73-74, Swaroop Park,

Near Gandhi Bhavan,

Kothrud Pune, Maharashtra-411029.

Currently residing at:

Building No. 3,

Zone 42, Street 826/Al Shuhub,

Al Hilal, Doha, Qatar.

... Petitioner

-Vs-

1. Mr. Vinesan Gopinathan,

Director (Power suspended),

M/s Savute Textiles (P) Ltd, Vaninilayam,

PRA 68, Friends Nagar,

Palachuvadu, Kakkanad,

Ernakulam - 682 038.

Residing at Flat F1,

Builtech Avenue,

Kootupatha Chandra Nagar P.O,

Palakkad-678007.



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- 2. Mr. Vinesan Gopinathan,**
S/o Gopinathan, Director,
M/s. HST Exports (P) Limited,
previously known as Savute Textiles
and Clothing Exports Pvt Ltd)
Having its registered office at,
SEZ, 1G3 Infra Ltd.,
Vadamugham, Kangeyam, Palayam,
Uthukuly Taluk, Tirupur Dt.,
Tamil Nadu-638 751.
Residing at Flat F1,
Builtech Avenue,
Kootupatha chandra Nagar P.O.
Palakkad – 678007.
- 3. Mr. Stephan Logan,**
Managing Director,
M/s. Global Latitude Limited,
First Floor, 2 Woodberry Grove
ODR England to Office 9,
Dalton House 60
Windsor Avenue London SW19
London N 12 OD.
Residing at 5, Wynfort Lodge,
Moira, Craigavon BT 67 OQT,
London.
- 4. Mr. Vinayan Gopinathan,**
Aged 43 years, S/o. Gopinathan,
Proprietor, M/s. Silent Valley Trading,
SEZ, 1G3 Infra Ltd., Vadamugham, Kangeyam,
Palayam, Uthukuly Taluk, Tirupur District,
Tamil Nadu 638 751.
- 5. Mrs. Vanidevi V (a.k.a. Vani Vinesan),**
Aged 45 years, D/o. Unni, Propreitrix, American
Blue Textiles, Having registered office at, PRA



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68 Vaninilayam, Friends Nagar, Palachuvadu,
Kakkanad, Ernakulam, Kerala- 682 038.
Residing at Flat F1, Builtech Avenue,
Kootupatha Chandra Nagar P.O,
Palakkad-678007

... Respondents

Coram:

HON'BLE MEMBER (JUDICIAL) : SHRI. VINAY GOEL

Appearances:

For the Petitioner : Mr. Joseph Kodianthara, Advocate.
For the Respondents : Mr. Shameem Ahamed, Advocate.

ORDER

1. This Contempt Petition has been filed under Section 425 of the Companies Act, 2013, read with Section 11 & 12 of the Contempt of Courts Act, 1971 and Rule 11 of the NCLT Rules, 2016, by a major shareholder in the Corporate Debtor, M/s Savute Textiles Private Limited (hereinafter 'the Corporate Debtor') against its Suspended Directors of the Corporate Debtor, and the related parties of the said Suspended Directors for their alleged wilful and deliberate violation of the order dated 25.04.2024 passed by this Adjudicating Authority in IA(IBC)/97/KOB/2023.

Brief facts of the case: -

2. The Corporate Insolvency Resolution Process was initiated against M/s Savute Textiles Private Limited on 11.03.2022, and during the process, the Resolution Professional identified fraudulent transactions by the suspended directors, including unauthorized transfer of assets and siphoning of funds. Consequently, an application under Section 66 of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred as the Code) was filed, and by



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- order dated 25.04.2024, this Adjudicating Authority declared the Business Transfer Agreement null and void and directed restoration of assets and payment of specified amounts to the Corporate Debtor.
3. The said order was challenged before the Hon'ble High Court of Kerala, which dismissed the writ petitions, holding that Regulation 35A is directory and rejecting the objections regarding third parties. The petitioner stated that despite the dismissal of the writ petitions and full knowledge of the orders, the Respondents have failed to comply, compelling the Petitioner to seek contempt proceedings under Section 425 of the Companies Act, 2013.
 4. The Respondents contended that the Contempt Petition is not maintainable as there is no material to show any wilful disobedience of the order dated 25.04.2024, and mere non-compliance does not amount to civil contempt. They submitted that the Petitioner has no *locus standi*, the proper remedy for recovery of money is execution and not contempt, and that compliance with the directions was either practically impossible (as the disputed goods were not available) or beyond their financial capacity. The allegation regarding the removal of machinery is denied by the respondents, and it is stated that only a single machine was temporarily moved for repair with the approval of the SEZ authorities and was returned, and no other assets were removed after the order. It is further contended that the petition is based solely on the RP's quarterly report, that no finding of siphoning of funds was recorded in the order, and that the proceedings are an abuse of process liable to be dismissed with costs.
 5. During the pendency of the Contempt Petition, the Applicant has filed IA(IBC)/390/KOB/2025 seeking permission to take on record certain documents, including the 8th Quarterly Progress Report of the Liquidator, photographs, and other supporting material evidencing the unauthorized removal of plant, machinery, and closing stock by the Respondents on



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19.11.2024 and 20.11.2024, which were not available at the time of filing the Contempt Petition. According to the Petitioner, these documents demonstrate the wilful and deliberate non-compliance of the order dated 25.04.2024 by the Respondents and are crucial for the proper adjudication of the Contempt Petition. Vide order dated 12.03.2026, this Adjudicating Authority has already taken the said documents on record, and IA(IBC)/390/KOB/2025 was accordingly disposed of.

Findings:

6. This Adjudicating Authority has heard the learned Counsel appearing for the parties and has perused the documents placed on record, the written submissions filed, and the judgments relied upon by both sides.
7. The Applicant has filed the present contempt petition against the Respondents for non-compliance with the order dated 25.04.2024 passed by this Adjudicating Authority under Section 60 of the Code, directing restoration of the assets and payment of specified amounts to the Corporate Debtor. At the outset, it is noted that the controversy involved in the present matter is not *res integra*. This Adjudicating Authority has already decided a similar matter in *Contempt Petition (IBC)/2/KOB/2023 in TIBA/34/KOB/2019* and *Contempt Petition (IBC)/3/KOB/2023 in TIBA/34/KOB/2019*, vide order dated 18.02.2026, reported in *IBC Laws in the matter of M/S Axiomata Elevators Private Limited (2026) ibclaw.in 532 NCLT*.
8. Having substantially identical issues, this Tribunal had the occasion to examine the scope of applicability and the legal consequences flowing from the relevant statutory provisions, and to draw a distinction between non-compliance of an order and the exercise of contempt jurisdiction. This Adjudicating Authority



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rendered a detailed finding after considering the factual matrix as well as the legal submissions advanced therein. The order so passed is read as under: -

19. This Adjudicating Authority has heard the learned Counsel appearing for the parties, perused the documents, written submissions, and the judgments relied upon by both sides.

20. The present Contempt Petitions arise out of the alleged non-compliance with the orders dated 23.06.2023 passed in IA(IBC)/426/KOB/2022 and IA(IBC)/427/KOB/2022, whereby the Respondents were directed to repay sums of Rs.1,20,81,752/- and Rs.7,07,559/- respectively within one month from the date of the order, failing which interest at 12% per annum was to accrue. It is not in dispute that the said amounts have not been paid by the Respondents within the stipulated time.

21. The Respondents do not deny the issuance of the directions nor their knowledge thereof, and it is also not in dispute that the directions have not been complied with. However, they contend that the invocation of contempt jurisdiction is not maintainable in the facts and circumstances of the present case, particularly when the directions are in the nature of monetary obligations capable of enforcement through execution proceedings under Section 424(3) of the Companies Act, 2013, read with the NCLT Rules, 2016. It is further submitted that the order dated 23.06.2023 passed in IA(IBC)/426/KOB/2022 was challenged before the Hon'ble National Company Law Appellate Tribunal, Chennai, in Company Appeal (AT) (Insolvency) No. 377/2023, which came to be dismissed on 01.11.2023 on the ground of limitation. Thereafter, the Respondents have preferred Civil Appeal No. 7782/2023 before the Hon'ble Supreme Court of India, which is presently pending consideration. It is, however, an admitted position that no interim stay or order of suspension of the operation of the order dated 23.06.2023 has been granted by the Hon'ble Supreme Court till date. Insofar as the order dated 23.06.2023 passed in IA(IBC)/427/KOB/2022 is concerned, the said order has not been challenged before any appellate forum and continues to remain in force and operative. Further pendency of civil appeal before the Hon'ble Supreme Court in the absence of any interim protection would not be a bar to entertain by and adjudicate this matter.

22. The principal question that arises for consideration is whether mere non-compliance with the directions of this Adjudicating Authority, by itself, constitutes civil contempt warranting exercise of contempt jurisdiction under Section 425 of the Companies Act, 2013 read with Section 12 of the Contempt of Courts Act, 1971, or whether the Petitioner



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ought to have pursued the statutory remedy of execution available under law.

23. The Learned Counsel for Respondents contend that this Adjudicating Authority is empowered under Section 424 of the Companies Act, 2013 to execute and enforce its orders in the same manner as a decree of a civil court, and that Sections 424 and 425 operate in distinct and separate fields, the former relating to procedural enforcement of orders of a civil nature, while the latter confers contempt jurisdiction carrying penal and quasi-criminal consequences. On this basis, it is submitted that the invocation of contempt jurisdiction in the present case is not sustainable in the eyes of the law.

*24. The learned Counsel for the Applicant, on the other hand, contended that this Tribunal possesses the power to punish for contempt under Section 425 of the Companies Act, 2013, and that such power continues even when the Tribunal exercises jurisdiction as the Adjudicating Authority under the Insolvency and Bankruptcy Code, 2016. Reliance has been placed on the decisions in *Shailendra Singh v. Nisha Malpani*, RP of NIIL Infrastructure Pvt. Ltd. (2021 ibclaw.in 528 NCLAT) and *Registrar, NCLT v. Mr. Manoj Kumar Singh*, IRP of Palm Developers Pvt. Ltd. (2022 ibclaw.in 04 NCLT), to contend that non-compliance with the orders of this Tribunal undermines its authority and, therefore, warrants invocation of contempt jurisdiction.*

25. There can be no dispute that this Tribunal, being vested with powers under Section 425 of the Companies Act, 2013, has the authority to initiate contempt proceedings for wilful disobedience of its orders. It would not be appropriate to draw a distinction between orders passed under the Companies Act, 2013, and those passed while exercising jurisdiction under the Insolvency and Bankruptcy Code, 2016, insofar as the authority of the Tribunal to ensure compliance with its orders is concerned.

26. However, the issue that arises for consideration is whether mere non-payment of an amount directed under an order, or any other form of non-compliance, would by itself amount to contempt.

27. The determination of this issue depends upon the nature and circumstances of the alleged non-compliance, further it is required to look into whether such non-compliance is wilful, deliberate, and intentional.

28. Under Section 2(b) of the Contempt of Courts Act, 1971, civil contempt means wilful disobedience of any judgment, decree, direction, order, writ, or other process of a court. Therefore, two essential ingredients must be established: firstly, the existence of a clear and unambiguous order capable of compliance, and secondly, wilful and deliberate disobedience of such order. Mere non-payment of an amount directed to be paid by an order of this Adjudicating Authority does not, by itself, constitute contempt. There may be several reasons for such non-payment, and it



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cannot be automatically presumed that the failure to comply was wilful, intentional, or with the object of undermining the authority or majesty of the Court.

29. In Contempt Petition (C/Act)/02/KOB/2025, in the matter of M/s Bhagyodayam Company vs Mr Paul Joseph, in the order dated 24.11.2025, this Adjudicating Authority made the following observations with regard to the scope and nature of contempt jurisdiction:

14. The essential ingredients of civil contempt are well settled. To establish civil contempt under Section 2(b) of the Contempt of Courts Act, 1971, the following must be proved: (i) there must be a clear and unambiguous order of the court; (ii) the alleged contemnor must have knowledge of such order; and (iii) there must be wilful and deliberate disobedience of the said order to undermine the majesty of the court. Mere non-compliance, inadvertence, or bona fide inability to comply does not amount to contempt. The element of wilfulness is essential. Unless the non-obedience is shown to be deliberate, intentional, and without justifiable cause, the offence of contempt cannot be said to have been made out. So, it is well settled that to initiate civil contempt, it is to be established that their adjusted disobedience and said disobedient must be wilful, deliberate, and conscious, and not merely inadvertent or due to bona fide misunderstanding.....

16. At this juncture, it is appropriate to examine the distinction between the terms non-obedience and disobedience. Non-obedience means failure to comply with a direction, which may result from negligence, inadvertence, or lack of due diligence with or without any element of wilfulness; it is a passive state of not doing. Disobedience, on the other hand, means a deliberate and conscious act showing intentional disrespect or disregard for the authority of the Tribunal and would not be tantamount to active refusal.

.....21. Despite order dated 19.03.2024 the Respondent has not given any documents. However, such action would not invite any contempt proceedings, as the Respondent would be liable to face the consequences thereof, and financial liability may stand upon the Respondents or the company can take steps to restore the records. Every disobedience, non-compliance, or violation of a court order would not invite contempt proceedings unless there exists an intention to undermine the authority of the court or to obstruct the



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stream of administration of justice. In this case, the non-obedience may invite other civil consequences, and it would not be proper to initiate contempt proceedings. The power of contempt is required to be used in exceptional cases that too, as a last resort, and cannot be invoked in every instance of non-compliance. The power to initiate contempt is to be used sparingly in a case where the parties, by their act and conduct, tried to scandalize the court or pose a threat to the judge or witness, or such an act which can prompt other persons to undermine the authenticity of the court. The act complained of by the petitioner would not come under such a degree to initiate such action. In summary proceedings under the Companies Act, it is not practicable to search for and determine the whereabouts of the concerned records. However, the Inspector appointed or to be appointed during the investigation will certainly be able to reveal all such facts in the most effective manner.

22. It is a fact that the respondent, despite specific orders, did not supply the documents and records required for the audit. We are not going into the merits of their excuses for not submitting such documents. The non-submission of documents makes them vulnerable to adverse findings against them. The persons/company aggrieved by the conduct of the respondents have an efficacious remedy under the Companies Act, 2013, to seek relief under Sections 339, 340, and 447. If such remedies are available to the company/aggrieved persons, it would not be proper to invoke the procedure for contempt under the given circumstances.

23. Each case has its own merits and is to be adjudicated based on its given facts and circumstances. A minor deviation in the facts may change the course of adjudication. Contempt proceedings are serious in nature and have deeper ramifications on the concerned party as well as other litigants. If there exist any if's and but's, initiation of contempt proceedings would certainly tantamount to misuse of power. For initiation of contempt, the existence of some act beyond doubt, without any blemish or ambiguity, is required on the part of the contemnor which has caused threat to the majesty of the court itself.

30. This Adjudicating Authority further place reliance on the judgment of the High Court of Kerala in Contempt Case (C) No. 2417 of 2025 arising from the order dated 30.07.2024 in Crl. Rev. Pet. No. 319 of 2023, decided on 14.10.2025. The relevant portion of the judgment is as follow:



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4. *Now the point that arise for consideration is the following:*

Whether for the non-payment of the amount ordered in the Criminal Revision Petition No.319/2023, the respondent can be booked for contempt?..

6. *The learned counsel for the respondent would argue that the remedy of the petitioner is to execute the order before the learned Magistrate and not to approach this Court by filing a contempt petition of the present nature. He has also relied upon the decisions of the Hon'ble Supreme Court in R.N. Dey and Others v. Bhagyabati Pramanik and Others [2000 KHC 1145], Kapildeo Prasad Sah and Others v. State of Bihar and Others [1999 KHC1350] and a decision of Chhattisgarh High Court in Itwar Singh v. Ganeshram and Another [2015 KHC 2078].*

7. *In the decision in R.N. Dey (supra), in paragraph 7, the Apex Court held that:*

"We may reiterate that the weapon of contempt is not to be used in abundance or misused. Normally, it cannot be used for execution of the decree or implementation of an order for which alternative remedy in law is provided for. Discretion given to the court is to be exercised for maintenance of the court's dignity and majesty of law. Further, an aggrieved party has no right to insist that the court should exercise such jurisdiction as contempt is between a contemner and the court."

8. *In the decision in Kapildeo Prasad Sah (supra) in paragraph 9, the Apex Court held that:*

"For holding the respondents to have committed contempt, civil contempt at that, it has to be shown that there has been wilful disobedience of the judgment or order of the court. Power to punish for contempt is to be resorted to when there is clear violation of the court's order. Since notice of contempt and punishment for contempt is of far reaching consequence, these powers should be invoked only when a clear case of wilful disobedience of the court's order has been made out."

In the above decision, the Apex Court clarified that initiation of contempt proceedings is not a substitute for execution proceedings, though at times, that purpose may also be achieved.

.....15. *Therefore, it is evident that in a case of the present nature the remedy is to execute the order as per the*



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procedure established by law and not to move this Court by filing a contempt petition. Since the petitioner herein has approached this Court directly by filing a contempt petition without resorting to any of the above remedies, this contempt petition is liable to be dismissed. Point answered accordingly.

31. In view of the principles laid down in the aforesaid decisions, the crucial consideration in contempt proceedings is the element of wilfulness and deliberate intent underlying the alleged non-compliance, and not mere failure to comply with an order. Ordinary non-compliance would not fall within the ambit of civil contempt where there exists bona fide financial incapacity, ambiguity or conditionality in the order, pendency of an appeal with a stay sought, genuine difficulty in implementation, or a bona fide dispute as to interpretation or computation. In such situations, the appropriate and efficacious remedy is to pursue execution in accordance with the law.

32. The judicial pronouncements referred to above clearly establish that contempt jurisdiction cannot be invoked as a substitute for execution proceedings. Applying the said principles to the present case, this Adjudicating Authority is of the firm opinion that mere non-payment of an amount directed under an order, by itself, does not warrant initiation of contempt proceedings. Unless there is clear and cogent material to demonstrate a deliberate and wilful attempt to undermine the authority of the Tribunal or to overreach its directions, initiation of contempt proceedings would not be justified. The element of intention and mens rea remains a decisive factor in determining whether the conduct complained of falls within the ambit of contempt or not.

33. The Insolvency and Bankruptcy Code, 2016, is a time-bound framework for insolvency resolution, and orders passed thereunder, including directions for payment, approval of resolution plans, or other consequential reliefs, are enforceable in law. However, contempt proceedings, being quasi-criminal in nature, cannot be employed routinely for the enforcement of such directions. The object of contempt jurisdiction is to uphold the authority and dignity of the Court, and not merely to secure compliance with monetary obligations. If contempt were to be invoked for every instance of default in payment, it would effectively convert the 'contempt jurisdiction' into an 'execution mechanism', which is neither contemplated nor intended by the legislature.

34. Contempt is an extraordinary and serious power to be exercised with restraint and circumspection. Its purpose is to protect the administration of justice and preserve the authority of the judicial forum. Contempt proceedings have often been likened to the use of nuclear power in war or



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the performance of major surgery in medicine. It is a remedy of last resort and cannot be treated as the first or ordinary course of enforcement.

35. Where a party fails to comply with a monetary direction, the normal and appropriate course is to seek execution or enforcement of the order through the remedies provided under the statutory framework. Contempt proceedings should be invoked only in cases of clear, conscious, and wilful disobedience demonstrating deliberate disregard for the authority of the Tribunal. Mere non-payment of an amount, without more, does not automatically constitute contempt.

36. When contempt jurisdiction cannot be invoked merely for non-payment of the amount directed, the question that arises for consideration is as to the appropriate remedy or recourse available to the successful decree-holder for enforcement of the order under Code 2016. The scheme of the Insolvency and Bankruptcy Code, 2016, read with the provisions of the Companies Act, 2013, and the NCLT Rules, 2016, provides an effective and comprehensive mechanism for the enforcement of the Tribunal's orders.

37. It is necessary to examine the statutory framework governing the execution and enforcement of orders passed by this Tribunal. At this juncture, it would be appropriate to refer to certain relevant provisions of the National Company Law Tribunal Rules, 2016, which are extracted hereunder:

56. Application for execution. For execution of order passed by the Tribunal, the holder of an order shall make an application to the Tribunal in Form NCLT.8.

57. Issue of process of execution.- (1) On receipt of an application under rule 56 the Tribunal shall issue a process for execution of its order in such Form as provided in the Code of Civil Procedure, 1908 (5 of 1908). (2) The Tribunal shall consider objection, if any, raised by the respondent and make such order as it may deem fit and shall issue attachment or recovery warrant in such form as provided in the Code of Civil Procedure, 1908 (5 of 1908), as the case may be.

58. Effect of non-compliance.- Failure to comply with any requirement of these rules shall not invalidate any proceeding, merely by reason of such failure, unless the Tribunal is of the view that such failure has resulted in miscarriage of justice.

59. Procedure for imposition of penalty under the Act. (1) Notwithstanding anything to the contrary contained in any rules or regulations framed under the Act, no order or direction imposing a penalty under the Act shall be made



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unless the person or the company or a party to the proceeding, during proceedings of the Bench, has been given a show cause notice and reasonable opportunity to represent his or her or its case before the Bench or any officer authorised in this behalf.

(2) In case the Bench decides to issue show cause notice to any person or company or a party to the proceedings, as the case may be, under sub-rule (1), the Registrar shall issue a show cause notice giving not less than fifteen days asking for submission of the explanation in writing within the period stipulated in the notice.

(3) The Bench shall, on receipt of the explanation, and after oral hearing if granted, proceed to decide the matter of imposition of penalty on the facts and circumstances of the case.

38. Rules 56 to 59 of the National Company Law Tribunal Rules, 2016 make it clear that, for the purpose of execution and enforcement of orders passed by this Tribunal, the procedure contemplated under the Code of Civil Procedure, 1908, is applicable, as far as may be. The Rules expressly provide that the Tribunal may issue appropriate process in the manner provided under the Code of Civil Procedure, 1908 and adopt its relevant provisions to ensure effective implementation of its orders. Thus, the Tribunal is empowered to execute its own orders by applying the principles and procedural framework of the Code of Civil Procedure, 1908, wherever necessary.

39. Under Section 424 of the Companies Act, 2013, the Tribunal is not bound by the strict procedure prescribed under the Code of Civil Procedure, 1908; however, it is guided by the principles of natural justice and is vested with powers analogous to those of a civil court for specified purposes. Section 424(3), read with Rule 11 and Rules 56 to 59 of the NCLT Rules, 2016, confers sufficient procedural flexibility upon the Tribunal to execute and enforce its own orders. Further, Section 60(5) of the Insolvency and Bankruptcy Code, 2016 confers residuary jurisdiction upon this Adjudicating Authority in matters arising out of or in relation to insolvency proceedings. Though the National Company Law Tribunal Rules, 2016 do not expressly provide for sending a judgment debtor to civil imprisonment, such powers can nevertheless be exercised in appropriate cases by adopting the relevant provisions of the Code of Civil Procedure, 1908, within the framework of the Companies Act, 2013 and the Insolvency and Bankruptcy Code, 2016. In execution proceedings, a person can be detained in civil prison, which is in substance similar to the ultimate consequence that may follow in contempt proceedings.



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40. *By virtue of the statutory scheme, the orders passed by this Tribunal are executable in the same manner as decrees of a Civil Court, and any order passed under the Insolvency and Bankruptcy Code, 2016, can be enforced in accordance with the procedure applicable for execution of a decree. Though the Tribunal is not strictly bound by the provisions of the Code of Civil Procedure, it may adopt and apply analogous principles contained in Order XXI of the Code wherever necessary for the effective execution and implementation of its orders.*

41. *It is observed that contempt proceedings are increasingly invoked for non-compliance with monetary directions, particularly where imprisonment is sought. However, Order XXI of the Code of Civil Procedure contains comprehensive provisions relating to arrest, attachment, sale of property, and other modes of execution, which can be effectively utilised by this Tribunal to secure compliance with its orders. The scope of some of the relevant provisions of Order XXI CPC is extracted below for ready reference.*

RELEVANT RULE OF ORDER XXI	SCOPE AND EFFECT OF RELEVANT PROVISIONS
Rule 30	Money decree may be executed by detention in civil prison of judgment debtor or by attachment of his property or both.
Rules 37 to 40	Arrest and Detention of a judgment-debtor in Civil Prison and the obligation of decree holders to deposit subsistence allowance to facilitate arrest and mechanism to compel the Judgment Debtor to satisfy the decree, act as a coercive tool for compliance.
Rule 41	Order to disclose assets, examination of the Judgment Debtors on oath, and compelling disclosure and identification of all properties of the Judgment Debtor.
Rules 43 to 59	Attachment of movable and immovable properties, seizure and prohibition orders, and secures assets from alienation.
Rules 64 to 96	Sales of movable and immovable properties
Rules 97 to 103	Removal of resistance/obstruction, police arrest/prevent multiplicity of litigation, and enforcement of the decree despite third-party obstruction.

42. *In view of the above statutory framework, this Adjudicating Authority is vested with the necessary powers to enforce and execute its own orders by adopting the procedure contemplated under the Code of Civil Procedure, 1908, as made applicable through the National Company Law Tribunal Rules, 2016. Although the Insolvency and Bankruptcy Code, 2016, does not provide a separate and exhaustive code for execution, the Tribunal is not rendered powerless. Any procedural gaps can be effectively*



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bridged by applying the relevant provisions and principles governing execution, particularly those contained in Order XXI of the Code of Civil Procedure. Hence, a complete and workable mechanism exists for the enforcement of orders, without resorting to contempt jurisdiction as a substitute for execution.

43. The Tribunal is empowered to pass appropriate orders to secure execution of its directions, including attachment of movable and immovable properties, garnishee proceedings, arrest and detention in accordance with law, appointment of a receiver, sale of assets, and directing disclosure of attachable properties by the judgment-debtor or respondent. Being a quasi-judicial body vested with powers analogous to those of a civil court, the Tribunal is competent to enforce its orders directly, without the necessity of transmitting the same to a civil court for execution. As a statutory Tribunal, it is endowed not only with Adjudicatory Authority but also with all incidental and ancillary powers necessary to render its orders effective.

44. It is for the decree-holder to take appropriate steps for the enforcement of the order by initiating execution proceedings in accordance with law. In contempt proceedings, the lis is essentially between the Court and the alleged contemnor, and not between the decree-holder and the judgment-debtor. The decree-holder cannot seek to bypass the statutory mechanism of execution by invoking contempt jurisdiction. The responsibility to pursue execution lies upon the successful party, and contempt cannot be employed as a substitute for the procedural safeguards and steps contemplated under execution law.

45. In view of the foregoing discussion, invocation of contempt jurisdiction under Section 425 of the Companies Act, 2013, for the purpose of enforcing or executing an order passed under Section 66(1) and Section 60(5) of the Insolvency and Bankruptcy Code, 2016 would not be appropriate in the facts of the present case.

46. Accordingly, Contempt Petition (IBC)/02/KOB/2023 and Contempt Petition (IBC)/03/KOB/2023 are dismissed.

47. The Respondents may comply with the directions contained in IA(IBC)/427/KOB/2022 and IA(IBC)/426/KOB/2022 within a period of seven days from the date of this order. In the event of failure on the part of the Respondents to comply within the stipulated period, it shall be open to the Petitioner to initiate appropriate execution proceedings in accordance with law.

9. Upon perusal of the materials placed before this Adjudicating Authority in the present proceedings, it is evident that the factual background, in all material particulars, is substantially similar to that considered in the above-referred



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case. The legal questions arising for determination are also identical in nature. The factual matrix and circumstances do not disclose any distinguishing feature or material aspect that would justify a departure from the view already taken by this Adjudicating Authority in the above-referred case. It is a settled principle of law that judicial consistency and discipline require that, where the issues and factual circumstances are similar, the *ratio decidendi* of an earlier decision ought to be followed, unless compelling reasons exist to take a different view.

10. Upon finalisation of the proceedings, all acts and matters arising during the pendency of the proceedings stand merged in the final order. Any alleged breach or disobedience of such interim orders would not give rise to a fresh cause of action to initiate contempt proceedings at a later stage for past acts. Further, the Petitioner is well within its rights to seek execution of the order in accordance with law.
11. In view of the above, and in the absence of any distinguishing factual or legal aspect brought to the notice of this Tribunal, the *ratio decidendi* laid down in the earlier decisions squarely applies to the present case. Following the principles enunciated in the said decisions, this Tribunal does not find any merit in taking a different view. Accordingly, the Applicant cannot invoke the contempt jurisdiction of this Tribunal and is at liberty to pursue appropriate execution proceedings in accordance with law. Therefore, this **Contempt Petition (IBC)/5/KOB/2025 in IA (IBC)/97/KOB/2023 in CP(IB)/45/KOB/2021 is dismissed.**
12. The Respondents may comply with the directions contained in IA(IBC)/97/KOB/2023 within a period of seven days from the date of this order. In the event of failure on the part of the Respondents to comply within



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the stipulated period, it shall be open to the Petitioner to initiate appropriate execution proceedings in accordance with law.

13. Certified Copy of this order may be issued, if applied for, upon compliance with all requisite formalities.

14. File be consigned to records.

Sd /-

VINAY GOEL

(MEMBER JUDICIAL)

Signed on this the 06th day of April, 2026.

Steno_A