

An interim arrangement directing the parties to maintain status quo, thereby preventing any alteration to the nature of the principal asset or the creation of further third-party interests, should be continued until the final disposal of the underlying Company Petition by the NCLT

The **Supreme Court** in the case of **Moniveda Consultants LLP vs Shajas Developers [Civil Appeal Nos. 9052-9053 of 2022]** dated **March 11, 2026**, has clarified that in an appeal arising from an interlocutory order in a pending oppression and mismanagement petition, the paramount consideration for the court is to preserve the subject matter of the dispute until the competent forum adjudicates the main petition. Accordingly, the Court ruled that an interim arrangement directing the parties to maintain status quo, thereby preventing any alteration to the nature of the principal asset or the creation of further third-party interests, should be continued until the final disposal of the underlying Company Petition by the NCLT.

The Apex Court observed that the proceedings were at an interlocutory stage, and the paramount consideration was to ensure that the subject matter of the proceedings, i.e., the project land, which is the principal asset, is preserved until the competent forum (NCLT) adjudicates the dispute on allegations of oppression and mismanagement.

The Court took note of the sequence of its own interim orders passed during the pendency of the appeals. This included the initial order restraining 'perceptive steps', a subsequent order directing no construction on the property after a third-party developer entered insolvency, and a later clarification permitting limited protective works to ensure structural safety without creating any equity for any party.

Further, the Court noted that the interim arrangement which had been operating pursuant to its earlier orders ought to continue until the NCLT finally adjudicates the underlying controversy. The Bench also observed that the allegations in the contempt petitions required factual determination and did not find it necessary to enter into their merits at this stage. Accordingly, the Court directed the NCLT, Mumbai Bench, to proceed with the pending matters and decide Company Petition expeditiously, preferably within two months from the date of the parties' appearance. All contentions on merits were left open for the NCLT to consider.