

IN THE NATIONAL COMPANY LAW TRIBUNAL
AMARAVATI BENCH
(Through Hybrid Mode)

Item No.3

IA(CompaniesAct)/22/2022, IA(CompaniesAct)/15/2022,
IA(CompaniesAct)/17/2022, IA(CompaniesAct)/184/2020
in TCP/131/241/AMR/2019 and TCP/131/241/AMR/2019

IN THE MATTER OF:

Anitha Rayapati & 2 others

... Petitioner / Petitioner

Versus

Bit Corp Pvt Ltd & 9 others

... Respondent/ Respondent

Under Section: 241, 425 of the Companies Act, 2013

Rule: 11 of NCLT Rules, 2016.

Order delivered on 16.04.2026

CORAM:

SHRI UMESH KUMAR SHUKLA
HON'BLE MEMBER (TECHNICAL)

SHRI KISHORE VEMULAPALLI
HON'BLE MEMBER (JUDICIAL)

PRESENT:

For the Petitioners in CP & IAs : Ms. Divya in person along with
Mr. Arunava Mukherjee, Advocate along with
Ms. P. Lakshmi, & Mr. R. Sambaiah, Advocates.

For R1 & R4 in CP & IAs : Dr. S. V Ramakrishna, Advocate
For R3 in CP & IAs : Mr. Ch Ravindra Babu, Advocate

**For R9-R22, R25 to R31, R33
to R48 in IA 15/2022 and
R9-R14 in IA 184/2020 :** Ms. Snehalatha, Advocate.

ORDER

TCP/131/241/AMR/2019:

During the course of hearing, the Petitioners raised various allegations of diversion of funds and non-issuance of the notices of Board Meetings of the Respondent No.1 Company ("R-1 Company"). One of the issue in allegation of diversion of funds relates to the land admeasuring Ac. 5.40 Cents, belonging to R-1 Company, which was sold at a grossly undervalued consideration of approximately Rs.45 Crores, as against the fair market value exceeding Rs.70 Crores as per the valuation report dated 20.12.2019. However, the Respondents refuted the allegations of the Petitioners and submitted that sale of the land is in accordance with law.

2. Based on the arguments of both the parties and perusal of the records, the facts with regard to sale of land are summarised below:

- (i) The R-1 Company, as per Para 3 at Page No.3 of the Petition, has the following shareholders:

Sl.No.	Shareholder Name	Number of Shares	% of shares
1	R.Lakshmi Kalyani (Respondent No.2 or R-2)	14,00,000	25.00%
2	R. Sambasiva Rao (Respondent No.3 or R-3)	11,05,000	19.73%
3	R.Charumati (Respondent No.7 or R-7)	14,00,000	25.00%
4	M.Devika Rani (Respondent No.8 or R-8)	2,95,000	5.27%
5	Rayapati Anitha (Petitioner No.1 or P-1)	3,66,668	6.55%
6	Rayapati Dheeraj (Petitioner No.2 or P-2)	6,66,666	11.90%
7	Rayapati Divya (Petitioner No.3 or P-3)	3,66,666	6.55%
Total		56,00,000	100.00%

- (ii) However, as per annual returns filed on 26.12.2018, the shares held by R-7 were transferred to Mr. Rayapati Mohan Kirishna (Respondent No.4 or R-4) on 22.05.2017.
- (iii) As per the MCA master data at page No.44 of the petition, there are two directors in the R-1 Company namely Mr.Rayapati Dheeraj (P-2) and Smt.Rayapati Lakshmi Kalyani (R-2).
- (iv) The R-4 vide letter dated 15.11.2018 addressed to the Board of R-1 Company, requisitioned for calling an Extraordinary General Meeting (EGM) at an earliest date for appointment of Rayapati Srinivas (Father of R-4) and Rayapati Gopala Krishna (Husband of R-2) as directors and to sell the southern part of 5.51 acres of land out of the total 10.58 acres after, demolishing and forming roads at a minimum rate of Rs.17,500/- per sq.yard of R-1 Company which is situated at Guntur District in order to repay the outstanding loan to SBI and other liabilities. Since the R-1 company failed to convene the EGM, the R-4 issued notice dated 10.01.2019 to convene the EGM on 09.02.2019, as per section 100 of the Companies Act, 2013.
- (v) Aggrieved by the conduct of R-4, the Petitioners filed the Company Petition bearing CP No.81/241/HDB/2019 on 05.02.2019 before NCLT, Hyderabad Bench (NCLT, Hyderabad) seeking to set aside the letter dated 10.01.2019. The Petitioners also filed an IA being IA No.91/2019 seeking for interim order to restrain the R-2 to R-8 from convening EGM on 09.02.2019. The

NCLT, Hyderabad, vide Order dated 07.02.2019 in IA No. 91 of 2019, directed that the decision taken in the meeting on 09.02.2019, on the items in the Agenda be kept in abeyance by the Company until further orders. The relevant extracts of the order is reproduced below:

“Serious dispute is raised with regard to convening of meeting, with regard to sale of properties of the Company to third party and also the need to appoint two more Additional Directors. Pending further orders in this Interim Application, since meeting is ordered to be held on 09.02.2019, the Tribunal feels that meeting may be proceeded as per notice but decision taken in the meeting on 09.02.2019 on the items in the Agenda be ordered to be kept in abeyance by the Company until further orders.”

- (vi) During the course of hearing dated 05.03.2019, it was reported that the reliefs claimed in the IA No.91/2019 becomes infructuous, since no EGM was held and the Applicant was directed to take steps for withdrawal of the IA. During the course of hearing dated 20.03.2019, both Petitioners and Respondents submitted that the EGM was held on 09.02.2019, but no resolution was passed in the EGM. Consequently, IA No. 91 of 2019 was treated as infructuous and closed vide Order dated 20.03.2019 of NCLT, Hyderabad.
- (vii) Thereafter, Petitioners filed IA No.473/2019 before the NCLT, Hyderabad seeking interim relief to restrain R-2 to R-4 for convening the EGM on 20.06.2019; maintain to status-quo in the Board of Directors of R-1 Company; to give directions with regard to handling of assets of R-1 Company; and appoint an Administrator to manage the affairs of R-1 Company.
- (viii) NCLT, Hyderabad vide Interim Order dated 17.06.2019 in IA No. 473 of 2019 directed that the EGM proposed being held on 20.06.2019 may be conducted at the registered office of the R-1 Company (not in the R-3 residence) and agenda for the meeting may also be taken up and if resolutions are passed on the subject matter of the agenda, they be kept in abeyance until further orders. Both parties were directed that proceedings in the EGM to be conducted in a peaceful manner and Mr.Sanjay Suraneni, Advocate was appointed as Chairman to oversee the EGM proceedings and

conduct the same and also to file the minutes of the meeting be filed by the R-1 Company with the NCLT, Hyderabad.

- (ix) In compliance of the aforesaid order, Mr. Sanjay Suraneni, Advocate vide Diary No. 5052 dated 26.06.2029, filed the Memo dated 26.06.2019 before the NCLT Hyderabad along with Minutes of the said EGM, according to which the EGM was held on 20.06.2019 at the Registered Office of R-1 Company and the three agenda items taken up in the EGM with regard to Appointment of Dr. Rayapati Srinivas as a Director of the R-1 Company; Appointment of Sri Rayapati Gopala Krishna as a Director of the R-1 Company; and sale of southern part of Acres 05.51 Cents land at minimum rate of Rs.17,500/- per Sq.Yard to Mr. Prabhakar Rao and Mr. N. Suresh, were passed in the EGM. The extracts of the resolution passed for sale of land, is reproduced below:

Item No.3 – Sale of the Southern Part of Acres 5.51 Cents of the Land & Godowns out of the total Acres 10.58 Cents of the Company (Document No.1655/1973) in T.S.No.26/1 & D.No.436/1, 436/2 & 437 of Guntur City, Guntur District:

The Chairman then took for consideration Item no.3 of the notice regarding sale of the Company Property. He then requested the Members to propose and second the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 180 (I) (a) and other applicable provisions, if any, of the Companies Act, 2013, and subject to such approvals as may be necessary, the consent of the company be and is here by accorded for Sale of the Southern Part of Acres 5.51 Cents Land, after dismantling & demolishing the Godowns, out of the total Acres 10.58 Cents land of the Company (Document No. 1655/1973) in T. S. No. 26/1 & D. o. 436/ I, 436/2 & 437 of Guntur City, Guntur District, after forming roads as needed, at a minimum rate of Rs. 17,500/- per Square Yard, in order to repay outstanding loan to State Bank of India and other liabilities."

"FURTHER RESOLVED THAT the Board of Directors be and is hereby authorized to negotiate the terms of sale and take necessary steps for the disposal of the property of the Company and with full power and authority to do all such acts and things as may be necessary to implement this Resolution."

"FURTHER RESOLVED THAT the Board of Directors be and is hereby authorized and empowered to. do all such other acts, deeds, matters and things as they may deem necessary and/or expedient to give effect to the above Resolution including without limitation, to settle any questions, difficulties or doubts that may arise in regard to sale and transfer of the property as they may in their absolute discretion deem fit in the best interest of the company without requiring any further approval of the members."

Petitioners stated that they have not been furnished the valuation report in respect of the land proposed to be sold. That they were not aware of any paper publication for sale or whether it was done. That a paper publication must be done to fetch a better price.

Petitioners stated that they were not aware of all the liabilities of the Company and were demanding information regarding the same.

Petitioners stated that the sale of the land has to be handled by the Directors – and posed the question as to why Mr.Rayapati Sambasiva Rao took up the issue as a shareholder.

Petitioners stated that Mr.Dheeraj Rayapati called for a board meeting to resolve the issue with regard to the NPA. However, that Mrs.R.Lakshmi Kalyani did not attend the meeting deliberately.

Petitioners demanded information regarding all the persons who have shown interest in purchasing the property. Including "the others" mentioned in the explanatory statement. Petitioners objected to sale of the property to Mr.Prabhakar Rao and Mr.N.Suresh.

Petitioners stated that the Company will suffer a loss if the property is sold in the manner set out in the explanatory statement (i.e. by demolishing the godowns and laying roads).

Petitioners requested for information in respect of the machinery that is supposed to be there in the property which is proposed to be sold.

Petitioners stated that the market value of the property sought to be sold is much higher than the rate proposed in the resolution.

Petitioners stated that selling 2 acres is enough for clearing the SBI loan and 5.5 acres need not be sold.

Petitioners stated that even the notice issued by SBI for sale is for Acres 3.9, which is sufficient for clearing the SBI Loan and that 5.5 Acres need not be sold.

Petitioners wanted to know who authorised Maruti cars to be kept in the property sought to be sold.

Petitioners stated that Mr. Rayapati Dheerja is defending the Company in the proceedings initiated by SBI against the Company and that there is no occasion to sell the property.

Respondents reiterated the explanatory statement to Item No.3 which is annexed to the Notice of the EGM and denied all the allegations of the Petitioners.

Respondents stated that the Company in its Annual Report for the year 2016-17 (which was signed by Mr. Rayapati Dheeraj) has stated that it does not have any further business. Further, turnover was stated to be Rs.45 crores (approx) in 2015-16, 13.7 crores (approx) in 2016-17, 13 lakhs (approx) in 2017-18. In these circumstances, the SBI loan has become NPA and Company has no other way to meet its liabilities.

The Respondents stated that as per the annual report 2016-17 at pg.20 the value of the machinery as on 1st April 2016 is given as 4.3 lakhs – not a lot of machinery is/was owned by the Company – allegations regarding taking away of the machinery are wrong.

Respondents stated that even as per the present Resolution the power to sell the property is being given to the Board of Directors.

Respondents stated that the board of directors will naturally accept the highest offer of all the offers made for the property.

Respondents stated that the Bank has already given auction notice in the newspapers. That in any event Publication of the advertisement for sale of the property is the duty of the Directors who have failed to do it. However, in the interests of the Company the Respondents have brought a buyer who is willing to purchase the property.

Respondents stated that Mr. Rayapati Dheeraj has access to the annual report and the details of the liabilities of the Company.

Respondents stated that there will be no cost to the Company if it is sold in the manner set out in the explanatory statement – since the cost of demolishing the godowns and laying the roads will be borne by the buyer.

Respondents stated that the price of the property may go down if the sale is delayed further.

Respondents stated that "the others" who may be willing to buy the property could be anybody.

Respondents stated that the mortgaged property is more valuable – and should be retained by the Company.

Respondents stated that since all business activities of the Company stopped in 2017 – Respondents' family are using the property on an ad hoc basis and are paying the electricity charges and also protecting the property.

Respondents stated that the loan had become an NPA in May 2018 – and that no steps have been taken to resolve the issue since then – and since the Company is not doing any business – the Company has no other option but to sell the Property.

All the Petitioners voted against the passing of this resolution.

All the Respondents voted in favour of passing this resolution.

- (x) During the course of hearing dated 05.07.2019 before NCLT Hyderabad, the counsel for the Respondents requested to vacate interim order dated 17.06.2019 in IA No.473/2019 to enable the R-1 Company to implement the resolutions approved by the EGM held on 20.06.2019, while Petitioners opposed for vacating the interim order on the ground that the Petitioners are able to secure a purchaser who is prepared to purchase the property for higher price offered by the purchasers selected by R-3 & R-4. During the course of hearing held on 10.07.2019 before the NCLT, Hyderabad, the Petitioners and Respondents were directed to submit all the details and price at which the purchasers are ready to purchase the property in a sealed cover. In the next hearing held on 22.07.2019 before the NCLT Hyderabad, an Interim Order was passed in IA No. 473 of 2019, permitting the R-1 Company to sell at the first instance three (3) Acres out of 5 ½ acres of land & godowns out of total acres 10.58 cents. The relevant extracts of the order is reproduced below:

“9. Thus, this Tribunal pass further interim order in IA 473/2019 permitting the 1st Respondent Company to sell at the first instance 3 (three) acres out of 5 ½ acres of Southern Part of the Land & Godowns out of the total Acres 10.58 Cents of the Company (Document No. 1655/1973) in TS No. 26/1 & D.No. 436/1, 436/2 & 437 of Guntur City, Guntur District, which was approved by EGM and furnish the details of sale and furnish the copy of the sale deed to the Tribunal. The sale of property to be conducted in a transparent manner.

10. With this modification, the interim order of abeyance on the resolutions to be continued”.

- (xi) After constitution of NCLT, Amaravati Bench (this Tribunal), the matter was transferred to this Tribunal vide Order dated of NCLT Hyderabad and renumbered as TCP No.131/241/AMR/2019.
- (xii) The State Bank of India, through SAMB-II, Hyderabad filed IA No.60/2019 on 29.11.2019 seeking recall of the order dated 22.07.2019 and implementation of the order of sale of 3 acres of land for discharge of the debt and to direct appointment of directors to end the impasse in the management and the Respondent No.3 (in the CP) filed IA. No.67/2019 praying to direct the Company's director Mrs. Rayapati Lakshmi Kalyani (Respondent No. 2 in CP) to upload necessary resolutions, forms and returns in respect of the Resolutions No.1 and 2 approved by the majority

shareholders in the EGM held on 20.06.2019. Both the IAs were heard together and this Tribunal vide its Order dated 24.12.2019 in IA No.60 & 67 of 2019 directed that the sale shall be effected within 4 weeks and the entire sale consideration amount shall directly be deposited into SBI, Guntur Branch forthwith towards the debt dues of the R-1 Company and the balance, if any, shall be appropriated towards other debts. In case the parties fail to get the sale deed executed within the stipulated period, the Bank would be at liberty to enforce its prerogative under the SARFAESI Act unaffected by the order of this Tribunal. The relevant extracts of the order is reproduced below:

“The Director (Petitioner No. 2 in the CP) of the Respondent Company is directed to cooperate with the other Director (Respondent No. 2 in the CP) for sale of three (3) acres of the land as per order dated 22.07.2019. The order being for sale of three (3) acres (14520 Sq. Yards) of land at the minimum rate of Rs. 17,500/- the proposed purchasers could not purchase 11,209 Sq. Yards of land at the rate of Rs 21,000/- per Sq. Yards without giving anything for the roads. As they have agreed to lay the roads and develop the land, the proposed purchasers shall purchase three (3) acres of land including the roads at a rate not less than Rs. 17,500/- per Sq. Yard. The sale shall be effected within 4 weeks and the entire sale consideration amount shall directly be deposited into SBI, Guntur Branch forthwith towards the debt dues of the Company and the balance, if any, shall be appropriated towards other debts. In case the parties fail to get the sale deed executed within the stipulated period, the Bank would be at liberty to enforce its prerogative under the SARFAESI Act unaffected by the order of this Tribunal. The Applications are accordingly disposed of.”

(xiii) As no action could be taken within the stipulated four weeks, the Respondent No.3 on 08.01.2020, filed IA. No. 6/2020 in IA.No.67 of 2019 for the modification of the order dated 24.12.2019 inter-alia seeking modification of four weeks deadline for sale of land to that of "within reasonable time period as early as possible keeping in view the time to be taken to demolish the existing godowns and structures and handing over the land to the prospective buyers. The IA 6/2020 was listed for hearing 20.01.2020 and this Tribunal vide its Order dated 20.01.2020 extended the deadline, which was expiring on 21.01.2020 by another 10 days. The relevant extracts of the order is reproduced below:

IA No. 06 of 2020 filed on 08.01.2020 is taken on board today. Copies of the Petition have been served on the Respondents (Petitioners in the CP). The Counsel for R2, R3 and R4 undertakes to file counter during the course of the day. In view of the dead line as per order dated 24.12.2019 expiring on 21.01.2020, the time is extended by another 10 days. Call on 23.01.2020 for hearing of the IA.

- (xiv) Subsequently, this Tribunal heard on 29.01.2020 both the IA 473/2019 and IA 06/2020 together and vide its Order dated 29.01.2020 dismissed IA 473 of 2019 and vacated all interim orders passed therein. Further, IA. 6/2020 was allowed by extending the time limit by two months upon expiry of the ten days granted as per order dated 20.01.2020 and approving the appointment of two directors as per resolution dated 20.06.2019. and further, the Board in its wisdom may either decide to sell 3 acres of the Company's properties or 5.51 acres thereof as resolved. The relevant extracts of the order is reproduced below:

“The IA. No. 473 of 2019 is dismissed on contest. Accordingly, all interim orders passed therein stand vacated. IA. No. 6 of 2020 is allowed on contest subject to the following. Time limit as per order dated 24.12.2019 in IA. No. 60 and 67 of 2019 is extended by two months upon expiry of the ten days granted as per order dated 20.01.2020. The appointment of two directors as per resolution dated 20.06.2019 of the Board is hereby approved. The Board in its wisdom may either decide to sell 3 acres of the Company's properties or 5.51 acres thereof as resolved. All parties concerned shall cooperate. Except for the modification as to the extension of time and the extent of land to be sold the orders dated 24.12.2019 remain unattended.”

- (xv) Pursuant to the above order, the R-1 Company conducted Board Meeting on 08.02.2020 to consider the offer from Mr. D. Prabhakara Rao and Mr. N. Suresh for purchase of land plotted land in Ac. 5.50 Cents in the southern part of the Company out of total land off Ac. 10.58 Cents with timelines to be considered. In the said meeting, approving the above the Board has passed a resolution, which is extracted below:

BITCORP PRIVATE LIMITED

Mangalagiri Road, Tobacco Colony, GUNTUR - 522 001. India

Tel : +91 863 3052400, 2221924, Fax : +91 863 2356793, E-mail : bitcorp@rediffmail.com

EXTRACT OF RESOLUTION OF THE MEETING OF THE BOARD OF DIRECTORS OF THE COMPANY HELD AT 05:00 P.M. ON SATURDAY THE 8th FEBRUARY, 2020 AT THE REGISTERED OFFICE OF THE COMPANY

To consider the offer from Mr. D. Prabhakara Rao & Mr. N. Suresh for purchase of plotted land in Ac. 5.50 cents in the southern part of the company out of total land of Ac. 10.58 cents with timelines to be considered.

Noted and discussed the terms of the offer from the purchasers of the land. As there are no higher or better offers from any other buyers and as there is insurmountable pressure from the bankers, SBI and other creditors, the board decided to accept the offer and passed the following resolutions unanimously :

“RESOLVED THAT pursuant to the provisions of Section 180 (I) (a) and other applicable provisions, if any, of the Companies Act, 2013, and subject to such approvals as may be necessary, the consent of the Board of Directors of the Company be and is here by accorded for Sale of the Southern Part of Acres 5.50 Cents Land, facing Service road of Railway overbridge, as per resolutions passed in the Extraordinary General Meeting of the Company held on 20th June 2019 & the Interim Order of NCLT, Hyderabad in I.A. 473/2019 in CP No. 81/241/HDB/2019 on 22/07/2019 and orders in IA No. 60 & 67 of 2019 on 24/12/2019, IA No. 473/2019 & 06/2020 dated 20/01/2020 & 29/01/2020, after dismantling & demolishing the Godowns, out of the total Acres 10.58 Cents land of the Company (Document No. 1655/1973) in T. S. No. 26/1 & D. No. 436/ I, 436/2 & 437 of Guntur City, Guntur District, in order to repay outstanding loan to State Bank of India and other liabilities due to other creditors.”

“FURTHER RESOLVED TO accept the offer of Mr. D. Prabhakara Rao & Mr. N. Suresh for purchase of plotted land, according to the land sketch plan submitted, of 20,991 Sq. Yards at an average rate of Rs. 22,200/- per Sq. Yard, in the land of Acres 5.50 Cents, including land left for roads, for a total amount of Rs.46,60,00,200/- (Rupees Forty Six Crores Sixty Lakhs, and Two Hundred Only) and accept the other terms of sale.”

“FURTHER RESOLVED THAT Smt. Rayapati Lakshmi Kalyani, Director of the company, be and is hereby authorized and empowered to do all such acts, deeds, matters and things as she may deem necessary and/or expedient to give effect to the above Resolution including without limitation, to settle any questions, difficulties or doubts that may arise in regard to sale and transfer of the property as she may in her absolute discretion deem fit in the best interest of the company without requiring any further approval of the Board.”

“FURTHER RESOLVED THAT Smt. Rayapati Lakshmi Kalyani, Director of the company, be and is hereby authorized to enter into sale agreement/deed and execute the necessary documents for registration on behalf of the Company, for all plots of various sizes and dimensions finalized, in favour of Mr. D. Prabhakara Rao & Mr. N. Suresh or their nominees authorized by them, by herself or through Special attorney and comply with the all the necessary formalities.”

- (xvi) The Petitioners filed an IA 184/2020, wherein it has been stated that the R-1 Company sold certain portion of the land, even after the expiry of time granted by this Tribunal, at much below the actual market value of the land to the third parties, which was not permitted by this Tribunal. With the similar allegations, the Petitioners also filed an IA No.15/2022 against the Respondents seeking to punish R-2 to R-8, R-49 & R-50 for contempt of the orders dated 24.12.2019 & 29.01.2020 in IA No.67/2019 & IA No.6/2020 and to set aside the sale deeds mentioned executed on behalf of the R-1 Company in favour of R-9 to R-48 as sham, nominal, illegal, null and void documents. The Petitioners in the IAs have inter alia stated that:
- (a) The R-1 Company had sold certain portions of the land even after the expiry of time granted by this Tribunal.
 - (b) The R-1 Company had sold at much below the actual market value of the land (more than Rs. 50,000/- per sq.yd.), more particularly when the rate of the subject land had been increased by the Government of Andhra Pradesh from Rs. 17,500/- to Rs. 20,000/- per sq.yd.
 - (c) The sale transactions covered by the sale deeds are collusive, as the vendees under the sale deeds thereto and R-9 & R-10 are the benami of the R-2 to R-8, R-49 & R-50.
 - (d) The resolution passed by the Board of Directors enclosed to the sale deeds authorize the R-2 herein to sell the land in favour of R-9 and R-10 only, but the sale deeds were executed in favour of third party purchasers without any resolution of the Board of Directors and therefore, the sale transactions covered by the said sale deeds ought to be declared as invalid.
 - (e) The R-9 & R-10 had been inexplicably added as vendors in the sale deeds, without disclosing any reason. The undisclosed obvious reason behind adding the R-9 & R-10 as parties to the sale deeds is that they are the purchasers from R-1 Company and they have again sold the subject land to third party buyers and thereby caused loss of revenue to Government and R-1 Company also. The entire methodology adopted by the R-1 Company is completely illegal and glaringly violative

of the provisions of the Registration Act as well as the HMC Act, 1955 and A.P.C.R.D.A. Act, 2014.

- (f) Some of the sale deeds have been executed without even receiving the consideration and in some other cases, the consideration has been received in part before the execution of the sale deeds. The fact that the consideration has been deposited into the account of the R-1 Company after a few months after the registration itself shows a clear nexus and collusion between R-2 to R-8, R-49 & R-50 and the other Respondents herein.

3. Upon due consideration of the material placed on record, this Tribunal is constrained to observe that the facts mentioned in the IA No.15/2022 raises serious concerns about the bona fides of the transactions, and violation of objects clause of Memorandum of Association, Articles of Association, the CA, 2013, and various other laws.

4. We note that on an application under section 241 of the Companies Act, 2013, this Tribunal under section 242(2)(m) have power “to provide for any other matter for which, in the opinion of the Tribunal, it is just and equitable that provision should be made”. We also note that under section 213 of the Companies Act, 2013, this Tribunal on an application made or otherwise, after giving a reasonable opportunity of being heard to the parties concerned, may order for investigation into the affairs of the company, if it is satisfied that there are circumstances suggesting that the business of the company is being conducted with intent to defraud its creditors, members or any other person, or in a manner oppressive to any of its members.

5. Having regard to the facts and circumstances of the case, after hearing arguments of counsels of both the parties and power conferred under section 242 read with section 213 of the Companies Act, 2013, we are satisfied and of the considered view that there are circumstances suggesting that the business of the company is being conducted with intent to defraud its creditors, and members and in a manner oppressive to its members, and therefore order for investigation into the affairs of the R-1 Company by the Central Government under section 213 of the Companies Act, 2013, who shall submit the report within the three months from the date of receipt of this Order. The scope of investigation shall include, but not be limited to, the impugned

land sale transactions, related-party dealings, diversion of funds, and any other financial, legal or managerial irregularities that may come to the light during the course of the investigation.

6. The Registry is directed to communicate a copy of this Order to the Petitioner, all Respondents, and Central Government forthwith.
7. List the matter on 16.07.2026 for consideration the report.

Sd/-
(UMESH KUMAR SHUKLA)
MEMBER (TECHNICAL)

Sd/-
(KISHORE VEMULAPALLI)
MEMBER (JUDICIAL)

RSN (PS)