

**THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH-I**

COMP.APPL/ 153(MB)2026

Section 241-242 of the Companies Act, 2013

MR. SANJEEV KUMAR SINGH

...Applicant

V/s

**INDIAN MOTION PICTURE PRODUCERS
ASSOCIATION & ORS.**

...Respondent

IA(COMPANIE S.ACT)/ 175(MB)2026

**INDIAN MOTION PICTURE PRODUCERS
ASSOCIATION & ORS.**

...Applicant

V/s

MR. SANJEEV KUMAR SINGH

...Respondent

In the matter of

COMPANY PETITION NO.132 OF 2026

MR. SANJEEV KUMAR SINGH & ORS.

...Petitioner

V/s

**INDIAN MOTION PICTURE PRODUCERS
ASSOCIATION & ORS.**

...Respondent

Order delivered on: 08.07.2026

Coram:

Shri Prabhat Kumar
Hon'ble Member (Technical)

Shri Sushil Mahadeorao Kochey
Hon'ble Member (Judicial)

Appearances:

For the Applicant	:	Counsel Gaurav Joshi a/w Adv. Yahya Batatawala, Adv. Shilpa Joshi, Adv. Sneha Mishra
For the Respondent 8, 9 & 10:		Adv. Harsh Kesharia, Adv. Kavita Sandhi
For the Respondent No.1	:	Sr. Adv. Chetan Kapadia, Sr. Adv. Ashish Kamat, Adv. Ashok Saraugi Pooja Sera, Adv. Nausher Kohli
For Respondent No. 2 to 4	:	Adv. Ashok Saraugi
For Respondent No. 5 to 7	:	Adv. Amit Dubey, Adv. Ajay Pal, Adv. Neeraj Yadav

ORDER

1. The Application CA 153/2026 was filed on 2.6.2026 by Mr. Sanjeev Kumar Singh (hereinafter referred to as “**Applicant**”) under Rule 11 of NCLT Rules, seeking waiver of the requirement prescribed under Section 244(1) (b) of the Companies Act, 2013 in Company Petition No. CP 132 of 2026, filed on 9.5.2026 by him, Mr. Pradip Singh, Mr. Roshan Singh and Mr. Ratnakar Kumar (“Original Petitioners/Petitioner No. 1 to 4 respectively) along with other 209 members (who have consented to filing of the Petitioner) under Sections 213, 242 and 244 of the Companies Act, 2013 alleging commission of acts of oppression and mismanagement by Respondent No. 2 to 10 in the affairs of Indian Motion Pictures Producers Association (“IMPPA/Respondent Company”), a company registered under Section 8 of the Companies Act, 2013

and limited by guarantee without share capital. The Applicant has prayed as follows :-

- 1. That this Tribunal be pleased to grant waiver of requirement of Section 244(1) (b) of the Companies Act, 2013 in the captioned Company Petition;.*
 - 2. To pass such Order or Orders as this Hon'ble Tribunal may deem expedient.*
2. The Company Petition came up for hearing on 1.6.2026, and the Petitioners had pressed for interim reliefs, however, the Original Respondents had opposed grant of interim reliefs stating that the petition itself is not maintainable, and the maintainability should first be decided by this Tribunal. Consequent thereto, the Respondents were granted time to file reply and the Company petition was adjourned to 5.6.2026. In the meanwhile, CA 153 of 2026 was filed by Original Petitioners on 2.6.2026, and an Application IA 175 of 2026 was filed on 3.6.2026 by IMPPA under the provision of Section 244 (1) (b) of the Companies Act, 2013 (**'the Act'**) read with Rule 11 of NCLT Rules seeking dismissal of Company Petition. IMPPA has prayed as follows :

- 1. The Hon'ble Tribunal be pleased to pass an order and allow the present Application by dismissing the captioned Petition as not maintainable under Section 244 (1)(b) of the Act.*
- 2. Any other reliefs as this Hon'ble Tribunal deems fit and proper.*
- 3. Any other relief as the nature and circumstances.*

3. IMPPA was incorporated on 08.10.1938 under the provision of Section 25 of the Companies Act, 1956 (now Section 8 of Companies Act, 2013) and acting as an association of film/television producers with the object to promote films, arts, culture and to regulate and facilitate activities of producers in the Indian film and television industry. The Respondent Company plays a significant role in the registration of films, television serials and associated works, including several notable and classic productions in the Indian entertainment industry. The Core Functions of Respondent Company is Film Title Registration wherein the Producers can register and renew movie titles through IMPPA to ensure they have exclusive rights to them within the industry. Also, it provides for Arbitration & Dispute Resolution wherein a body settles professional disputes related to filmmaking among its members.
4. The Original Petitioners are its members, and while Original Petitioner No. 1 to 3 are members of Executive Committee, Original Petitioner no. 4 was also Vice President of Respondent Company. All of them are the producers of Films and TV serial in regional language including Hindi. The Original Respondent Nos. 2 to 7, Respondent Nos. 9 and 10 are the Members of the Managing/ Executive Committee of Respondent Company, and the Original Respondent No. 8 is the Paid Secretary appointed by the Respondent Company.
5. The Articles of Association ("AoA") of the Respondent Company provide for six (6) classes of members, namely (i) Associate Member , (ii) Associate Class 1 Member, (iii) Prime Member, (iv) Honorary Member, (v) TV Programs Producers Member, and (vi)

Life Member, and each class of member has its eligibility conditions. The classification of members has a direct bearing on governance and voting rights within the Respondent No. 1 Company. Further, as per the AoA, the Respondent is managed by a Committee i.e., "Executive Committee", which shall consist of 23 members (including President, Senior Vice President, Vice President and Hon. Treasurer) comprising of 16 Prime Members, 5 Associate Class I members and 2 TV Programme Producers.

6. It is stated in the Company Petition that, *as on 01/04/2022, there were in all 977 voting members who were eligible to participate and vote in the elections comprising of only Prime Members, Associate I Members and T.V Programme Members. The said voters list was prepared by the Respondent No. 1 Company, and, being aggrieved by the conduct of the Original Respondents, the Original Petitioners procured consent and approval from 209 members for taking necessary legal action against the Original Respondents.*
7. The Original Petitioners have complained of commission of following acts of Oppression and Mismanagement by the Original Respondents in the affairs of Respondent Company.
 - a. IMPPA bore expenses of 32 delegates to Cannes Festival in clear deviation from the decision taken in the meeting dated 23/03/2024, wherein it was decided that it would bear expenses only in respect of accommodation, travel, visa, and food for a maximum of two Executive Committee Members, and any Executive Committee Member in excess of the said number would be required to bear such expenses personally;
 - b. Obtaining membership of International Federation of Film Producers Associations ('FIAPF') at cost of Rs. 12,50,000/-

without obtaining any prior approval from the members of the Executive Committee involving a recurring annual financial obligation with no benefit enduring to the Respondent Company;

- c. Borrowings for Purchase of a commercial property/ premises in a proposed project known as "Chandragupt Building" without prior approval, consent, or authorization of the Executive Committee and the members in the EOGM;
- d. Substantial and unexplained escalation in the expenditure of Respondent Company, namely Advertisement Expenses, Donations, Legal & Professional Expenses and Travelling Expenses, in Financial Year 2024-25 as compared with corresponding expenditure in Financial Year 2023-24;
- e. Service of notice(s) for Executive Committee Meetings on "Whatsapp" as against mode of service contemplated in Article 69 of AoA, namely personally or through post or email, without any agenda and/or notes to agenda, thereby depriving the members of the Executive Committee of prior knowledge of the business proposed to be transacted;
- f. Statement of accounts and the Balance Sheet are signed by lesser than four members of the Executive Committee as contemplated in Article 53 of AoA;
- g. Appointment of Two Sr. Vice Presidents, while Articles 38C of AoA contemplates only one;
- h. Suspension of Original Petitioner No. 4 from the post of Vice-President, vide letter dated 19.7.2024, without following the prescribed procedure under Article 73 and Article 17 of AoA;
- i. Suspension of Original Petitioner No. 1 to 3 from membership vide letter dated 16.4.2026 for requisitioning a special meeting

for re-instatement of Mr. Ratnakar Kumar, Original Petitioner No. 4;

j. Denial of clearance of publicity material for film "3 Star Bahuriya" produced by Original Petitioner No. 4 on ground of initiation of enquiry against him.

8. In the Application CA 153 of 2026 filed by the Original Petitioner No. 1 for waiver of threshold limit prescribed under section 244(1)(b) of the Companies Act, 2013 requiring 1/5th of Members for maintaining a Petition under Section 241-242 of the Companies Act, 2013, it is stated that :

"4.....there exists substantial ambiguity and inconsistency regarding the actual number of members of Respondent No.1 Company. While the Master Data available on the MCA Portal reflects the maximum number of members as 2,908, the Annual Return for the Financial Year 2024-2025 filed by Respondent No.1 Company discloses 10,649 members. Further, the voting list circulated by Respondent No.1 Company vide Circular dated 01.04.2022 contained only 977 eligible voting members.

5. The Applicant has already procured written consent from 209 members of Respondent No.1 Company supporting the institution of proceedings against the Respondents and is in the process of obtaining additional consents. Considering the voting list circulated by Respondent No.1 Company itself, the Applicant has substantially complied with the threshold requirement contemplated under Section 244(1) (b) of the Companies Act 2013. Nevertheless, in view of the contradictory records maintained by Respondent No. 1 Company and to avoid any technical objections regarding maintainability, the present Application has been filed seeking waiver of the eligibility requirement."

9. Per contra, it is stated by IMPPA that, as on the date of filing of the captioned Petition, the Applicant has total 26,000 members and out of the said members, only 1,250 members are eligible to vote and therefore to maintain the present Petition under the provisions of Section 244(1)(b) of the Companies Act, 2013, Respondents require support of at least 250 members to be eligible to maintain the Petition.
10. It is also stated by IMPPA that the Petitioners have filed the captioned Petition and produced Annexure E and alleged that they have a consent 209 members and therefore are eligible to maintain the captioned Petition, however, such annexed consents are not informed consents, which is mandatory for the purpose of maintaining the petition.
11. It is further stated by IMPPA that, even otherwise as the purported consenting members are only 209 against the requirement of 250, and on verification of the records, it is noticed that out of the said 209 members, only 98 members are eligible to vote as the remaining 111 members have not paid their annual membership fees thereby ceasing to be member in accordance with the Articles. It is further stated that large number of members' signatures were forged, and this is confirmed by a Forensic / Signature Expert Agency. Not only this, on inquiry with the alleged consenting signatories, the Applicant was informed by 10 members that they have not signed the consent form and their signatures were forged. It is also submitted that a copy of the IA taken out by the Respondent praying for an exemption under Section 244 of the Act was served, thereby indicating the admission of the Respondents

admitted that the Petition filed by them is not supported by the requisite members.

12. Heard the Learned Counsel and perused the material on record.

13. Section 244 of the Companies Act, 2013 reads as under :

244. (1) The following members of a company shall have the right to apply under section 241, namely:—

(a) in the case of a company having a share capital, not less than one hundred members of the company or not less than one-tenth of the total number of its members, whichever is less, or any member or members holding not less than one tenth of the issued share capital of the company, subject to the condition that the applicant or applicants has or have paid all calls and other sums due on his or their shares;

(b) in the case of a company not having a share capital, not less than one-fifth of the total number of its members:

Provided that the Tribunal may, on an application made to it in this behalf, waive all or any of the requirements specified in clause (a) or clause (b) so as to enable the members to apply under section 241.

Explanation.—For the purposes of this sub-section, where any share or shares are held by two or more persons jointly, they shall be counted only as one member.

(2) Where any members of a company are entitled to make an application under subsection (1), any one or more of them having obtained the consent in writing of the rest, may make

the application on behalf and for the benefit of all of them.

14. Since, the Respondent Company, in the present case, is a company not having a share capital, not less than one-fifth of the total number of its members are entitled to apply under section 241 of the Companies Act, 2013. Further, Section 244(2) permits any members of a company to apply under subsection (1), if such members have obtained the consent in writing of the rest. Further, proviso to section 244(1) vests discretion in this tribunal to waive the requirements of Section 244(1)(a) or (b) on an application made by the members so as to enable them to apply under section 241 of the Companies Act, 2013.
15. At the outset, it was argued by IMPPA that the original petitioners having proceeded to apply under section 241 by filing Company Petition claiming to have statutory number of consents i.e. 1/5th of the members, they can not now apply for waiver. It is vehemently argued that the Original Petitioners ought to first elect whether they meet statutory threshold or they are seeking exemption from such statutory threshold and they can not proceed with both, in alternate.
16. It is noted that the Original Petitioner No. 1 has filed CA 132 of 2026 on 2.6.2026 seeking relaxation of threshold requirement prescribed under section 244(1)(b) of the Companies Act, 2013 contending that there exists substantial ambiguity and inconsistency regarding the actual number of members of Respondent No.1 Company, and though it has substantially complied with the threshold requirement contemplated under Section 244(1) (b) of the Companies Act 2013, however, in view

of the contradictory records maintained by Respondent No. 1 Company and to avoid any technical objections regarding maintainability, the present Application has been filed seeking waiver of the eligibility requirement.

17. It is noted that the Original Petitioner's assertion of substantial compliance with the threshold requirement contemplated under Section 244(1) (b) is based on number of voting members as on 1.4.2022 and IMPPA in its application filed on 3.6.2026 has informed the total number of voting members to be 1250 besides claiming cessation of membership of some of consenting members and forged consents. In view of these facts, the assertion of IMPPA that the company petition should be dismissed at threshold as not meeting the threshold requirement in terms of Section 244(1)(b) without considering the waiver application of Original Petitioner having been filed on the very next of the Company Petition listed on 1.6.2026 does not merit consideration, because it is trite that substance make take precedence over form and the Petitioners, having approached this Tribunal with their grievances arising from alleged acts of oppression and mismanagement, ought to be heard when their case deserve exercise of discretionary power in terms of proviso to Section 244(1) of the Companies Act, 2013.
18. Nonetheless, it is case of IMPPA itself that the company petition to be maintainable ought to be filed by at least 250 members, and some of the 209 consenting members have ceased to be members on account of non-payment of annual fees or their signatures on consent are forged. This, in itself, requires this

Tribunal to consider the request for exemption from threshold on its own merits.

19. It is noted that the cessation of membership under Article 25 of AoA arises only after the Secretary has intimated the concerned member of the fact about the subscription having become due by a letter addressed to his registered or last known address. It is also noted that no such notice was issued by the secretary, hence, the contention in relation to cessation of membership of certain consenting members on account of non-payment of annual dues does not have substance. Further, none of the consenting member has approached this Tribunal to claim that either he/she has withdrawn his/her consent or his/her signatures on the consents are forged, and the allegations in this relation are founded on basis of independent examination of IMPPA in this relation or affidavits filed with them in relation to such alleged withdrawal.
20. It was vehemently argued that the section 244(2) of the Companies Act, 2013 contemplates an intelligent or informed consent, and the consent obtained in the present case, do not meet the test laid down by the High Courts in this relation.
21. In case of **M. C. Duraiswami v. Sakthi Sugars Ltd., 1978 SCC Online Mad 138**, it is held that :

“The expression "consent in writing" occurring in Section 399(3) of the Act will have to be read in the context of the provisions contained in Section 399(1). Section 399(1)(a) contemplates not less than 100 members of the company filing the application. Instead of all such members signing the

application and pursuing the application in Court by taking all the trouble, the Parliament thus provided for a procedural facility in sub-section(3), of Section 399. The expression occurring in Section 399(3) is that any one or more of them having obtained the consent in writing of the rest, may make the application on behalf and for the benefit of all of them.

Consequently, the appellant in the present case was purporting to file the application on behalf of and for the benefit of all the 147 persons who figured in the annexure. From this it necessarily follows that the said 147 persons must know what exactly the appellant was doing and that he was acting for their benefit; They can know this only if they knew what was the actual ground to be put forward for invoking the jurisdiction of the Court under Section 397 or Section 398 or both and what was the relief proposed to be claimed in the petition. Therefore, the consent contemplated under Section 399(3) is an intelligent consent, in the sense, a consent given for the purpose of making a particular allegation in the petition and for the purpose of claiming a particular relief therein and therefore a blanket consent as in the present case cannot be a consent as contemplated by Section 399(3). Thus, a combined reading of Section 399(1) and (3) will also reinforce the conclusions we have already reached.”

22. In the case of **Omni India Limited & Ors. v. Balbir Singh, 1989 SCC Online Del 125**, after observing the decisions of Allahabad High Court (Single Bench) in case of Makhan Lal Jain v. Amrit Banaspati Co. Ltd. AIR 1953 All 326; Madras High Court in case

of *M. C. Duraiswami (Supra)*; and Division Bench of Madhya Pradesh High Court in [*Kilpest Pvt. Ltd. v. Shekhar Mehra*](#) [1987] 62 Comp Case 717, the Hon'ble Delhi High Court held that :

"The word "consent", according to Webster's Third New International Dictionary, inter alia, means compliance or approval of what is done or proposed by another, acquiescence, permission, capable, deliberate and voluntary agreement to or concurrence in some act or purpose implying physical and mental power and free action. According to Mozley and Whiteley's Law Dictionary, Tenth Edition, "consent" presupposes physical power, mental power and a free and serious use of them. Examined in the light of these meanings and keeping in view the purpose for enacting [section 399](#), we have no doubt, that the expression "consent in writing" used in [section 399\(3\)](#) means conscious approval of the action proposed to be taken by the persons to whom the consent has been given. We are also of the view that the writing itself should indicate that the persons who have signed the consent letters have applied their minds to the question before them and on application of minds have given consent for a certain action. Under [section 402](#) of the Act, the court, on an application under sections 397-398 and without prejudice to the generalities of the powers of the court, can grant several types of reliefs. In this background, it is necessary that the writing must indicate that the members giving consent had applied their minds to the allegations to be made and the reliefs sought to be prayed for in the proposed action and have given their consent for seeking

those reliefs. This is apparent from the expression "consent in writing". Had the intention been that the writing should not indicate the application of mind, then there was no necessity for using the term "consent in writing" and mere word "consent" could have been used. To hold that the requisite members can give their consent in writing without applying their minds or without considering the nature of the allegations and the reliefs sought would frustrate the entire purpose of [section 399](#) which prohibits the filing of an application under [section 397](#) or 398 of the Act, inter alia, by not less than 100 members.

23. The Ld. Counsel for Original Petitioners sought to distinguish the aforesaid decisions contending the aforesaid decisions were not followed subsequently in case of **J. P. Srivastava & Sons (P) Ltd. and Others Versus Gwalior Sugar CO. Ltd. and Others, (2005) 1 Supreme Court Cases 172**. On perusal of the said decision, it is noted that it was a case of non-compliance with Regulation 18 of Company Law Board Regulations, 1991 requiring several documents to be annexed to petitions relating to the exercise of powers in connection with prevention of oppression or mismanagement under Section 397, 398, 399(4), 400 to 405. The Hon'ble Court observed that the documents required to be annexed to such petition include "where the petition is presented on behalf of members, the letter of consent given by them", and held at Para 39 that "*These requirements can hardly be said to be mandatory in the sense that non-compliance with any of them would ipso facto result in the dismissal of the petition*". It further held at Para 40 that "*It cannot be gainsaid*

that it is open to the persons opposing the application under Sections 397 and [398](#) to question the correctness of an assertion as to consent made by the petitioner. It is equally open to the petitioner to provide evidence in support of the plea taken in the petition. If of course the objection to the maintainability is taken by way of demurrer, the CLB can decide the issue on the basis of the averments contained in the petition alone, accepting the pleas therein as correct. But where the CLB takes into consideration facts outside the petition as it has done in this case, it cannot foreclose the petitioner from supporting its case in the petition on the basis of evidence not annexed thereto. Since the CLB calculated the total shareholding of the company including preference shares based on the allegations contained in the respondent No.8's application, it was for the CLB to determine the issue of actual prior consent on evidence.”

24. Indubitably, the decision in case of Omni India Limited (Supra) and other decisions considered in the said decision makes it clear that the consent of a members should be informed one demonstrating application of mind. In the present case, the consent obtained by the original petitioners read as follows :

“We, the undersigned members, oppose the Notice dated 14th April, 2026 issued by IMPPA and do not accept its contents or validity and also oppose all wrongful activities carried out by MC including but not limited to wrongful removal of Mr. Ratnakar and hence consent to take appropriate actions as may be necessary.”

25. The aforesaid consent refers to action of Respondent Company in so far as suspension of Petitioner No. 1 to 3 vide notice dated 14th April, 2026 as well as suspension of Petitioner No. 4 vide notice dated 19th July, 2024, accordingly, the consenting members seems to have not applied their mind to other alleged acts of oppression and mismanagement. Accordingly, these consents do not meet the test laid down in the decision in case of M C Duraiswami (Supra) and Omni India (Supra) in so far as acts other than suspension of Petitioner No. 1 to 4 are concerned.
26. Having said so, the question arises whether the Original Petitioners have made out a case for grant of waiver from the requirements prescribed under section 244(1)(b) of the Companies Act, 2013 while exercising its discretion in terms of proviso thereto.
27. It is noted that Hon'ble NCLAT, in case of **Cyrus Investments Private Limited & Anr. Vs. Tata Sons Limited & Others 2017 SCC Online NCLAT 261**, laid down the conditions for consideration of request for waiver in terms of proviso to section 244(1) at Para 146 & 147, which reads as under :
- 146. Normally, the following factors are required to be noticed by the Tribunal before forming its opinion as to whether the application merits waiver of all or requirement as specified in clauses (a) and (b) of sub-section (1) Section 244:-*
- (i) *Whether the applicants are member(s) of the company in question? If the answer is in negative i.e. the applicant(s) are not member(s), the application is to be rejected outright. Otherwise, the Tribunal will look into the next factor.*
- (ii) *Whether (proposed) application under Section 241 pertains to oppression and mismanagement? If the Tribunal on perusal of proposed application under Section 241 forms opinion that the application does*

not relate to 'oppression and mismanagement' of the company or its members and/or is frivolous, it will reject the application for waiver. Otherwise, the Tribunal will proceed to notice the other factors.

- (iii) *Whether similar allegation of oppression and mismanagement, was earlier made by any other member and stand decided and concluded?*
- (iv) *Whether there is an exceptional circumstance made out to grant waiver, so as to enable members to file application under Section 241 etc.?*

147. The aforesaid factors are not exhaustive. There may be other factors unrelated to the merit of the case which can be taken into consideration to whether application merits 'waiver'.

28. It is also noted that the Hon'ble NCLAT, in case of Cyrus Investments (Supra), also held at Para 140 that :

140. For the aforesaid reasons we hold that the Tribunal while deciding an application for 'waiver' under proviso to sub-section (1) of Section 244 to enable the members to apply under Section 241 cannot decide the following issues: -

- (i) Merit of the case*
- (ii) Issues dependent on merit based on claim and counter claim, such as:*
 - a. Whether a prima facie case has been made or not*
 - b. Whether the petition is barred by limitation,*
 - c. Whether it is a case of arbitration,*
 - d. Whether allegation relates to/pertains to another company (Third party).*
 - e. Whether the allegations are in the nature of directorial complaint.*
 - f. Whether the applicants' conduct disentitled them from seeking relief.*
 - g. Whether the proposed application under Section 241 is barred by acquiescence or waiver or estoppel.*

29. In the present case, even if the consents filed before us, taken as lacking informed consent as observed in the preceding paras, the

said consents, nonetheless, validates the allegations of the Petitioners in so far as suspension of Petitioner No. 1 to 3 and Petitioner No. 4 is concerned. It is relevant to quote from the case of **Somangsu Biswas Vs. Calcutta Cricket & Football Club & Ors. 2025 SCC Online NCLAT 1920**, wherein the Hon'ble NCLAT observed that “27. We note that besides the company petition by 4 members, 90 members of the Respondent/Club have raised various issues of mismanagement in their letter to Club Management dated 22.08.2023. The Ld. NCLT has noted the allegations of 'oppression and mismanagement' in the petition before exercising its discretion to allow waiver. A decision on merits of the allegation was not warranted at this stage, as Ld. NCLT will have to consider it while deciding the main petition under [Section 241](#) read with [Section 242](#) of the Companies Act, 2013.” It follows therefrom that even a complaint from other members was considered relevant fact while exercising discretion for grant of waiver.

30. It is also noted that Hon'ble NCLAT, in case of **Lieutenant Colonel Sandeep Dewan v. Ootacamund Club and Ors., (2024) ibclaw.in 769 NCLAT**, observed that “24. Contextually, grant of such waiver will mean that, an injustice should be prohibited to be committed where a person is being deprived of his rights to litigate for enforcement of his apparent justifiable rights or from bringing up the issue of mismanagement or oppression, even if there is only one person agitating his grievances but it should not be by way of vengeance or personal vendetta, thus to overcome the embargo of Section

244(1)(b), which can be permitted to be carried under the aforesaid Latin maxim.”

31. It is observed that such suspension is prima-facie in contravention of the provisions contained in AoA. Further, the Respondent's submission in relation to cessation of membership of some of such consent providers on account of non-payment of their annual fees has been observed as contrary to the provisions of AoA. This, in itself, indicates that the management of affairs of the Respondent Company, a non-profit company, is not being carried out in accordance with the provisions of AoA. In these facts, the examination of allegations in relation to financial mismanagement also requires scrutiny, more so, when such allegations are alleged to be contrary to the decisions of the Executive committee. Further, the allegations in relation to appointment of Sr. Vice President and authentication of financial statements are stated to be in contravention of other provisions of the AoA. These issues certainly makes out a prima-facie case of oppression and mismanagement in case of Section 8 company set up for non profit motive. We are of considered view that the affairs of a Company, being a section 8 Company, can not be allowed to run contrary to the provisions of its AoA, and have to be set right, if that is so.
32. It is also relevant that, one of function of the Respondent Company, is to protect the interests of its members by registering the films produced by them and a film once registered with member association can not be released for public unless the registering member company allows the same. In the present case, the Petitioner No. 4 has registered one film with the

respondent company, and the further steps taken by him for release thereof stands frustrated on account of alleged refusal by the Original Respondents to approve the publicity material therefor. It was contended by the Respondent Company that this submission is misplaced as the film producer can get the film registered with another such company and Petitioner No. 4 is a member of CINTA as well. However, it is told that the film is already registered with the Respondent Company. This allegation, if correct, in itself is an exceptional circumstance warranting waiver in the present case, as it prejudices the right of a person as a member of Respondent Company.

33. It is also noted that similar allegations were not made by the Petitioners earlier and the Original Petitioners are members of the Respondent Company, but for suspension notice under challenge in the Company Petition.
34. In view of foregoing discussion, we consider it appropriate to exercise our discretion to grant waiver from requirements contained in section 244(1)(b) of the Companies Act, 2013. In terms of this, CA 153 of 2026 is allowed, and IA (Companies Act) 175 of 2026 is dismissed.
35. List the Company Petition CP 132 of 2026 on 24.07.2026 for further consideration.

-Sd/-
Prabhat Kumar
Member (Technical)

-Sd/-
Sushil Mahadeorao Kochey
Member (Judicial)