IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH (COURT– I) CHENNAI

ATTENDANCE CUM ORDER SHEET OF THE HEARING
HELD ON **20.07.2026** THROUGH VIDEO CONFERENCE

CORAM : HON'BLE SHRI. SANJIV JAIN, MEMBER (JUDICIAL)
HON'BLE SHRI VENKATARAMAN SUBRAMANIAM, MEMBER (TECHNICAL)

Application No	:	-
Petition No	:	CP(CA)/59(CHE)/2024
Name of Petitioner & Name of Respondent	:	Sivatharsini Vs Safro Realty Pvt Ltd & 69 Others
Section	:	130, 213 & 241 of CA, 2013

ORDER

CP(CA)/59(CHE)/2024

Present: None for the Petitioner.
None for the Respondent.

Vide separate order pronounced in the open Court, the instant Petition is allowed by exercising powers under section 213 of the Companies Act, 2013. Investigation is directed to be initiated into the affairs of the Respondents 1 to 33 Companies in respect of their activities undertaken by them. The investigation shall, inter alia, encompass an examination of the corporate structure, management and control, movement of funds, related party transactions, inter-corporate dealings, acquisition and alienation of assets, advances made and received, and the financial relationship amongst the entities constituting the Neomax Group.

List the petition for hearing on **14.10.2026**

-sd-
[VENKATARAMAN SUBRAMANIAM]
MEMBER (TECHNICAL)

-sd-
[SANJIV JAIN]
MEMBER (JUDICIAL)

MS

Date: 20.07.2026

IN THE NATIONAL COMPANY LAW TRIBUNAL, DIVISION BENCH – I, CHENNAI

CP(CA)/59(CHE)/2024

(Sections 213 And 447 of The Companies Act, 2013 read with Rules 11, 13 & 80 of the NCLT Rules, 2016)

In the matter of ***Safro Realty Private Limited***

Sivatharshini,
D/o., Mr. P.L. Avichi, aged about 57 years
Residing at Flat 637,
Mount Kailash, Right House,
PN Pudur, Vadavalli, Coimbatore – 641 041

... Petitioner

Versus

1. Safro Realty Private Limited,
U70109TN2019PTC133210
Block 3c, ADR Towers,
No-74A, Theni Main Road,
Kalavasal,
Madurai – 625 016.

2. Green Wealth Agro India Limited,
U01403TN2009PLC072243
No-44, AA Road,
Opp.Gnana Olivupuram Church,
Aarapalayam,
Madurai – 625016.

3. Neomax Realtors Private Limited,
U701 02TN2014PTC094443
First Floor, Block 1B, Preetham Plaza,
RS.NO78/3, A/3, Byepass Road,
Ponmeni,

Madurai – 625 016.

4. Adventas Global Properties Private Limited,
U70109TN2019PTC127522
First Floor, Block1B,
Preetham Plaza,
RS No. 78/3, A/3,
No-85,Ricky Towers,
Byepass Road, Ponmeni,
Madurai – 625 016.
adventasalobalproperties@gmail.com

5. Astronio Properties Private Limited,
U70l09TN2020PTC 133788
No-262/R. Subbam Street,
Opposite Sriram Theatre Back Side,
Theni — 625 531.

6. Livsmart Properties Private Limited,
U70109TN2019PTC127516
4th Floor, Block 4D-79/2,
Bye Pass Road,
Madurai – 625 016.

7. Safro Properties Private Limited,
U70102TN2020PTC134394
No-08/1187-4F,
Sivakasi Main Road,
Nandha Hotel Near,
Virudhunagar – 626001.

8. Lomy Properties Private Limited,
U70109TN2020PTC137670
3/1, Muthu Nagar, 1st Street,
DCC Bank Opposite,
Trichy Road,
Dindigul — 624 005.

9. Explora Retail Private Limited,
U52399TN2017PTC 1 19992
3rd Floor, 79/2,
Bye Pass Road, Madurai – 625 016.

10. Perkky Retail Mall Private Limited,
U52609TN2022PTC15247 4
D.No.1, Kumaran Kudi, Sethupathi Street,
Nehrunagar, Arasaradi Post,
Byepass Road, Madurai — 625 016.

11. Joyos Retail Mall Private Limited,
U52300TN2022PTCl52476
Door No.1, Kumaran Kudi,
Sethupathi Street, Nehru Nagar,
Arasaradi Post, Byepass Road,
Madurai – 625 016.

12. Vendomatic India Private Limited,
U29253TN2013PTC145128
Block 3a, ADR Towers,
No 74A, Theni Main Road,
Kalavasal, Madurai — 625 016.

13. Ecstaa Retail Mall Private Limited,
U52100TN2022PTCl52473
Door No.1, Kumaran Kudi,
Sethupathi Street, Nehru Nagar,
Arasaradi Post,
Byepass Road, Madurai – 625 016.

14. Skylaa Retail Mall Private Limited,
U52322TN2022PTC152643
Door No.1, Kumaran Kudi,
Sethupathi Street, Nehru Nagar,
Arasaradi Post, Byepass Road,
Madurai — 625 016.

15. Exubera Retail Private Limited,
U52500TN2017PTC120088
Plot 14, Jai Nagar, Ponmeni Village,
Madakulam, Madurai — 625 016.

16. Alta Vision India Marketing Private Limited,
CINU74900TN2009PTC07175
4th Floor, Block 4A-79/2, Bye Pass Road,
Madurai — 625 016.

17. Modestio Retail Mail Private Limited,
U52l00TN2022PTC152459
No. 1, Kumaran Kudi,
Sethupathi Street Nehru Nagar,
Arasaradi Post, Byepas Road,
Madurai — 625 016.

18. Neomax Properties Private Limited,
U70109TN2013PTC093705
Ricky Tower,
2nd Floor, No.85, Subramaniyapillai Street,
SS Colony, Byepass Road,
Madurai - 625 016.

19. Narpavi Media Private Limited,
U74999TN2016PTCI04772
Plot-10, Balaji lilam,
Opp. 'Our Lady Matric' School,
Ponmeni Madakulam Main Road,
Ponmeni, Madurai — 625 016.

20. Kenmax Medical Services Private Limited,
CIN U85 199TN2019PTC128707
Plot No - B, Prithvi Garden,
Muthuthevar Colony,
Virattipathu, Madurai — 625 016.

21. Green Wealth Benefit Fund Limited,
U6599TN1999PLC041793
Rex Centre No. 44, A.A.Road,
Opp. Gnana Olivu Puram Church,
Aarapalayam,
Madurai — 625 016.

22. Planet-X Aerospace Services Private Limited,
U62100TN2019PTC132530
No.78/04, Byepass Road,
First Floor, Madurai — 625 010.

23. Green Royale Retail Holdings Private Limited,
U55l0lTN20l3PTC093589
No-85,Ricky Towers,
3rd Floor, Subramania Pillai Street,
Ss Colony, Byepass Road,
Madurai – 625 016.

24. Esmatrix Life Sciences Private Limited,
U5l39TN20l 1PTC083556
No-14, Kamban Street Ullagaram,
Chennai – 600 091.

25. Amaze Properties India Limited,
U45400TN201 1PLC079739
Second Floor, 4 & 5,
A.A. Tower, Byepass Road,
Madurai – 625 010.

26. Ventura Developers India Limited,
U45400TN2010PLC077402
First Floor, No.4, Sathiyamoorthy Nagar,
70th Street,
Madurai – 625 010.

27. Fasino Furniture Private Limited,
U36999TN20l7PTC117200

No-02b, Alagu Samuthrapatty,
Thadicombu,
Dindigul – 624 709.

28. Robaco Properties Private Limited,
U70109TN2019PTC130349
NO-23/01, Bharathiyar Nagar,
Opposite to Royal Enfield Showroom,
Sivaganga,
KARAIKUDI – 630 003.

29. Transco Properties Private Limited,
U70109TN2019PTC130440
Door No 66H/F, First Floor,
Vasanthamnagar Perumal Puram,
Newbusstand South Side,
Tirunelveli – 627 007.

30. Glenmax Properties Private Limited,
U70200TN2019PTC130732
Plot No-03/100, Uppurpost,
Kadlurpanchayat RS Mangalam,
Ramanathapuram – 623 525.

31.Leoneo Properties Private Limited,
U70200TN2019PTC130732
No.19, First Floor, Raja Nagar,
Saraboji College Post,
Thanjavur – 613 005.

32.Tridas Properties Private Limited,
U70200TN2019PTC130822
No.334/2 Part,
Km Colony Melur Road,
Sivaganga – 630 561.

33. Glowmax Properties Private Limited,
U70109TN20I9PTCL3O767

No.52/12, Sriram Nagar,
4th Street, Mandhithoppu Road,
Thoothukudi,
Kovilpatti - 628 501.

34. Govindaraj Rajkumar,
DIN: 03165725,
Perumal Kovil Street,
Lakshmipuram, Periyakulam,
Alagapuri, Theni — 625 523.

35. Anbumani Chamy Paul,
DIN: 07170082 01/3336-03,
Valluvan Nagar,
Mathunayakanpatti,
Virudhunagar Collector Office,
Virudhunagar – 626 001.

36. Natarajan Jayachandran,
DIN: 02691709,
1/3, Muthu Nagar,
1st Street, Trichy Road,
Dindugal – 624 005.

37. Shanmugam Kamalakannan,
DIN: 02677775,
471, Flat A3,
RAMS Apartments, Bye Pass Road,
Arasaradi, Madurai – 625 016.

38. Sankarapandy Balasubramanian,
DIN: 02615451,
10, Madakulam Middle Main Road,
Madakulam, Ponmeni,
Arasaradi,
Madurai – 625 016.

39.Velu Kannan,

DIN: 07133509,
First Floor, Block 1B,
Preetham Plaza, RS No.78/3,
A/3, Byepass Road,
Ponmeni, Madurai — 625 016.

40. Ramachandran Yogaraja,
DIN: 07133184,
No.2, Sembaruthi Street,
Arunachalam Nagar,
Thabal Thandhi Nagar,
Anaiyur, Madurai — 625 017.

41. Alagarsamy Narayanasamy,
DIN: 07133088,
No.287/1B, Seengkalmalnachiyarpuram Road,
Thiruthangal,
Virudhunagar — 626 130.

42. Kulandai Pitchumani Ravindran,
Director of Livsmart Properties Private Limited,
DIN: 06730570,
4th Floor, Block 4D-79/2,
Bye Pass Road,
Madurai - 625 016.

43. Bharathan,
DIN: 08697769,
Director of Safro Properties Private Limited,
No-08/1187-4F,
Sivakasi Main Road,
Nandha Hotel Near,
Virudhunagar — 626 001.

44. Ramamoorthy Rengasamy,
DIN: 08697770,
Director of Safro Properties Private Limited,
No-08/1187-4F,

Sivakasi Main Road,
Nandha Hotel Near,
Virudhunagar — 626 001.

45. Nirmalraj,
DIN: 08862863,
Director of Lomy Properties Private Limited,
3/1, Muthu Nagar,
1st Street, DCC Bank Opposite,
Trichy Road, Dindigul — 624 005.

46. Balaji,
DIN: 08862864,
Director of Lomy Properties Private Limited,
3/1, Muthu Nagar,
1st Street, DCC Bank Opposite,
Trichy Road, Dindigul — 624 005.

47. Rajagopalan,
DIN: 08862865,
Director of Lomy Properties Private Limited,
3/1, Muthu Nagar,
1st Street, DCC Bank Opposite,
Trichy Road, Dindigul - 624 005.

48. Sekar Aswath,
DIN: 09375643,
Barathiyar Street,
290/4, Annes Convent Road,
Ponmeni, Madurai North,
SS Colony,
Madurai - 625 016.

49. Rajaram Ravi,
DIN: 07177718,
No.31, D6,
Karuthapuliyampattim,
Melur, Madurai — 625 106.

50. Duraikannu Veerasakthi,
DIN: 05169785,
25, Kartigyar Garden South Vibuthi Pragaram,
T.V. Koil, Trichy – 625 005.

51. Kadalraja Raghavan,
DIN: 07683779,
No.61, Bhimasena Garden,
Mylapore, Chennai — 600 004.

52. Ponnusamy Mohan,
DIN: 02107129,
No.47/1 — E1, Rams Apartments,
Bye Pass Road,
Madurai — 625 016.

53. llankumaran Chidambaram Nataraja Perumal,
DIN: 02550609,
No.07/03/306, A.Peraiyur Road,
Usilampatti, Madurai - 625 532.

54. Ramanathan Babu,
DIN: 02691726,
No.45, Thendral Nagar,
Bodinayakanur - 625 513.

55. Bommanasamy Elango,
DIN: 07761837
No.02, Aruna Nagar Madi,
West Govindapuram,
Dindigul — 624 001.

56. Jawahar Baskaradass,
DIN: 07761832,
No.41/27-28, East Street -1,
Karungalpatti,
Salem - 636 006.

57. Ganapathi Moorthy Krishna,
DIN: 07184445,
No.06-127/336B, GST Road,
Thiruparankundram,
Madurai – 625 005.

58. Michealdoss Charles,
DIN: 06730631,
73, Amaithi Agam,
Kalapili, Devakottai,
Sivagangai District
Currently in Central Prison, Madurai.

59. Neduncheliyan Rameshrajan,
DIN: 08502280,
No.5/43, SR Pattinam,
Karaikudi, Sivaganga - 630 306.

60. Antony Michal Selvi,
DIN: 08502282,
No.41, Alagapuri Nagar,
Ramnagar, Devakottai,
Sivagangai - 630 302.

61. Ashokmetha Panchai,
DIN: 08506459,
425, Kumarapatti,
Thamarakki North,
Sivagangai – 630 562.

62. Ayyankalai Sampath,
DIN:08700467,
No.363, Kumarapatti,
Thamarakki Post,
Sivagangai - 630 562.

63. Muruganandhan,

DIN: 08700468,
3/61, Morepannai,
Uppur,
Ramanathapuram - 623 525.

64. Subbukannu Murugesan,
DIN: 08617151,
3/448, North Street,
Puliyal, Thidakkottai,
Devakottai,
Sivagangai - 630 312.

65. Thetchinamoorthy Siva,
DIN: 08616866,
9/395, Pangudi Thiruvadanai,
Pangudi,
Ramanathapuram - 623 404.

66. Savarimuthu Michael
DIN: 08521518,
No.2/5, Old Housing Unit,
Pudukottai Road,
Near Axcilium School,
Thanjavur - 613 007.

67. Suresh Govindasamy,
DIN: 08521520,
No.03/149 - BNNO-616,
Kudiyana Street,
Kovil Venni,
Needamangalam Taluk,
Thiruvarur - 614 403.

68. Andi Mayazhagu,
DIN: 08525309,
Kamarajar Colony,
Mellur Road,
Sivagangai - 630 562.

69. Veeraiah Thiyagarajan,
DIN: 08523225,
No.357, A Nadu Street,
Svlaikkari,
Virudhunagar – 626 101.

70. Ramesh Dharmaraj,
DIN: 10065190
Director of Glowmax Properties Private Limited,
No.52/12, Sriram Nagar,
4th Street, Mandhithoppu Road,
Thoothukudi,
Kovilpatti - 628 501.

*Order pronounced on **20th July, 2026***

CORAM :

SANJIV JAIN, MEMBER (JUDICIAL)
VENKATARAMAN SUBRAMANIAM, MEMBER (TECHNICAL)

For Petitioner	*: S.R. Rajagopal, Advocate*
For ROC	*: Avinash Krishnan Ravi, Advocate*
For Respondents	*: Ex parte*

ORDER

1. This petition has been filed by the Sivatharshini, an investor in Respondent Nos. 1, 9 and 28, under Sections 213 of Companies Act, 2013 (hereinafter, the Act, 2013), seeking direction into the affairs of the Respondent Companies No. 1 to 33 and its directors/promoters. The reliefs sought by the Petitioner is extracted below,

"Final Relief(s):

(a) To initiate investigation into the affairs of the Respondents 1 to 33 Companies in respect of their activities undertaken by them;

(b) To pass an order of winding up of the Respondent Companies 1 to 33; affairs of which have been conducted in a fraudulent manner and the Respondent and formed for fraudulent and unlawful purpose;

(c) To surcharge the Respondents 34 to 70 for their various acts of misfeasance, malfeasance, misappropriation and misuse of the Petitioners investment moneys as determined from activities undertaken by them;

(d) To pass such further or other orders as this Tribunal may deem fit and proper in the facts and circumstances of the case in the interest of Petitioners/general public and thus render justice."

2. **<u>Submissions of the Petitioner</u>**

2.1. It is stated that the Respondents are the private limited companies forming part of Neomax Group Companies ('Neomax Group"). Respondent Nos. 1 to 33 were formed with the sole purpose of usurping the hard-earned money of the general public by floating fraudulent real estate schemes. Although there are several companies under the Neomax Group, the Petitioner has arrayed only the companies she knows being involved in floating of fake real estate projects. Respondent Nos. 34 to 70 are the Directors of the respective Companies arrayed as Respondents herein.

2.2. It is stated that the Group Companies were formed with the sole motive of facilitating a fraudulent scheme. The business model was to induce the investors to invest money in the shell companies, Respondents 1 to 33 herein by holding out that the 'Neomax Group' has lucrative business ventures. The agents of the Neomax Group contacted the individuals and assured them of large profits if an investment was made in their real estate-related schemes. The Neomax Group presented fictitious and fraudulent investment ideas to entice new investors and used the money received to ostensibly pay profits to their earlier investors.

2.3. It is stated that Respondent Companies No. 1 to 33 held out promises and assurances that their Group's ethos was such that they have an expansive and varied portfolio by investing the investor(s)' money in a variety of business sectors, including construction, healthcare, real estate, pharmaceuticals, agriculture, logistics, education, and software services. If one of these sectors experiences a downturn, the investors would be protected from loss.

2.4. It is stated that the scheme projected to the Petitioner and other individuals, was a Ponzi Scheme aimed at defrauding investors and the same is evident from the fact that the MoA and AoA of the Companies, are all identically worded. There is proof that the money intended to construct the purported projects is being misappropriated via transfers to other shell firms, who would then utilize the money to promote more fraudulent schemes.

2.5. It is stated that the Petitioner, like many other gullible investors, was approached by the master-minds of the fraudulent scheme led by Neomax Group i.e., Duraikannu Veerasakti (50th Respondent herein); Shanmugam Kamalakannan (38th Respondent herein) and Sankarapandy Balasubramanian (37th Respondent herein) and Michealdoss Charles (58th Respondent herein) all of whom are directors of various companies within the Neomax Group. Based on false representations and promises made by the directors, Petitioner made deposits to the tune of Rs. 2,02,30,000 (Rupees Two Crore Two Lakhs Thirty Thousand Only), more specifically Rs. 1,00,00,000/- in Respondent No. 1, Rs. 6,00,000/- in Respondent No. 9 and Rs. 96,30,000/- in Respondent No. 28, in various projects floated under the aegis of the Respondent Group Companies. Respondent Nos. 1, 9 and 28 are the Companies which had issued Booking Confirmation for various amounts tendered by the Petitioner. The investments made by the Petitioner were made through various modes such as cash, cheques and bank transfers. The details of the various investments made by the Petitioner in the projects along with their booking confirmation numbers are as below:

Date	Booking Confirmation	Amount (in Rs.)
SAFRO REALTY PRIVATE LIMITED		
SAI GARDEN VILLISERI VILLAGE, KOVILPATTI - AERO BLOCK		
30.06.2020	52119/2015933/1	6,00,000
30.06.2020	52119/2015933/2	4,00,000
18.05.2020	49070/2005271/2	4,00,000
18.05.2020	49651/2005266/1	6,00,000
18.05.2020	49651/2005266/2	4,00,000
18.05.2020	49070/2005271/1	6,00,000
SUPERIO CITY KOVILPATTY - SUPERIO BLOCK		
31.05.2020	49093/2008232/1	5,00,000
31.05.2020	49092/2008229/1	5,00,000

20.05.2020	48090/2005083/2	5,00,000
20.05.2020	48090/2005083/1	5,00,000
SHRINE CITY EXTENSION MOOLAKARAIPATTY - SHRINE BLOCK		
08.07.2020	52119/2016641/1	2,00,000
ADVANCE-LAND PURCHASE, KOVILPATTI		
10.10.2020	52118/2029945/1	2,40,000
10.10.2020	52118/2029945/2	9,60,000
10.10.2020	52118/2029946/1	2,40,000
10.10.2020	52118/2029946/2	9,60,000
31.10.2020	58438/2033104/1	2,40,000
31.10.2020	58438/2033104/2	9,60,000
31.10.2020	58438/2033103/1	2,40,000
31.10.2020	58438/2033103/2	9,60,000
EXPLORA RETAIL PRIVATE LIMITED		
NEW AUTOMATIC VENDING MACHINE		
20.05.2020	49657/2005288/1	3,00,000
18.05.2020	49657/2005283/1	3,00,000
ROBACO PROPERTIES PRIVATE LIMITED		
MARVEL CITY EXTENSION KOVILPATTI - A BLOCK		
18.01.2021	59174/2102695/1	6,00,000

29.01.2021	51336/2104625/1	6,00,000
29.01.2021	51336/2104625/2	6,00,000
29.01.2021	51336/2104625/3	6,00,000
NEW PORT CITY ANNEX KOVILPATTY - A BLOCK		
10.12.2021	73108/3136595/1	6,00,000
10.12.2021	73108/3136595/2	6,00,000
FORT CITY SIRUGANOOR TRICHY - A BLOCK		
22.03.2022	78187/3167533/1	6,00,000
22.03.2022	78187/3167533/2	6,00,000
22.03.2022	78187/3167532/1	6,00,000
22.03.2022	78186/3167532/2	6,00,000
28.03.2022	73107/3168722/1	6,00,000
28.03.2022	73107/3168722/2	6,00,000
28.03.2022	73107/3168724/1	6,00,000
28.03.2022	73107/3168724/2	6,00,000
PORT CITY KOVILPATTY-C BLOCK		
15.06.2021	64691/2140046/1	6,00,000
DREAM CITY II - DREAM		
08.06.2021	42867/368/DEVAKOTTAI	10,000

08.06.2021	42867/368/DEVAKOTTAI	10,000
08.06.2021	42867/368/DEVAKOTTAI	10,000
NEW AUTOMATIC VENDING MACHINE		
20.05.2020	49657/2005288/1	3,00,000
18.05.2020	49657/2005283/1	3,00,000

2.6. It is stated that in the scheme floated by the Respondent Group, the Petitioner was assured by the Respondent Nos. 37, 38, 50 and 58 that, upon investment or purchase of land in their Tuticorin projects, the Respondent Companies will pay usurious rates of return as interest until the said lands are registered in Petitioner's favour within a year of the investment date. The Booking Receipts executed in favour of the Petitioner were merely a facade intended to deceive the Petitioner into believing the fraudulent scheme floated by the Respondent Group Company and as such there was no mutation of records in favour of the Petitioner. In fact, the very existence of such lands is questionable. This is evident from the fact that the Respondent Group Companies are receiving public money as investment for their alleged real estate projects, however, most of the Companies, have not even accounted for in their annual returns, the monies they so received from the investors. The details of annual returns of some companies are not available in the portal of the Ministry of Corporate Affairs.

2.7. It is stated that it was heavily publicised in newspaper articles that the Respondent Group Company had floated the real estate scheme for fraudulent and unlawful purposes. The Petitioner, out of good faith, reached out and met the representatives of the Neomax Group. However, no information was provided to the Petitioner of the stage of development or the status of the project. In fact, most of the representatives of the Neomax Group were clueless as to the most basic details of the project itself.

2.8. It is stated that it was also reported in the media that several directors of the Respondent Group Company were imprisoned on the charges of siphoning off public funds. It was also reported that there were several on-going cases filed against them by similarly deceived investors. When the Petitioner contacted the Respondent Nos. 37, 38, 50 and 58, they gave blanket assurances to the Petitioner and other investors that they will refund their amounts as promised and made requests not to approach any court of law in this regard.

2.9. It is stated that the Petitioner, upon availing legal advice, filed a complaint with the Economic Offences Wing, Department attaching all the relevant facts outlining the fraud committed by the Neomax Group. The details of the Complaint with Deputy Superintendent of Police, Economic Offenses Branch is placed at Pgs. 1107A to 1107G of the petition.

2.10. It is stated that the shell companies including Respondents 1 to 33, were supposed to acquire lands, develop it into layouts for sale and utilize investor funds to generate substantial returns for the investors. Ex-facie, the Authorized Capital of the Respondent 1 to 33 does not support the purposes for which the Companies are created. There is no asset or investment under the "fixed asset" reflected in the balance sheet in the latest annual report filed with the RoC. Further, since the Respondent Companies only take cash deposits from their investors, money may be diverted to create unaccounted cash. The assets acquired by the Respondent Companies and the revenue earned from the purported scheme are not properly documented. Despite the investor funds being invested in the alleged real estate projects, the same was not reflected in the Respondents Companies balance sheets, last filed. Moreover, the projects have not been completed and the reason for delay remains unknown to its Petitioners/investors. Accordingly, the latest balance sheet filed with the Registrar of Companies (RoC) provides proof of embezzlement and improper use of funds by Respondent Companies No. 1 to 33.

2.11. It is stated that owing to the public interest being involved, the operation of such schemes merits an examination by the Central Government under Section 213 of the Companies Act, 2013. The Petitioner was wronged by the entire transaction, which was a composite transaction associating all the Respondent Companies even though the money was paid by the Petitioner to Respondent Nos. 1, 9 and 28 and the ultimate recipients of the monies were the Respondent Nos. 37, 38, 50 and 58. For this purpose, the Respondent Nos. 1 to 33 were entirely used as a front along with the help of their directors i.e., Respondent Nos. 34 to 70. Hence, a combined petition is being preferred against all the Respondents who are primarily benefiting from the investment money fraudulently obtained from the Petitioner and other similarly placed investors. In any case, the relief requested by the Petitioner is one for an investigation into the activities of Respondents 1 to 33 since they continue to deceive the investors, who are creditors, in accordance with Sections 213 read with Section 447 of the Companies Act.

2.12. It is stated that the promoters of the Neomax Group, are involved in fraud, misconduct, and misfeasance, and that their business practices are intended to deceive innocent investors, like the Petitioner. To continue their fraudulent activities and to evade liabilities under the Land Ceiling Act, the promoters of the Neomax Group established several shell companies, including the Respondents Companies 1 to 33 herein. By funding and incorporating these shell companies, they illegally enrich the promoters and individuals involved in the management of these shell companies. Given that Respondents 34 to 70 have a vested financial and personal interest, the management of these companies is guilty of serious irregularities that harm investors and the general public. It is the fiduciary duty of Respondents 34 to 70 to uphold transparency in conducting legal and business interests of Respondents 1 to 33 in the aforementioned case, however, they have fallen short of their fiduciary duties to clients by guaranteeing unrealistically large returns on investment. The stated reason for the shell company's creation is fraudulent and illegal, making it subject to the investigation under Section 213 of the Companies Act, 2013. The persons associated with and involved in the formation of the Company or the management of its activities are guilty of fraud, as the Companies Respondents 1 to 33, have been founded for fraudulent or unlawful purpose. As a result, Section 447 of the Companies Act mandates that every executive of the Company be dealt with in a manner known to law.

2.13. It is stated that According to clause (b) of Section 213, since the Respondent Companies' business are being conducted with the intention of defrauding its creditors, members, or any other person, or otherwise for a fraudulent or unlawful purpose and in a manner that is oppressive to its members, and because the Respondent Companies were formed for any fraudulent or unlawful purpose, and because there are sufficient circumstances to warrant the exercise of the investigative power, this Tribunal may order an investigation into the affairs of Respondents 1 to 33.

2.14. It is stated that those involved in the establishment of the Respondent Companies and the administration of their affairs committed fraud and mismanagement in connection with it. Their business dealings with the companies and any of its members are obviously intended to deceive the investors. None of the alleged projects have been finished. Since the companies are front and shell companies meant to deceive investors, there is sufficient reason for this Tribunal to conduct an investigation into the affairs of all the companies.

2.15. It is stated that the Respondents 34 to 70 are guilty of violating Section 448 of the Companies Act for furnishing false and misleading statements regarding the financials of the Companies.

2.16. Furthermore, by not providing all relevant facts to the investors, such as the Petitioner herein, Section 36 of the Companies Act gets invoked in the instant case, which provides for punishment to persons who, knowingly or recklessly make fraudulent, false, inaccurate or misleading promises or representations to persons or conceals appropriate information from a person so as to induce him. The carrying on business, inducement to invest and further non-disclosure in the returns of the Company added to the non-repayment of the same is clearly amounting to an act of fraud. This in turn triggers, Section 447 of the Companies Act which provides for punishment for fraud for which the Respondents are guilty of

2.17. It is stated that a prima facie case of fraud has been made out by the Petitioner. In the case of ***A.P. Civil Supplies Corporation Ltd. v. Delta Oils and Facts Ltd.***, wherein the Company Law Board held that, *"If the material on record prima facie shows that fraud has been played and committed to cause loss to the company in question, investigation could be ordered."* Furthermore, in the case of ***M. Srinivas v. Ramanathan Bhuvaneshwari, Resolution Professional, 2019 SCC OnLine NCLAT 1001,*** the Hon'ble NCLAT has held that on an application made by 'any other person', if the Tribunal is satisfied that there are circumstances suggesting that the business of the company is being conducted with intent to defraud its creditors, any of its member, investors or formed for unlawful or fraudulent purpose, on availability of material prima facie showing conduct of unlawful business, in public interest and apart from the power conferred by Section 213 of the Companies Act the NCLT has inherent powers under the NCLT Rules, 2018, to refer the matter to Central Government for investigation. The threshold set by various judicial precedents in this regard are thus met.

2.18. It is stated that the above-mentioned facts show that Respondents 34 to 70 have conducted the affairs of the Companies against the public interest. Owing to the peculiar nature of the present issue, it is necessary to breach the "Corporate Veil" protecting all the Directors of the Respondent Group Companies and hold them responsible for the company's acts, in order to protect its members from its actions.

3. **<u>Report of the Registrar of Companies:</u>**

3.1. It is stated that Respondent No. 1 and its directors ought to have filed statutory returns in compliance of the provisions of the Companies Act 2013. However, the company has not filed Financial Statements as per the provisions of the Companies Act 2013 for the Financial Year 2022-23 to till date. **Hence, R1 Company failed to follow the statutory compliance as provided under Sections 92(4), 137 of the Companies Act, 2013.**

3.2. It is stated that, it is observed from the balance Sheet for the Financial Year 2021-22 that the R-1 company has obtained loans and advances from related parties to the tune of Rs. 72,325/-. However, the loans and advances obtained from related parties are not disclosed in the Board Report and further, disclosures like name of the related party, nature and terms of the loan, are not disclosed in the financial statement of the company for the Financial Year 2021-22 as required under Accounting standard (AS)-18. Hence, **Company has violated the provisions of Section 129 r/w AS-18 of the Companies Act, 2013 for the financial Year 2021-22.**

3.3. It is stated that as per section 173 (1) of the Companies Act, 2013, every company is required to conduct the minimum number of four meetings of its Board of Directors in every year. However, it is observed from the Directors Report for the Financial Year 2021-22 of the R-1 company that the company has conducted only 3 meetings of its Board of Directors. **Hence, R-1 Company has violated the provisions of section 173 (1) of the Companies Act, 2013.**

3.4. It is stated that R2 Company and its directors ought to have filed statutory returns in compliance of the provisions of the Companies Act 2013. However, the company has not filed Financial Statements as per the provisions of the Companies Act 2013 for the financial year 2022-23 to till date. **Hence, R2 Company failed to follow the statutory compliance as provided under Sections 92(4), 137 of the Companies Act, 2013.**

3.5. It is stated that R-2 Company has filed PAS-6 vide SRN: R52435054 for the period 01-10-2019 to 31-03-2020. Upon examination of said e-form it is observed that company is having 61,266 shares in physical form. **Hence, R-2 Company has violated the provisions of Section 29 of the Companies Act, 2013 read with Rule 9A of companies (Prospectus and allotments of securities) Rules, 2014.**

3.6. It is stated that the R3 Company and its directors ought to have filed statutory returns in compliance of the provisions of the Companies Act 2013. However, the company has not filed Financial Statements as per the provisions of the Companies Act 2013 for the financial year 2022-23 to till date. **Hence, R3 Company failed to follow the statutory compliance as provided under Sections 92(4), 137 of the Companies Act, 2013.**

3.7. It is stated that as per section 173 (1) of the Companies Act, 2013, every company is required to conduct the minimum number of four meetings of its Board of Directors in every year and not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board. However, it is observed from the Directors Report for the financial year 2021-22 of the R-3 company that company has conducted Second Board Meeting on 22-06-2021 and third Board Meeting on 30-11-2021 with the gap of **161 days. Hence, it is observed that R-3 Company contravene the provisions of section 173 (1) of the Companies Act, 2013 by not conducting the two consecutive Board of Directors meeting within one hundred and twenty days. Hence, R-1 Company has violated the provisions of section 173 (1) of the Companies Act, 2013.**

3.8. It is stated that R4 to R8, R15, R18 to R20, R22, R23, R25, R26, R27, R28, R30, R31 Companies and their directors ought to have filed statutory returns in compliance of the provisions of the Companies Act 2013. However, the said companies have not filed Financial Statements as per the provisions of the Companies Act 2013 for the financial year 2023-24 to till date. **Hence, R4 to R8, R15, R18 to R20, R22, R23, R25, R26, R27, R28, R30, R31 companies failed to follow the statutory compliance as provided under Sections 92(4), 137 of the Companies Act, 2013.**

3.9. It is pertinent to mention that the R9, R10, R11, R13, R14, R16, R17, R21, R24, R29, R32 and R33 companies and their directors ought to have filed statutory returns in compliance of the provisions of the Companies Act 2013. However, the company has not filed Financial

Statements as per the provisions of the Companies Act 2013 for the financial year 2022-23 to till date. **Hence, R9, R10, R11, R13, R14, R16, R17, R21, R24, R29, R32 and R33 companies failed to follow the statutory compliance as provided under Sections 92(4), 137 of the Companies Act, 2013.**

3.10. It is stated that R-5 has filed the Annual Return (Form-MGT-7A) for the financial Year 2021-22 before the Registrar of Companies, in which the list of shareholders of another Company, Adlandino Developers Private Limited, has been submitted. Hence the Company has not complied with the provision of Section 92(4) of the Companies Act, 2013.

3.11. It is stated that the following cases have been filed by various stakeholders against Respondent-5 before the District Consumer Forum of Theni District.

S.NO	CASE.NO	NAME OF COMPLAINANT	STATUS
1.	CC 87/2023	S.VENKITACHALAPATHI	PENDING
2.	CC 11/2024	RAJARAM.M	PENDING
3.	CC 38/2024	A.VIGNESH MOORTHY	PENDING
4.	CC 40/2024	V.GAYATHRI	PENDING
5.	CC 41/2024	G.MANJULA	PENDING
6.	CC 43/2024	G.MANJULA	PENDING
7	CC 44/2024	G.MANJULA	PENDING
8.	CC 45/2024	PRAVEENA	PENDING
9.	CC 46/2024	ARUNKUMAR	PENDING
10.	CC 51/2024	RAJASEKARAN	PENDING

11.	CC 49/2024	GEETHA	PENDING
12.	CC 50/2024	RAJASEKARAN	PENDING
13.	CC 52/2024	B.DEVIKA	PENDING
14.	CC 55/2024	P.BALAKRISHNAN	PENDING
15.	CC 54/2024	RADHAKRISHNAN	PENDING
16.	CC 58/2024	P.BALAKRISHNAN	PENDING
17.	CC 60/2024	R.GANESH MURUGAN	PENDING
18.	CC 88/2024	PUSHPA	PENDING
19.	CC 89/2024	BALAKRISHNAN	PENDING
20.	CC 66/2024	VIJAYALAKSHMI	PENDING
21.	CC 80/2024	ANANDAPPAN	PENDING
22.	CC 104/2024	R.GEETHA	PENDING
23.	CC 105/2024	S.LAKSHMI	PENDING
24.	EA/48/2024	A.VIGNESH MOORTHY	PENDING
25.	EA 51/2024	N.RAJARAM	PENDING

3.12. It is further submitted that a Complaint has been filed in Economic Offence Wing Madurai Branch against Respondent No.5 and Respondent No. 18 alleging that Companies have not repaid to the depositors.

3.13. Further it is submitted that as per the records of the Registrar of Companies, Chennai, the details with respect to the R1 to R33 to Company are as follows:

a. No Inspection/Inquiry/Investigation Follow-up is pending against the companies.

b. Out of 33 Companies, Complaints have been received in matter of two companies, (i) Neomax Properties Pvt Ltd for which report dated 05.06.2025 has been sent to the Directorate for recommending inspection to be ordered us 206(5) of the Act. (ii) Leoneo Properties Pvt Ltd for which letter dated 02.01.2024 has been issued and reply is still awaited.

c. No Prosecution is pending against R1 to R33.

d. No Compounding/ Adjudication is pending R1 to R33.

3.14. It is stated that according to Section 213 of the Companies Act, 2013, the order of the Tribunal to investigate into the affairs of the Company is essential and subsequently the Central Government (MCA HQ) appoints the inspector or inspectors to report as the Central Government may direct. Hence, it is prayed before this Tribunal that the Tribunal may dispose the application under Section 213(b) (i) of the Companies Act, 2013 on its merits or direct the Central Government (MCA) order for Inspection or Investigation as the case may be under the provisions of the Companies Act, 2013 as deemed fit and proper.

4. This Tribunal vide order dated 10.07.2024 directed the Petitioner to serve copy of the petition on the Respondents and file Affidavit of Service. The Petitioner filed Affidavit of Service on 27.08.2024 in compliance of the same. Thereafter, this Tribunal on 24.10.2024 directed the Petitioner to carry out substituted service on the Respondents through publication in the newspapers: Makkal Kural in

Tamil and Business Standard in English. In compliance, the Petitioner filed Affidavit of Service on 01.01.2025 reporting that paper publication was effected in the newspaper Business Standard and Makkal Kural on 30.12.2024 and 27.12.2024. However, despite time and opportunity granted, the Respondents did not enter appearance and were set ex-parte on 06.01.2026 by this Tribunal.

FINDINGS OF THIS TRIBUNAL

5. The present Petition has been filed under Section 213(b) of the Companies Act, 2013 (hereinafter referred to as 'Act') seeking directions to initiate investigation into the affairs of Respondent No. 1 to 33 (hereinafter, the Neomax Group of Companies) in respect of the activities undertaken by them.

6. We refer to Section 213 of the Act, which reads as follows:

*"**213. Investigation into company's affairs in other cases.***

The Tribunal may,--

(a) on an application made by--

(i) not less than one hundred members or members holding not less than one-tenth of the total voting power, in the case of a company having a share capital; or

(ii) not less than one-fifth of the persons on the companys register of members, in the case of a company having no share capital,

and ***supported by such evidence as may be necessary for the purpose of showing that the applicants have good reasons for seeking an order for conducting an investigation into the affairs of the company;*** *or*

(b) on an application made to it by any other person or otherwise, if it is satisfied that there are circumstances suggesting that--

(i) the business of the company is being conducted with ***intent to defraud*** *its creditors, members or any other person* ***or otherwise for a fraudulent or unlawful purpose****, or in a manner* ***oppressive to any of its members*** *or that the company was* ***formed for any fraudulent or unlawful purpose;***

(ii) persons concerned in the formation of the company or the management of its affairs have in connection therewith been ***guilty of fraud, misfeasance or other misconduct*** *towards the company or towards any of its members; or*

(iii) the members of the company have not been given all the information with respect to its affairs which they might reasonably expect, including information relating to the calculation of the commission payable to a managing or other director, or the manager, of the company,

order, after giving a reasonable opportunity of being heard to the parties concerned, that the affairs of the company ought to be investigated by an inspector or inspectors appointed by the Central Government and where such an order is passed, the Central Government shall appoint one or more competent persons as inspectors to investigate into the affairs of the company in respect of such matters and to report thereupon to it in such manner as the Central Government may direct:

Provided that if after investigation it is proved that--

(i) the business of the company is being conducted with intent to defraud its creditors, members or any other persons or otherwise for a fraudulent or unlawful purpose, or that the company was formed for any fraudulent or unlawful purpose; or

(ii) any person concerned in the formation of the company or the management of its affairs have in connection therewith been guilty of fraud,

then, every officer of the company who is in default and the person or persons concerned in the formation of the company or the management of its affairs shall be punishable for fraud in the manner as provided in section 447."

7. This Petition has been filed by the Petitioner, who claims to have invested an aggregate amount of Rs. 2,02,30,000/- in various schemes floated by the Neomax Group of Companies. The investments were made in the real estate schemes advertised by Respondent Nos. 1, 9 and 28, and the Petitioner has placed on record the corresponding booking confirmation receipts evidencing such investments, as already extracted in paragraph 2.5 of this Order. It is alleged that Respondent Nos. 1 to 33, promoted and controlled by Respondent Nos. 34 to 70, collectively induced members of the public to invest in various real estate schemes by promising high returns and registration of lands within one year.

8. The Petitioner, having invested in the schemes floated by the Respondent Companies and alleging fraudulent conduct in their

affairs, is an aggrieved party having sufficient commercial interest in the affairs of the Respondent Companies. Hence, the Petitioner falls within the ambit of the expression "any other person" occurring in Section 213(b) of the Companies Act, 2013 and has the locus to file the present Petition.

9. Before delving into the facts of the case, we refer to the decision of the Hon'ble NCLAT in the case of ***Exclusive Capital Ltd. and Others v. Kanta Agarwala and Another (Company Appeal (AT) No. 166 of 2025*****).** In the said case, the Hon'ble NCLAT clarified that the phrase *"satisfaction"* under Section 213 cannot be reduced to a rigid or straitjacket formula. Whether the material placed before the Tribunal is sufficient to justify an investigation necessarily depends upon the facts and circumstances of each case. Thus, while conclusive proof of fraud is not required at the stage of directing an investigation, there must nevertheless exist objective material capable of reasonably suggesting the statutory circumstances contemplated under Section 213. The relevant paragraphs are extracted as under:

> *"95. We are afraid that appellants may not get any benefit from both the cases relied upon by them and mentioned herein before. It is to be recalled that to take a decision under Section 213 of the Companies Act the tribunal is required to take into account all the relevant material presented by the parties and to consider the material/evidence produced by the parties only for ascertaining good reasons and sufficient cause for directing such investigation and this satisfaction is only for the purpose of ordering an investigation and thus at that stage the Ld. NCLT is not required to arrive at a conclusive proof of such*

*allegations. **It would be sufficient if the satisfaction as required under Section 213 coupled with the good reasons is arrived at by pursuing the material/evidence available on record and the impugned order passed by the Ld. tribunal is also reflecting the material which has been considered by him and also the satisfaction on the three reports of Ld. observer and also the contents of these reports. Ld. tribunal has in fact quoted the relevant parts of the reports submitted by the Ld. observer where in various allegations have been levelled against appellants. In our considered opinion satisfaction and good reasons as required under section 213 of the Companies Act may not be bind in any straight jacket formula and it will depend on the facts and circumstances of each case as to whether the case is fit to be investigated.** Thus there has to be a prima facie case which would be sufficient. After all, only an order of investigation is being passed by Ld. Tribunal and these allegations which have been levelled are yet to be investigated by inspector or inspectors, which may be appointed by the Central government. To put it otherwise if the requirement would be of drawing a finding of conclusive nature then there will not be requirement of any investigation. The investigation is to be done to investigate the truthfulness or otherwise of the allegations. Therefore, in every such case having regard to the allegations levelled, a question is to be asked by the tribunal to itself as to why the investigation is necessary and if the answer to this query is in affirmative the tribunal may pass the order of investigation into the affairs of the company. However, answer to the query must also reflect in its order. Thus in our considered opinion above placed submission of Ld. Sr. Counsel appearing for the appellant that the reports of the observer could not be taken into consideration by the tribunal, in our considered opinion, is not sustainable.*

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118. No doubt reply with regard to these reports have been filed by the appellants but we prima facie do not find any element of bias in these reports submitted by Ld. Observer, who is a former judge of the High Court. There are also allegations of siphoning of funds from the Company. It is to be recalled that to order an investigation under 213 of the Companies Act conclusive proof with regard to the allegations is not required. ***It would be sufficient if the Tribunal, on the basis of taking into consideration the material/evidence produced on record, may form an opinion subjectively to satisfy itself that there are good grounds and reasons and prima facie case to order such investigation and such satisfaction must also be reflected in the order. We are of the considered view that in the impugned order sufficient satisfaction and reasons are shown by the tribunal with regard to the material/evidence considered by it and the same in our opinion was sufficient to order the investigation as contemplated under section 213 of the Companies Act.*** *After all the allegations are yet to be investigated by the Inspector(s) and the truthfulness of the same could only be verified/surfaced during the investigation. we clarify that we have consciously not discussed the material/evidence relied on by the Tribunal with regard to its evidentiary value, as our satisfaction or dissatisfaction with regard to the same may tilt the investigation either way, but we are of the firm view that it is a fit case where the investigation, into the affairs of Appellant no.1, should have been directed. Thus, we do not find any good grounds to interfere in the impugned Judgment."*

10. Hence, this Tribunal has to consider each of the averments of the Petitioner and the materials placed on record and assess whether the materials placed on record are sufficient to satisfy this Tribunal or

whether the circumstance suggest that inferences demonstrated in sub-clause (i) to (iii) of sub-section (b) of Section 213 can be made out.

11. We have referred to the brochures issued by the Neomax Group of Companies advertising several real estate projects. The brochures represent that the projects are DTCP approved and have obtained in-principle approval from the planning authorities, while portraying the schemes as lucrative investment opportunities. The Petitioner's case is that these representations were made to induce members of the public to invest by promising substantial returns.

12. The booking confirmation receipts placed on record assume significance, as they record the particulars of the investments made by the Petitioner in Respondent Nos. 1, 9 and 28. The receipts issued by Respondent Nos. 1 and 28, specifically mention the date by which registration of the plots was proposed to be completed in favour of the Petitioner, which is approximately within one year from the date of investment. However, the receipts issued by Respondent No. 9 pertain to a 'New Automatic Vending Machine' and do not contain any particulars regarding land registration. A few booking confirmation receipts issued by the Respondent No. 1 and 9 are extracted below for reference,

Date : 18-05-2020

SAFRO REALTY PRIVATE LIMITED
BLOCK 3C, ADR TOWERS
NO-74A, THENI MAIN ROAD
KALAVASAL, MADURAI - 625016.

OFFICIAL RECEIPT

Associate Name : N.A. AO Code :

PLOT DETAILS

PROJECT NAME : SAI GARDEN VILLISERI VILLAGE, KOVILPATTI
Block Name : AERO BLOCK Area in Square Feet : 2000
Plot No. : 32 Area (in Cents) :

PAYMENT DETAILS

Plot Advance Amount Paid : 6,00,000.00 FIRST
Mode of Payment : Cheque

Customer Name : SIVATHARSINI.P.A Customer ID : 7235975

Amount Received Rs. Rupees. Six Lakhs Only

Cheque No : IDFBH20139405707 Cheque Date : 18-05-2020 Deposit Bank : HDFC BANK Account on : EXPLORA RETAIL PVT LTD

Land Registration Should be done anytime before 03-05-2021

49651/2005266/1
This Amount can be adjusted for any future projects of the company like Aero City - Madurai

SAFRO REALTY PRIVATE LIMITED
Authorised Signatory

Date : 18-05-2020
Customer ID 7233090

EXPLORA RETAIL PRIVATE LIMITED
3 RD FLOOR
79/2, BYE PASS ROAD
MADURAI 625016.

OFFICIAL RECEIPT

Name : SIVATHARSINI P.V
Address : 113A, ASHTALAKSHMI NAGAR,
4TH STREET,
VALASARAVAKKAM,
THIRUVALLUR.
600087

PRODUCT / FRANCHISE DETAILS

PRODUCT NAME : NEW AUTOMATIC VENDING MACHINE
FRANCHISE BUSINESS NAME :

PAYMENT DETAILS

PRODUCT COST 3,00,000.00
FRANCHISE INVESTMENT AMOUNT :

Amount Received Rs. Rupees. Three Lakhs Only

NEFT No : IDFBR52020051900301458 NEFT Date : 18-05-2020 NEFT Amount : 300000

PRICE INCLUSIVE OF GST FOR 1 UNITS

49657/2005283/1

EXPLORA RETAIL PRIVATE LIMITED
Authorised Signatory

13. The Petitioner has placed on record the master data of Respondent Nos. 1 to 33 obtained from the MCA Portal. Upon perusal of the same, it is evident that Respondent Nos. 34 to 70 constitute the common link amongst Respondent Nos. 1 to 33. In particular, Respondent Nos. 37, 38, 58 and 59 are directors in several of the Respondent Companies engaged in the real estate business, demonstrating common management and control over the affairs of the Neomax Group. Prima facie, it is unclear why the same group of individuals promoted and managed multiple companies carrying on substantially the same line of business. The Petitioner has also filed a convenience chart depicting the common directorships and interrelationship amongst the Respondent Companies, which stands corroborated by the master data placed on record.

14. The financial statements of the Respondent Companies also disclose circumstances warranting closer scrutiny. The financial statements of Respondent No. 1 for the financial year 2021-22 reflect substantial external liabilities of Rs. 21,07,00,905/- and long-term and short-term advances aggregating to Rs. 21,18,06,710/-, whereas the inventories and cash balances are comparatively insignificant. Likewise, the financial statements of Respondent No. 9 disclose external liabilities amounting to Rs. 62,41,26,379/- and advances aggregating to Rs. 23,84,41,531/-. Respondent No. 28 has borrowings of Rs. 14,54,11,486/- and has advanced loans aggregating to Rs. 12,17,01,629/-, despite being incorporated for carrying on the business of real estate development. The financial position of the Respondent

Companies, as summarised by the Petitioner in the convenience chart, is extracted hereunder:

CONVENIENCE CHART ON BALANCE SHEET OF THE RESPONDENT COMPANIES FILED BY THE PETITIONER

S.No.	Company	Object	Borrowings		Loans advanced	Tangible Assets	Reference
1.	Safro Realty Private Limited	Real Estate, Property Development and other related business, mining, quarry, etc. *Vol I, Pg.153*	Long Term Borrowings	0	20,50,34,400 + 67,72,310	0	*Vol – VII, Pg. 1111*
			Short Term Borrowings	72, 325			
			Other Long Term liabilities	3,28,00,001			
			Other Current Liabilities	17,78,25,579			
2.	Green Wealth Agro India Limited	To acquire, develop land for agriculture and to set up agro based industries. *Vol I, Pg.170*	Long Term Borrowings	92,50,000	4,20,430	3,31,43,418	*Vol – VII, Pg. 1124*
			Short Term Borrowings	0			
			Other Long Term liabilities	4,89,86,337			
			Other Current Liabilities	3,80,755			
3.	Neomax Realtors Private Limited,	Real Estate, Property Development and other related business. *Vol II, Pg.185*	Long Term Borrowings	0	5,95,14,022 + 4,19,26,444	1,15,09,464	*Vol – VII, Pg.1137*
			Short Term Borrowings	11,35,000			
			Other Long Term liabilities	25,43,33,000			
			Other Current Liabilities	20,55,748			
4.	Adventas Global Properties Private Limited	Real Estate, Property Development and other related business, mining, quarry. *Vol II, Pg.203*	Long Term Borrowings	1,15,85,000	10,89,00,000 + 1,25,000	4,14,01,453	*Vol – VII, Pg.1151*
			Short Term Borrowings	0			
			Other Long Term liabilities	10,14,35,001			
			Other Current Liabilities	41,048			
5.	Astronio Properties Private Limited	Real Estate, Property Development and other related business, mining, quarry, etc. *Vol II, Pg.220*	Long Term Borrowings	0	7,79,53,874	4,07,582	*Vol – VII, Pg.1164*
			Short Term Borrowings	0			
			Other Long Term liabilities	2,07,50,000			
			Other Current Liabilities	05,17,35,451			
6.	Livsmart Properties Private Limited	Real Estate, Property Development and other related business, mining, quarry, etc. *Vol II, Pg.235*	Long Term Borrowings	1,65,33,167	22,55,66,917 + 3,66,550	8,95,80,651	*Vol – VII, Pg.1177*
			Short Term Borrowings	0			
			Other Long Term liabilities	25,55,50,012			
			Other Current Liabilities	69,393			
7.	Safro Properties	Real Estate, Property Development and other	Long Term Borrowings	92,759	14,37,79,930 + 2,35,34,214	0	*Vol – VII, Pg.1190*
			Short Term Borrowings	0			
			Other Long Term liabilities	3,78,50,000			

	Private Limited	related business, mining, quarry, etc. *Vol II, Pg.252*	Other Current Liabilities	12,55,14,832			
8.	Lomy Properties Private Limited	Real Estate, Property Development and other related business, mining, quarry, etc. *Vol II, Pg.268*	Long Term Borrowings	0	3,85,21,705	1,04,728	*Vol – VII, Pg.1203*
			Short Term Borrowings	0			
			Other Long Term liabilities	4,100			
			Other Current Liabilities	4,11,78,178			
9.	Explora Retail Private Limited	Trading of – buying, selling Import, Export, etc. *Vol II, Pg 284.*	Long Term Borrowings	2,,98,318	19,63,84,440 + 4,20,57,091	30,61,12,376	*Vol – VII, Pg.1216*
			Short Term Borrowings	0			
			Other Long Term liabilities	16,00,21,000			
			Other Current Liabilities	46,38,07,061			
10.	Perkky Retail Mall Private Limited	Trading of all kind of goods – buying, selling Import, Export, running shopping mall, etc. *Vol II, Pg 300*	Long Term Borrowings	NA	NA	NA	NA
			Short Term Borrowings				
			Other Long Term liabilities				
			Other Long Term liabilities				
			Other Current Liabilities				
11.	Joyos Retail Mall Private Limited	Trading of all kind of goods- buying, selling Import, Export, running shopping mall, etc. *Vol II, Pg 315*	Long Term Borrowings	NA	NA	NA	NA
			Short Term Borrowings				
			Other Long Term liabilities				
			Other Current Liabilities				
12.	Vendomatic India Private Limited	Manufacturing, trading and dealing with all kind of vending machines, etc.	Long Term Borrowings	78,07,444	40,30,519	27,53,528	*Vol – VII, Pg.1229*
			Short Term Borrowings	4,55,20,001			
			Other Long Term liabilities	85,00,000			
			Other Current Liabilities	1,16,30,027			
		Vol II, Pg 330					
13.	Ecstaa Retail Mall Private Limited	Trading of all kind of goods – buying, selling Import, Export, running shopping mall, etc. *Vol II, Pg 349*	Long Term Borrowings	NA	NA	NA	NA
			Short Term Borrowings				
			Other Long Term liabilities				
			Other Current Liabilities				
14.	Skylaa Retail Mall Private Limited	Trading of all kind of goods – buying, selling Import, Export, running shopping mall, etc. *Vol II, Pg 364*	Long Term Borrowings	NA	NA	NA	NA
			Short Term Borrowings				
			Other Long Term liabilities				
			Other Current Liabilities				
15.	Exubera Retail Private Limited	Trading of all kind of goods – buying, selling Import, Export, etc. *Vol III, Pg. 379*	Long Term Borrowings	32,50,000	33,33,307	80,513	*Vol – VII, Pg.1242*
			Short Term Borrowings	12,588			
			Other Long Term liabilities	0			
			Other Current Liabilities	1,12,74,468			
16.	Alta Vision India Marketing Private Limited	Distribution of investment products like, life insurance, general insurance, to develop software products, etc. *Vol III, Pg. 394*	Long Term Borrowings	29,595	3,18,500	7,595	*Vol – VII, Pg.1255*
			Short Term Borrowings	0			
			Other Long Term liabilities	27,38,832			
			Other Current Liabilities	60,795			
17.	Modestio Retail Mall Private Limited	Trading of all kind of goods – buying, selling Import, Export, running shopping mall, etc. *Vol III, Pg 413*	Long Term Borrowings	NA	NA	NA	NA
			Short Term Borrowings				
			Other Long Term liabilities				
			Other Current Liabilities				
18.			Long Term Borrowings	0	49,65,14,600	2,15,42,777	

	Neomax Properties Private Limited,	Real estate and other related activities *Vol III, Pg 425*	Short Term Borrowings Other Long Term liabilities Other Current Liabilities	0 26,47,23,165 1,04,44,152	+ 2,29,85,049		*Vol – VII, Pg.1268*
19.	Narpavi Media Private Limited	To print News papers, dissemination of information through various media. *Vol III, Pg.442*	Long Term Borrowings Short Term Borrowings Other Long Term liabilities Other Current Liabilities	2,70,52,472 0 0 3,76,764	1,55,08,090 + 1,34,15,571	19,,99,673	*Vol – VII, Pg.1281*
20.	Kenmax Medical Services Private Limited	Business related to Helathcare, medicine industry *Vol III, Pg.461*	Long Term Borrowings Short Term Borrowings Other Long Term liabilities Other Current Liabilities	1,08,64,650 0 0 2,45,398	30,67,481	1,61,46,794	*Vol – VIII, Pg.1294*
21.	Green Wealth Benefit Fund Limited	Business related to Financing. *Vol III, Pg.482*	Long Term Borrowings Short Term Borrowings Other Long Term liabilities Other Current Liabilities	1,63,68,544 0 0 3,83,614	2,09,38,465 + 3,45,259	1,910	*Vol – VIII, Pg.1307*
22.	Planet-X Aerospace Services Private Limited	Providing air services like transporting people, cargo, etc. *Vol III, 498*	Long Term Borrowings Short Term Borrowings Other Long Term liabilities Other Current Liabilities	31,18,685 0 0 13,30,928	86,20,000 + 1,76,60,477	6,03,286	*Vol – VIII, Pg.1320*
23.	Green Royale Retail Holdings	Manufacturing, selling all kind of foods, etc.	Long Term Borrowings Short Term Borrowings Other Long Term liabilities Other Current Liabilities	2,09,099 0 28,74,782 2,71,202	8,55,449	4,22,382	*Vol – VIII, Pg. 1335*
	Private Limited	*Vol III, Pg.512*					
24.	Esmatrix Life Sciences Private Limited	Manufacturing and dealing with Pharmaceutical products. *Vol IV, Pg.543.*	Long Term Borrowings Short Term Borrowings Other Long Term liabilities Other Current Liabilities	24,96,472 0 0 9,42,277	20,00,000 + 29,59,403	1,18,868	*Vol – VIII, Pg. 1360*
25.	Amaze Properties India Limited	Real estate *Vol IV, Pg.576*	Long Term Borrowings Short Term Borrowings Other Long Term liabilities Other Current Liabilities	10,84,086 0 35,21,70,772 40,75,88,039	28,85,21,879 + 56,79,34,066	1,02,54,121	*Vol – VIII, Pg. 1373*
26.	Ventura Developers India Limited	Real estate, Construction of flats, shops, canals, etc. *Vol IV, Pg.595.*	Long Term Borrowings Short Term Borrowings Other Long Term liabilities Other Current Liabilities	4,07,07,210 0 0 102,99,53,485	85,20,67,571 + 19,01,36,175	6,33,40,610 Vol – VIII, Pg. 1387	*Vol – VIII, Pg. 1387*
27.	Fesino Furniture Private Limited	To manufacturing and dealing with all king of furniture, etc. *Vol IV, Pg.633.*	Long Term Borrowings Short Term Borrowings Other Long Term liabilities Other Current Liabilities	1,69,09,112 0 0 13,14,397	2,01,225	32,41,145	*Vol – VIII, Pg. 1401*
28.	Robaco Properties Private Limited	Real estate, Construction, Mining, etc. *Vol IV, Pg.650.*	Long Term Borrowings Short Term Borrowings Other Long Term liabilities Other Current Liabilities	30,000 0 5,07,94,117 9,45,87,369	12,17,01,629	3,66,91,106	*Vol – VIII, Pg. 1414*
29.	Transco Properties	Real estate, Construction, Mining, etc.	Long Term Borrowings Short Term Borrowings Other Long Term liabilities	17,720 55,000 3,83,46,951	2,62,18,000 + 66,57,150	67,693	*Vol – VIII, Pg. 1427*
	Private Limited	*Vol IV, Pg.667*	Other Current Liabilities	1,84,365			
30.	Glenmax Properties Private Limited	Real estate, Construction, Mining, etc. *Vol IV, Pg.684*	Long Term Borrowings Short Term Borrowings Other Long Term liabilities Other Current Liabilities	0 0 0 2,49,583	5,000	0	*Vol – VIII, Pg. 1440*
31.	Leoneo Properties Private Limited	Real estate, Construction, Mining, etc. *Vol IV, Pg.700.*	Long Term Borrowings Short Term Borrowings Other Long Term liabilities Other Current Liabilities	0 18,053 38,00,000 1,45,07,161	1,14,55,028	0	*Vol – VIII, Pg. 1453*
32.	Tridas Properties Private Limited	Real estate, Construction, Mining, etc. *Vol IV, Pg.718*	Long Term Borrowings Short Term Borrowings Other Long Term liabilities Other Current Liabilities	1,01,885 0 3,78,89,500 1,23,999	1,22,50,000 + 2,31,99,070	67,693	*Vol – VIII, Pg. 1466*
33.	Glowmax Properties Private Limited	Real estate, Construction, Mining, etc. *Vol IV, Pg.735.*	Long Term Borrowings Short Term Borrowings Other Long Term liabilities Other Current Liabilities	0 0 7,96,79,011 3,43,283	5,07,08,760	56,486	*Vol – IX, Pg. 1479*

15. We also refer to the Forms AOC-4 of Respondent Nos. 1 to 33 placed on record, wherein the Companies have disclosed numerous related-party transactions within the Neomax Group. The transactions are predominantly between entities having common directors. Broadly, the disclosures reveal repeated instances of purchase of fixed assets, advances paid for purchase of fixed assets, sale of fixed assets, purchase and sale of land, land advances, project advances, purchase and sale of goods, and staff welfare expenditure.

16. The disclosures relating to the related-party transactions assume significance in a petition under Section 213 of the Companies Act, 2013, as they demonstrate continuous inter-company financial dealings amongst entities sharing common directors, involving substantial advances running into several crores of rupees towards land, fixed assets and projects. The financial records placed before this Tribunal, indicate extensive movement of funds by way of advances and related-party transactions, which appear disproportionate to the tangible and fixed assets actually held by the respective Companies.

17. We also note that the Registrar of Companies, in its Report, has pointed out several statutory discrepancies and violations committed by the Neomax Group Companies, which further support the need for a detailed examination of their affairs.

18. Having considered the material placed on record in light of the principles laid down by the Hon'ble NCLAT in ***Exclusive Capital Ltd.***

(supra), we are satisfied that the Petitioner has produced objective material in the form of booking confirmation receipts evidencing the investments made in the Respondent Companies, brochures containing representations made to investors, MCA master data establishing the common management and control of the Respondent Companies, audited financial statements disclosing substantial borrowings, advances and related-party transactions, as is also seen from the report of the Registrar of Companies highlighting statutory irregularities. These materials, when considered cumulatively, disclose circumstances which reasonably suggest that the affairs of the Respondent Companies require investigation within the meaning of Section 213(b) of the Companies Act, 2013.

19. At this juncture, we note that the Petitioner has also filed a complaint with the Deputy Superintendent of Police, Economic Offenses Branch, Madurai which is placed at Pgs. 1107A to 1107G of the petition. It is seen from the newspaper clippings placed on record that the EOW police, Madurai in June registered a case under Sections 406, 420 r/w 34 of the IPC and 5 of the TNPID Act against the Neomax Group. The Hon'ble High Court of Madras, Madurai Bench has also directed the Economics Offences Wing to submit a comprehensive report detailing actions taken in the Neomax financial fraud case. No doubt that the provisions of the Indian Penal Code, 1860 (presently, Bharatiya Nyaya Sanhita, 2023) and the Tamil Nadu Protection of Interests of Depositors (in Financial Establishments) Act, 1997 provide for the punishment of the convicted offenders/ financial establishment

for the specific crimes committed against the investors who have approached the Economic Offenses Branch of Madurai. However, compliance with the provision of the Companies Act, 2013, falls within the exclusive jurisdiction of the officers appointed by the central governments i.e., Regional Director and Registrar of Companies. Hence, to carry out a comprehensive examination of the affairs of the Neomax Group of Companies, namely Respondent Nos. 1 to 33, together with their subsidiaries, associate concerns, shell entities, related parties, and any other persons or entities found to be connected with the affairs of the said companies; and to ascertain any acts of fraud, misfeasance, oppression, mismanagement, or violations of the provisions of the Companies Act, **an investigation under Section 213(b) of the Companies Act, 2013 is required.**

20. At this stage, it is not necessary for this Tribunal to record a conclusive finding on the allegations. Such determination can only be made upon a comprehensive investigation by the statutory authorities. It is sufficient that the objective material placed before this Tribunal discloses prima facie circumstances warranting an investigation under Section 213(b) of the Companies Act, 2013. We are, accordingly satisfied that the circumstances emerging from the record are capable of giving rise to the statutory inferences contemplated under Section 213(b), namely, that the business of the Respondent Companies may have been carried on with intent to defraud their creditors, members or any other persons or otherwise for a fraudulent or unlawful purpose, or in a manner oppressive to any of its members, as well as that the

persons concerned in the formation or management of the Companies may have been guilty of fraud, misfeasance or other misconduct towards the Companies or their members.

21. Therefore, by exercising powers under section 213 of the Companies Act, 2013, we are of the considered opinion that the instant Petition deserves to be allowed and investigation is directed to be initiated into the affairs of the Respondents 1 to 33 Companies in respect of their activities undertaken by them. We allow **CP/CA/59/CB/2024.** Accordingly, the following directions are issued:

a) The Petitioner is directed to forward all material documents, which are connected to the present case to the Central Government along with a copy of this Order, **within a period of three weeks** from the receipt of the Certified Copy of this Order with a copy to all the concerned Parties.

b) The Central Government is directed to adopt the procedure prescribed under section 213(b) of the Companies Act, 2013 and Investigation Authority shall endeavor to ascertain the complete and holistic affairs of the Respondent No. 1 to 33 and its related parties.

c) The investigation shall, inter alia, encompass an examination of the corporate structure, management and control, movement of funds, related party transactions, inter-corporate dealings, acquisition and alienation of assets, advances made and received, and the financial relationship amongst the entities constituting the Neomax Group.

d) The Investigation Authority shall be at liberty to examine any past or present directors, key managerial personnel, auditors, consultants, employees, shareholders, creditors, and any other persons connected with the affairs of the companies and to call for such records and information as may be necessary.

e) Respondent No. 34 to 70 are directed to cooperate with the Petitioner in handing over the requisite material documents of Respondent No. 1 to 33.

f) For the purposes of carrying out the investigation directed herein, the Economic Offences Wing, Madurai, shall extend full cooperation to the Investigating Officer and shall provide access to and copies of all statutory records of the Neomax Group companies under its custody, to the extent permissible under the Companies Act, 2013.

g) The Registry of this Tribunal is directed to forward a copy of this Order forthwith to Registrar of Companies, 2nd Floor, Shastri Bhavan. No.26, Haddows Road. Chennai – 600006 and Secretary and Joint Secretary, Ministry of Corporate Affairs, Government of India, 5th Floor, 'A' Wing, Shastri Bhawan, Dr. R.P. Road, New Delhi - 110001 for information and necessary follow-up action

22. With the above directions, the Company Petition **CP/CA/59/CB/2024** is **disposed of**.

-Sd-	**-Sd-**
VENKATARAMAN SUBRAMANIAM	**SANJIV JAIN**
MEMBER (TECHNICAL)	MEMBER (JUDICIAL)