

**NATIONAL COMPANY LAW TRIBUNAL
GUWAHATI BENCH
GUWAHATI**

ORDER SHEET OF THE HEARING ON 11th AUGUST 2026

**IA (Comp. Act.)/6/GB/2024
CP/14/GB/2022**

**Present: 1. Hon'ble Member (Judicial), Shri Rammurti Kushawaha
2. Hon'ble Member (Technical), Shri Yogendra Kumar Singh**

In the Matter of	Dr. MongveKro, 2. Dr. JitenTeron Vs Karbi Anglong Hospitals Pvt. Ltd. 2. Dr. BimalHanse, 3. Dr. HabeyTeron, 4. Dr. LongsodarKathar, 5. Dr. MindarKiriRongpi, 6. SengkanRonghang& 7. Dr. Robertson Timung.
Under Section	U/s 241 (1) & 242 (4) of Companies Act, 2013

Appearances (via video conferencing/physically)

CP/14/GB/2022

For Petitioner (s) : Mr. Fahad Faridi, Adv.

For Respondent (s) : Mr. Amit Pareek, CS, R-2 to R-7

ORDER

Order pronounced in open court *vide* separate sheets.

IA (Comp. Act.)/6/GB/2024

For Petitioner (s) : Mr. Amit Pareek, CS

For Respondent (s) : Mr. Fahad Faridi, Adv. R-2 & 3.

ORDER

Order pronounced in open court *vide* separate sheets.

**Sd/-
Yogendra Kumar Singh
Member (Technical)**

**Sd/-
Rammurti Kushawaha
Member (Judicial)**

**NATIONAL COMPANY LAW TRIBUNAL
GUWAHATI BENCH
GUWAHATI**

CP/14/GB/2022

A Petition filed under Section 241 (1) & 242(4) of the Companies Act, 2013.

In the matter of CP/14/GB/2022:

Dr. Mongve Kro, S/o- Shri Dhansing Kro, having address at Teachers' Colony, P.O Diphu, Karbi Anglong, Assam – 782460;

... Petitioner No. 1

-And-

Dr. Jiten Teron, S/o- Shri Sabura Teron, having address at Village Langtu Lekathe Karo, Parkup Pahar, P.O. Kathalguri, Nagaon, Karbi Anglong, Assam – 782135.

... Petitioner No. 2

-Versus-

Karbi Anglong Hospitals Private Limited, having registered office at Rongbin Aklam, Harilal Basti, Ward No. 3, Near Inghi Gas Agency, Diphu, Karbi Anglong, Assam – 782460;

... Respondent No. 1

-And-

Dr Bimal Hanse, S/o- Shri Hepsing Hanse, having address at Haberam Ronghphar, Village- Dokmoka, P.O & P.S. Dokmoka, Diphu, Assam – 782481;

... Respondent No. 2

-And-

Dr. Habey Teron, S/o- Late Lindor Teron, having address at Village Rongtheang, Near Klemsomar Club, P.O. & P.S. Diphu, Karbi Anglong, Assam – 782460;

... Respondent No. 3

-And-

Dr. Longsodar Kathar, S/o- Shri Sarthe Kathar, having address at Rongkhelan, Diphu, P.O. Diphu, Karbi Anglong, Assam – 782460;

... Respondent No. 4

-And-

Dr. Mindar Kiri Rongpi, S/o- Late Chandra Sing Rongpi, having address at Rongnihang- 1, Ward No. 3, P.O. & P.S. Diphu, Karbi Anglong, Assam – 782460;

... Respondent No. 5

-And-

Sengkan Ronghang, S/o- Shri Tuliram Ronghang, having address at House No. 15, Ward No.7, Diphu, P.O. & P.S. Diphu, Karbi Anglong, Assam – 782460;

... Respondent No. 6

-And-

Dr. Robertson Timung, S/o- Hemai Timung, having address at Village Uttar Ambinong, P.O. & P.S. Hamren, Karbi Anglong, Assam – 782486.

... Respondent No. 7

Coram:

Shri Rammurti Kushawaha : Member (Judicial)

Shri Yogendra Kumar Singh : Member (Technical)

Appearances (through video conferencing /physical):

For Petitioner : Mr. F. Faridi, (Adv.)

For Respondent : Mr. A. Pareek, (CS.)

Order pronounced on: 11.08.2026

As Per Bench

1. The Present Company Petition has been filed by Dr. Mongve Kro and Dr. Jiten Teron ('Petitioners'), under Section 241 (1) & 242 (4) of the Companies Act, 2013 ('Act') seeking certain relief against the alleged acts of oppression and mismanagement by the Respondents by the Respondents in Respondent No.1 Company i.e., Karbi Anglong Hospitals Private Limited *via* actions of Respondent No. 2 to Respondent No. 7. The Petitioners prays for the following reliefs:
 - a. *An order calling for the records of the Respondent No. 1 Company in the possession or control of the Respondent No. 2 to 7;*
 - b. *An order for regulation of the conduct of the Respondent No. 1 Company in future as provided for under Section 242 of the Companies Act, 2013;*
 - c. *An order directing the Respondent Nos. 2 to 7 to repay or restore the money or properties of the Respondent No. 1 Company misappropriated or misapplied or retained by them, with interest thereon at such rate as this learned Tribunal may deem fit and proper;*
 - d. *An order directing Respondent Nos. 2 to 7 to sell their shares or buy the shares of the Petitioners on valuation to be done by an independent body under the guidance of the learned Tribunal;*
 - e. *An order directing the Respondent Nos. 2 to 7 to maintain the status quo with regard to the Respondent No. 1 Company as prior to 26.02.2022 and refrain from violating the provisions of the Companies Act, 2013;*
 - f. *Imposition of costs of litigation on the Respondent Nos. 2 to 7;*
 - g. *Pass such other or further order or orders as this learned Tribunal may deem fit and proper in the interest of justice.*
2. As stated in the Petition, Petitioner No.1 and Petitioner No. 2 i.e., Dr. Mongve Kro and Dr. Jiten Teron are Directors in Respondent No.1 Company ('R-1 Company') respectively.
3. R-1 Company is a private limited company incorporated on 13.09.2019, having (CIN: U85100AS2019PTC019521) and its registered office at Rongbin Aklam, Harilal Basti, Ward No. 3, Near Inghi Gas Agency, Diphu, KarbiAnglong, Assam, and Branch Office at House No. 5, Sundarpur, Bye-lane No. 2, R.G. Baruah Road, Guwahati, Assam -781005.

4. It has an Authorised Share Capital of Rs 1,50,00,000/- at the time of incorporation of the Company and the issued, subscribed and paid up share capital of the company are 14,14,000 shares as on 31.03.2021.

5. Now, it is the case of the Petitioner(s) that:

5.1 R-1 Company is a private limited company and has an Authorised Share Capital of Rs 1,50,00,000/- at the time of Incorporation of the Company divided into 15,00,000/- equity shares of Rs. 10/- each, with the rights, privileges, and conditions as are provided by the regulations of the Company.

5.2 As on 31.03.2021, the issued, subscribed and paid up share capital of the company are 14,14,000 shares and the shares are held by 8 members as follows:

Name of Shareholder	No. of shares	Percentage of holding
Mongve Kro	514500	36.19%
Jiten Teron	514500	36.19%
Habey Teron	64500	4.56%
Bimol Hanse	64500	4.56%
Longsodar Kathar	64500	4.56%
Mindar Kiri Rongpi	64500	4.56%
Sengkan Ronghang	64500	4.56%
Robertson Timung	62500	4.42%
	Total	14,14,000 shares

A copy of the Report on the Audit of the Financial Statements of the Company including Balance Sheet and Statement of Profit for year ended 31.03.2021 is annexed as '*Annexure A4*'.

5.3 The Petitioners form more than 1/10th of the number of members of the Company and also own more than 1/10th of the issued share capital and they possess the requisite qualifications for maintaining this petition before the learned Tribunal.

5.4 R-1 Company had obtained credit facility by way of term loan amounting to Rs. 70,82,610/- from Bajaj Finserv Limited at 10.49% annual rate of interest. The Petitioners and the Respondent Nos. 3 and 5 stood as personal guarantors to the credit facilities availed by R-1 Company. The loan is repayable in 60 monthly installments and the date of disbursal of the loan was 26.02.2021. R-1 Company had also taken money on loan from other creditors. A copy of the foreclosure letter of Bajaj Finserv Ltd. dated 10.03.2022 is annexed as '*Annexure-A5*'.

5.5 On 26.02.2022, Respondent Nos. 2 to 7 falsely accused the Petitioners of fraud, negligence and mismanagement in conducting affairs and discharging their duties

as directors of the R-1 Company. Considering Respondent No. 6 is the son of the Chief Executive Member of the Karbi Anglong Autonomous Council, the Respondents used their political clout and muscle power to prevent the Petitioners from entering into the premises of R-1 Company and discharging their duties as its directors. The Petitioners have also been denied any remuneration as directors of the R-1 Company since November 2020 and are being asked to resign from their posts.

- 5.6 The Respondent Nos. 2 to 7 withdrew money from the cash counter of R-1 Company without notifying or being authorised by the Petitioner by bullying and threatening its managing staff. They have also been refusing to pay the monthly installments of the loans obtained by R-1 Company. They have also taken over the management and control of the Company unlawfully and without following due process of law.
- 5.7 In light of the actions of the Respondents causing oppression and mismanagement in running R-1 Company, its Board of Directors ('BoD'), i.e., the Petitioners, called for an Extraordinary General Meeting (EGM) on 21.03.2022 by giving a shorter notice than the 21 days stipulated in Section 101 of the Act. However, since some shareholders were unavailable, the meeting was postponed to 27.03.2022.
- 5.8 The meeting held on 27.03.2022 was attended by both the Petitioners and the Respondents. The agenda for the meeting comprised discussing current scenario of the R-1 Company, repayment of loans taken from various creditors, change in current shareholding of the Company and payment of remuneration to directors of the R-1 Company. It was resolved at this meeting that the members agreed to repay all creditors after due verification of the outstanding amounts and that the current BoD shall retire after repayment of the loans take from creditors. A copy of the relevant extracts of the meeting held on 27.03.2022 is annexed as '*Annexure-A7*'.
- 5.9 It is submitted that the Respondents had illegally constituted an audit board without the authority or knowledge of the Petitioners, who were the only 2 directors of R-1 Company. A letter bearing No. RMHRC/2021-22/311 dated 04.05.2022 with Respondent No. 2 signing as the Chairman of the Audit Board of the R-1 Company stating that the Final audit for the settlement had been called

on 07.05.2022 to verify the audit papers submitted by the outgoing directors. The letter shows that the invitation to the meeting has been extended to members of the Audit Committee of the R-1 Company for Internal Audit and a copy also addressed to the Chief Executive Member ('CEM') of Karbi Anglong Autonomous Council ('KAAC'). It is to be noted that Respondent No. 2 is an employee of Government of Assam and CEM of KAAC is not a member of R-1 Company but had been invited for sole purpose of manipulating the Petitioners into resigning from the R-1 Company. A copy of the letter dated 04.05.2022 in annexed to the Petition as '*Annexure-A8*'.

- 5.10 The Petitioners submit that the conduct of the Respondent No. 2 to 7 show acts of oppression, mismanagement and fraud have been committed against them, violating the provisions of the Act making it a fit case to invoke powers of this Hon'ble Tribunal under Section 241(1) and 242(4) of the Act.
6. On the other hand Respondent submitted reply *vide* reply dated 13.09.2022 filed on 20.09.2022.
- 6.1 The Respondent No.7 is the representative of the Respondents No. 2 to 7 and shareholder of R-1 Company holding 12.16% of the valid issued, subscribed and paid-up capital of the R-1 Company in individual capacity and collectively together with other respondents hold 74.90% valid & legal shareholding of R-1 Company.
- 6.2 Further submitted that the instant application is neither maintainable nor tenable in the eyes of law.
- 6.3 The Respondent has placed on the following record:
- a. The Company Petition has been filed allegedly in gross suppression of material facts pertaining to subject matter of the dispute at hand by the Petitioners against the Respondents without furnishing substantial evidence of oppressive & mismanagement activities if any, committed by Respondents, as falsely alleged in the Main CP.
 - b. On the contrary the Petitioners are doing oppressive & mismanagement activities in R-1 Company by taking undue advantage of being in the fiduciary position of directors and subscriber shareholder holding 25.10% valid & legal shareholding in the Company with a purpose to increase their shareholding to 72.77% by allotting of 9,00,000 equity shares at face value of Rs. 10 each

on right issue basis to themselves only & by showing false renunciation in order to take majority control over the affairs of the R-1 Company by illegal and unethical means.

- c. It is submitted that the allegations made by the Petitioners against the Respondents are false, baseless, unsupported by any substantial evidence, contrary to Section 241(1) of the Companies Act, 2013 and are therefore vehemently denied and disputed.
- d. It is submitted that Company Petition No. 14/2022, fails to establish a case of oppression and mismanagement under Section 241(1) of the Act. A plain reading of the said provision makes it evident that relief thereunder is available only to those directors or members who can demonstrate acts of oppression or mismanagement affecting the affairs of the company.
 - i) The affairs of the company have been or are being conducted in such a manner that it is prejudicial or oppressive either to them or in a manner prejudicial to the interest of the company itself; or
 - ii) A material change has been taken place in the management or control of the company, whether by alteration in Board or in the ownership of company's share that it is likely that the affairs of the company will be conducted in a manner prejudicial to their interest or the company itself
- e. It is pertinent to mention that the affairs, management and control of a company primarily vest with its Directors, who, in their fiduciary capacity, are responsible for conducting the affairs of the company in a manner that does not prejudice the interests of its members or the company. Any act of oppression, mismanagement or material change in the management or ownership of the company carried out without the knowledge, consent or approval of the members is attributable to the directors and not the shareholders.
- f. In the present case, the Petitioners, being the Directors of R-1 Company, are themselves responsible for the acts of oppression and mismanagement that have seriously prejudiced the interests of Respondent Nos. 2 to 7, who collectively hold 74.90% of the shareholding in the Company. The Respondent Group shall, therefore, file a separate Interlocutory Application under Sections 241, 242 and other applicable provisions of the Companies

Act, 2013, seeking appropriate interim reliefs and action against the Petitioners for their oppressive conduct.

- g. It is further submitted that as per MCA data base, the Petitioners have illegally allotted 9,00,000 Equity shares on Right issue basis which is a matter of dispute.
- h. The Petitioners' contention that the issued, subscribed and paid-up share capital of the Company stood at 14,14,000 equity shares as on 31.03.2021 is false and misleading. Upon inspection of the MCA records, discovered that the Petitioners, in collusion with the statutory auditor had fraudulently filed e-Form PAS-3 in respect of an alleged allotment dated 05.03.2021, whereby 9,00,000 equity shares were allotted exclusively to Petitioner Nos. 1 and 2 (4,50,000 shares each). The filing falsely represented that the Respondent Group had renounced its entitlement of 6,52,540 equity shares in favour of the Petitioners, whereas no such renunciation was ever made.
- i. The said fraudulent allotment was undertaken solely to acquire majority control of the affairs and management of R-1 Company by reducing the Respondents' majority shareholding and voting rights. The details of the said fraudulent acts are set out herein below: -
 - i. Prior to the alleged allotment of 9,00,000 Equity shares of Rs. 10 each illegally allotted by the Petitioner No. 1 & 2 to themselves by illegally filing E-form PAS-3 event dated 05.03.2021, the shareholding pattern of both the Respondent Group as well as Petitioners in the R-1 Company stood at follows:

Respondent Group Shareholding prior to alleged allotment made on 05.03.2021.

Name of Shareholders	No. of Shares	Holding (%)
Bimol Hanse	64,500	12.55%
Habbey Teron	64,500	12.55%
Longsodar Kathar	64,500	12.55%
Mindar Kiri Rongpi	64,500	12.55%
Sengkan Ronghang	64,500	12.55%
Robertson Timung	62,500	12.16%
TOTAL	3,85,000	74.90%

Petitioners Shareholding prior to alleged allotment made on 05.03.2021.

Name of Shareholders	No. of Shares	Holding (%)
Mongve Kro	64,500	12.55%
Jiten Teron	64,500	12.55%
TOTAL	1,29,000	25.10%

Hence, the valid issued, subscribed and paid-up share capital of R-1 Company is Rs. 51,40,000, divided into 5,14,000 equity shares of Rs. 10 each among Petitioners and Respondent. The same is evidenced by e-Form PAS-3 dated 16.11.2020 and its annexures annexed as '*Annexure-C*'.

- ii. It is submitted that the alleged allotment of 9,00,000 equity shares on 05.03.2021 was carried out by the Petitioners in complete violation of Section 62 of the Companies Act, 2013. No notice of the Board or shareholders' meeting in respect of allotment, without giving any letter of offer along with requisite forms for subscription to the aforesaid shares on the right issue basis to the Respondent group, despite the Respondent No. 2 to 7 have substantial stake of 74.90% of the valid issued, subscribed and paid-up share capital of R-1 Company.
- iii. The Petitioners falsely claimed that the Respondent Group had renounced its rights in their favour, although no renunciation forms were ever executed or submitted by the Respondents to the Board of Director. Consequently, the Petitioners illegally allotted the shares to themselves and filed e-Form PAS-3 dated 05.03.2021, signed by Petitioner No. 1 and falsely certified by the statutory auditor without verifying the original records of the Company. A copy of the e-Form PAS-3 along with its annexures is annexed as '*Annexure-D*'.
- iv. As a result of the aforesaid fraudulent acts, the shareholding pattern of R-1 Company, falsely portraying majority stake of 72.77% shareholding of petitioners and increasing the paid-up share capital to Rs. 1,41,40,000 as on 31.03.2021. The said allotment is illegal, void ab initio and forms the subject matter of the present dispute, along with the financial irregularities and non-compliances deliberately suppressed by the Petitioners. The post-allotment shareholding pattern is set out herein below for ready reference:-
Respondent Group Shareholding Post Alleged Allotment dated 05.03.2021.

Name of Shareholders	No. of Shares	Holding (%)
Bimol Hanse	64,500	4.56%
Habbey Teron	64,500	4.56%
Longsodar Kathar	64,500	4.56%
Mindar Kiri Rongpi	64,500	4.56%
Sengkan Ronghang	64,500	4.56%
Robertson Timung	62,500	4.42%
TOTAL	3,85,000	27.23%

Petitioners' Shareholding Post Alleged Allotment dated 05.03.2021.

Name of Shareholders	No. of Shares	Holding (%)
Mongve Kro	5,14,500	36.39%
Jiten Teron	5,14,500	36.39%
TOTAL	10,29,000	72.77%

Copy of Shareholder List of R-1 Company as on 31.03.2021 is annexed as '*Annexure-E*'.

- v. Hence, it is submitted that the Petitioners, in collusion with the Statutory Auditor, fraudulently filed e-Form PAS-3 dated 05.03.2021 containing false statements and certifications, committed an act of fraud under Sections 447 and 448 of the Companies Act, 2013.
- vi. It is submitted that the alleged allotment was made in gross violation of the Act and the rules framed thereunder, as well as the principles governing partnership principles, with the sole object of securing control and management of R-1 Company by reducing the Respondent Group's shareholding and voting rights.
- vii. Further, R-1 Company is an extension of the Partnership Deed dated 27.11.2019 executed between the Petitioners and Respondent Nos. 2 to 6. Accordingly, the principles of partnership govern the affairs of the Company. However, the Petitioners, with mala fide intent to acquire majority control, illegally allotted 9,00,000 equity shares to themselves on 05.03.2021. A copy of the Partnership Deed dated 27.11.2019 is annexed as '*Annexure-F*'.
- viii. It is submitted that, since February 2022, the Respondents repeatedly called upon the Petitioners to explain the illegal allotment dated 05.03.2021, but the Petitioners failed to provide any clarification.

Consequently, the Respondents convened an EGM on 30.07.2022 through public notices published in The Arleng Daily (15.07.2022) and The Dorong Express (14.07.2022) to deliberate upon the illegal allotment. However, the Petitioners deliberately absent from the meeting, preventing any resolution of the issue. Copies of the newspaper publications are annexed as '*Annexure-G*'.

- ix. Despite repeated requests, the Petitioners continued their acts of oppression and mismanagement, compelling Respondent No. 3 to lodge FIR having Case no. 63/2022 at Diphu Police Station. The matter is presently under investigation. A copy of the FIR is annexed as '*Annexure-H*'.

6.4 Further, it is submitted that the Petitioners held more than 1/10 of the issued share capital of the Company even prior to the alleged allotment of Rs 90,00,000/- and were, therefore, eligible to maintain the present petition under Section 244 of the Act. The disbursement of the loan facility by Bajaj Finserv Limited to R-1 Company is a matter of record; however, any statement contrary to the official records is specifically denied.

6.5 On the contrary, it is the Petitioners, being the Directors of R-1 Company and vested with its management and control, who have acted with mala fide intent to take Company's affairs and assets for their wrongful gain. Some of the activities are as under:

- i. Illegal allotment of 9,00,000 equity shares, increasing the paid-up share capital from Rs. 51,40,000/- to Rs.1,41,40,000/-, in violation of the Act, without issuing any offer letter to the Respondent Group and by falsely claiming renunciation of their rights.
- ii. Non-issue share certificates to the Respondents till date.
- iii. Misappropriation of Company funds, including non-maintenance of proper cash books, vouchers and unrecorded cash and unspecified withdrawals from the Company's accounts.
- iv. Non-disclosure of proper financial receipts and vouchers of the expenditures of both revenue and capital nature and monthly income and expenditure of Rengpoli Hospitals, a unit of R-1 Company since its inception

- v. Embezzlement of Company funds, estimated at approximately Rs. 1.50 crore during FY 2021–22, through unaccounted withdrawals, salary and Personal EMI payments, unaccounted cash withdrawal and other transactions for the self-wrong gain.
- vi. Failure to convene Annual General Meetings for the financial years 2019-20 and 2020-21.
- vii. Non-issue and service of notices of such AGMs to the Respondent members of the R-1 Company.
- viii. Non-performance of fiduciary duties by the Petitioners, acting in the capacity of Directors of the R-1 Company.
- ix. Non-cooperative and non-informative activities.

Moreover, the Petitioners' allegation that Respondent Nos. 2 to 7 prevented them from entering the premises of R-1 Company by using political influence or muscle power is false, baseless and is emphatically denied. On the contrary, the Petitioners, being the promoter-directors and authorized signatories of the Company's bank accounts, have made several unauthorized cash withdrawals and misappropriated Company funds without the knowledge or approval of the Respondents.

The Petitioners have acted in breach of their fiduciary duties and contrary to the interests of the Company and its members by illegally attempting to acquire majority control through unlawful acts, including the illegal allotment of shares and financial irregularities detailed hereinabove. Accordingly, the Petitioners are unfit to continue as Directors of R-1 Company and appropriate orders, including their disqualification, deserve to be passed by this Hon'ble Tribunal.

It is further submitted that the Petitioners have been regularly drawing remuneration and operating the Company's bank accounts, rendering their allegation that the Respondents denied them remuneration wholly false and untenable. The management of the Company was also discussed in the EGM held on 27.03.2022. Therefore, the allegation that the Respondents compelled the Petitioners to resign is equally false, frivolous and is vehemently denied. Minute of EGM is annexed with the Main Company Petition as '*Annexure A-7*'.

- 6.6 It is submitted that the EGM initially called upon on 21.03.2022 and subsequently held on 27.03.2022, was not called due to any alleged oppression or harassment by the Respondents. Rather, it was convened to deliberate upon the Company's affairs, including its management, repayment of creditors and outstanding loans. Further, an EGM convened at shorter notice requires the consent of the requisite members. Had the Petitioners' allegations been true, the Respondent members would neither have consented to nor participated in the said meeting. The agenda and minutes of the meeting are annexed with the Main Company Petition as '*Annexures A-6 and A-7*'
- 6.7 It is submitted that the Petitioners have made self-contradictory statements. While alleging that the Respondents compelled them to resign, the Petitioners themselves admit that they agreed to retire from the Board after repayment of the Company's outstanding loans. In fact, after the Respondents raised concerns regarding the illegal allotment of shares and financial irregularities, the Petitioners voluntarily agreed to step down as Directors during the Extraordinary General Meeting held on 27.03.2022.
- 6.8 It is submitted that the Minutes of the EGM dated 27.03.2022 clearly record, under Agenda Item No. 7, that all members present, including the Petitioners, unanimously agreed to constitute an Audit Committee comprising members other than the existing Directors, namely, Petitioner Nos. 1 and 2. Accordingly, the allegation that Respondent Nos. 2 to 7 illegally constituted the Audit Committee without the Petitioners' knowledge or authority is wholly misconceived and devoid of merit.
- 6.9 It is further submitted that Respondent No. 2, Mr. Bimol Hanse, is a subscriber shareholder of R-1 Company since its incorporation, holding 64,500 equity shares (12.55%) of the valid issued, subscribed and paid-up share capital, as evidenced by the list of allottees annexed with e-Form PAS-3 dated 16.11.2020. Therefore, the allegation that Respondent No. 2 is not a member of the Company and was included in the Audit Committee to coerce the Petitioners into resigning is false, baseless and is vehemently denied. In any event, the Petitioners had themselves agreed to retire from the Board upon repayment of the Company's outstanding loans. Consequently, the allegation of coercion or manipulation by the Respondents is wholly untenable.

- 6.10 Furthermore, it is submitted that the Petitioners have instituted the present Company Petition without any substantial evidence and contrary to the records of R-1 Company, falsely alleging oppression and mismanagement against the Respondents. The Petition deliberately suppresses the true facts, maligns the Respondents' reputation and has resulted in unnecessary litigation and wastage of the valuable time of this Hon'ble Tribunal.
- 6.11 It is submitted that, as demonstrated hereinabove, it is the Petitioners, being the promoter-directors of R-1 Company, who have violated the provisions of the Act and the Company's governing regulations. Accordingly, the present petition fails to disclose any case of oppression or mismanagement warranting relief under Sections 241 and 242 of the Act.
- 6.12 Furthermore, it is submitted that the present Company Petition is neither bona fide nor maintainable. The Petitioners have deliberately suppressed and misrepresented material facts to invoke the jurisdiction of this Hon'ble Tribunal without establishing the essential ingredients of oppression and mismanagement under the Act.
- 6.13 Thus, it prayed that the present petition be dismissed by this Hon'ble Tribunal with exemplary cost.
7. Additional submission on behalf of the Petitioners *vide* Rejoinder dated 28.11.2022.
- 7.1 The Petitioner submitted that the Respondent Nos. 2 to 7 are currently holding 27.22 % of shares of the Company. Accordingly, the contention of Respondents that "collectively together with other respondents holds 74.90% valid and legal shareholding of R-1 Company" is completely false and without any basis.
- 7.2 Further, the petitioner submitted that in the month of February 2021, the Board of Directors of R-1 Company, after reviewing its financial position and funding requirements for its ongoing project, decided to issue 9,00,000 equity shares of Rs.10 each by way of a rights issue. All existing shareholders were duly informed of the Board's decision and entitled for 'right share offer', with the offer remaining open for 18 days i.e., from 13.02.2021 to 03.03.2021. The offer letter expressly provided that failure to respond within the stipulated period would be considered as the shareholder are neither interested in availing the offer or renouncing it, entitling the Board to dispose of the shares as it deemed fit.

- 7.3 Since, the Respondent Nos. 2 to 7 failed to respond within the prescribed period, the Petitioners lawfully allotted the 9,00,000 equity shares to themselves in accordance with the Articles of Association and the applicable provisions of law. Notably, Respondent Nos. 2 to 7 neither objected to the rights issue nor challenged the allotment before any competent forum, confirming that the entire process was carried out lawfully, transparently and in due compliance with the prescribed procedure. Copy of Minutes held on 05.03.2021 is annexed as '*Annexure-1*' and Copy of the offer Letter issued to Petitioner No. 2 is annexed as '*Annexure-2*'.
- 7.4 Further, it is submitted that Respondent No. 2 to 7 on multiple occasions had convened illegal meetings and had forcefully taken control of the management from the Petitioners. Respondent No. 2 to 7 without the consent of the Petitioners had taken the books of accounts of the Hospital along with important files and shareholding documents and has restricted the entry of the Petitioners into the Hospital despite the fact that the petitioners are Directors of the Hospital. Some of the illegal meetings are:
- a. Executive Meeting Dated 30.01.2022.
Respondent Nos. 2 to 7, without the knowledge or consent of the Petitioners, convened an Executive Meeting on 30.01.2022. The agenda included selection of the Chairperson, audit of capital investment and monthly collections, hospital administration and partnership matters. In the said meeting, chaired by Respondent No. 3, Dr. Habbey Teron, it was resolved to constitute a new Board of Directors, appoint a new Managing Director and Hospital Superintendent, change the bank signatories and induction of new bank account, with a further meeting fixed for 02.02.2022 at 5 Pm. On 02.02.2022, Respondent Nos. 2 to 7 illegally resolved to induct all partners/proprietors into the Board of Directors, appointed a new Managing Director and Hospital Superintendent and changed the bank signatories. The said meetings were convened in violation of the Companies Act, 2013 and the appointments were made in contravention of Section 152 of the Act. Copy of minutes of meeting dated 30.01.2022 is annexed as '*Annexure-3*'.
 - b. Executive Meeting Dated 06.02.2022.

Respondent Nos. 2 to 7, without the knowledge and consent of the Petitioners, convened another Executive Meeting on 06.02.2022, describing it as the '1st Executive Meeting of the Board of Directors' of R-1 Company, Chaired by Respondent No. 3, Dr. Habbey Teron, the meeting reiterated the resolutions passed on 02.02.2022 and without complying with the provisions of the Companies Act, appointed Respondent No. 3 as Managing Director, Respondent Nos. 2 and 5 as Medical Superintendents and again resolved to remove the Petitioners as bank signatories. As the Respondents had no authority to convene such meetings, the proceedings and resolutions are illegal and devoid of legal validity. Copy of the minutes of meeting dated 06.02.2022 is annexed as '*Annexure-4*'.

c. Extra Ordinary General Meeting Dated 30.07.2022.

Respondent Nos. 2 to 7, without any authority or the consent of the Petitioners, issued a Notice dated 14.07.2022 convening an EOGM on 30.07.2022. The minutes of the EOGM reveal that the primary objective was to remove the Petitioners from the Board of Directors, appoint themselves in their place and assume control of the management. The minutes also contain false and frivolous allegations against the Petitioners to justify such actions. In the said EOGM, Respondent Nos. 2 to 7 resolved to appoint Respondent No. 6 as In-charge Managing Director, Respondent Nos. 3 and 7 as In-charge Additional Managing Directors and Respondent Nos. 2 and 5 as Medical Superintendents. Although the Respondents annexed the Notice dated 14.07.2022 to their Reply Affidavit, they deliberately suppressed the minutes of the EOGM for reasons best known to them. A copy of the Notice dated 14.07.2022 along with the Minutes of the EOGM dated 30.07.2022 is annexed as '*Annexure-5 (Colly)*'.

Thus, the objection of Respondent Nos. 2 to 7 regarding the maintainability of the present Company Petition is wholly misconceived in view of the aforesaid illegal meetings. The Respondents have unlawfully interfered with the management of the Hospital and attempted to oust the Petitioners from the Board of Directors. As per the Articles of Association (*Annexure-A1*), only the Board of Directors is empowered to convene such meetings.

Accordingly, the meetings convened by Respondent Nos. 2 to 7 and the resolutions passed therein are illegal and void *ab initio*.

- 7.5 The Petitioners further submitted that Respondent Nos. 2 to 7 were duly informed of the Board's decision to increase the subscribed and paid-up share capital by issuing 9,00,000 equity shares through a rights issue. The offer remained open from 13.02.2021 and the offer letter clearly stipulated that non-response within the prescribed period would be deemed a refusal, authorising the Board to dispose of the shares. As Respondent Nos. 2 to 7 failed to respond, the Petitioners lawfully allotted the shares to themselves in compliance with Section 62(1)(iii) of the Act.
- 7.6 The Petitioners thereafter filed the Return of Allotment in E-Form PAS-3 dated 05.03.2021 along with the Board Resolution and the audited financial statements for the year ending 31.03.2021 before the Registrar of Companies. Despite having full knowledge thereof, Respondent Nos. 2 to 7 neither raised any objection nor initiated any proceedings, rendering their present allegations false and vexatious.
- 7.7 Pursuant to the interim orders dated 02.09.2022 passed by this Hon'ble Tribunal and the Hon'ble Gauhati High Court in case No. 2516/2022 in connection with Diphu P.S. Case No. 63/2022, the Petitioners re-entered the Hospital on 07.09.2022 and discovered that vital company records were missing. Upon being directed to produce the records, the Hospital Administrator admitted that the documents were neither in his possession nor at the Hospital and stated that they had been submitted to Diphu Police Station for investigation. Copies of the Letter dated 07.09.2022 issued by the Director of R-1 Company to the Administrator and the Reply dated 07.09.2022 submitted by the Administrator are annexed as '*Annexure-6*' and '*Annexure-7*'.
- 7.8 It is further submitted that as on 31.03.2020, the paid-up share capital of Respondent No. 1 Company comprised 14,000 equity shares, with each shareholder holding 2,000 equity shares except Respondent No. 7. Thereafter, considering the financial position, expansion plans and fund requirements of the Company, the Authorised Share Capital was increased from Rs.10,00,000/- to Rs.1,50,00,000/-. Consequently, as on 05.03.2021, the subscribed and paid-up share capital stood at Rs.51,40,000/- and Respondent No. 7 was inducted as a

shareholder by allotting 62,500 equity shares in the same manner as the allotment of 9,00,000 equity shares made on the said date.

- 7.9 Furthermore, contention of Respondent Nos. 2 to 7 that R-1 Company is an extension of the Deed of Partnership dated 27.11.2019 is vague, baseless and misconceived. Even assuming such contention to be true, Clause 19 of the Partnership Deed prohibits the partners from engaging in medical and diagnostic practice outside the partnership firm. However, Respondent Nos. 2 to 5, being Government employees under the Health and Family Welfare Department, Government of Assam, are prohibited from engaging in any trade, business, or management of a company without prior sanction under Rule 12 of the Assam Civil Services (Conduct) Rules, 1965.
- 7.10 Despite the same, Respondent Nos. 2 to 7 have unlawfully interfered in the affairs of the Company, convened unauthorised meetings, and passed resolutions appointing themselves as Directors, Managing Director, and Medical Superintendent. In contrast, the Petitioners, being full-time medical professionals, are solely engaged in the management and functioning of the Hospital. Copies of the official information regarding the appointment of Respondent Nos. 2, 3, 4 and 5 under the Health and Family Welfare Department, Government of Assam are annexed as '*Annexure-10 (Colly)*'.
- 7.11 Furthermore, the Petitioners on 13.02.2022 went to Diphu Police Station, Karbi Anglong, for registration of an FIR against Respondent Nos. 2 to 4 for alleged misappropriation and theft of the Company's cash collections; however, the same was not registered. It is submitted that Respondent Nos. 2 to 7, in collusion with the Accountant, Sri Prabhat Singh Hanse, misappropriated an amount of Rs. 11,11,000/- on 08.02.2022, 09.02.2022, 10.02.2022 and notice regarding the same was also issued.
- 7.12 Subsequently, the Respondents illegally took control over the management, accounts and affairs of the Hospital and prevented the Petitioners, despite being Directors, from entering the premises. As repeated attempts to lodge an FIR were unsuccessful, the Petitioners approached this Hon'ble Tribunal and also filed a complaint before the Learned Chief Judicial Magistrate, Karbi Anglong, registered as C.R. Case No. 16 of 2022. The Learned Additional Chief Judicial Magistrate, *vide* order dated 20.07.2022, took cognizance of offences under

Sections 403/406/424/506/120-B IPC read with Section 452 of the Companies Act and issued summons to Respondent Nos. 2 to 7.

7.13 Thereafter, Respondent No. 3 lodged an FIR dated 06.08.2022 against the Petitioners, registered as Diphu P.S. Case No. 63/2022, alleging mismanagement. The Petitioners, apprehending misuse of the criminal proceedings, approached the Hon'ble Gauhati High Court under Section 438 Cr.P.C., praying for grant of pre-arrest bail to the Petitioners, registered as AB/2516/2022, wherein interim protection was granted *vide* order dated 02.09.2022.

7.14 Thus, the allegation of the Respondents that the FIR was lodged against the Petitioners due to their failure to stop acts of oppression and mismanagement is false and misleading. The FIR lodged by Respondent No. 3 is merely an afterthought intended to harass the Petitioners and gain control over the Company.

Copies of the complaint dated 13.02.2022 along with the letter dated 12.02.2022 are annexed as '*Annexure-11 (Colly)*'. Certified copies of the complaint filed before the Learned Chief Judicial Magistrate, Karbi Anglong, registered as C.R. Case No. 16 of 2022, statement of Petitioner No. 1 and the order dated 21.07.2022 passed therein are annexed as '*Annexure-12 (Colly)*'. Copies of the application filed before the Hon'ble Gauhati High Court in AB/2516/2022, along with the order dated 02.09.2022 and the objection filed by the Respondents therein, are annexed as '*Annexure-13*', '*Annexure-14*' and '*Annexure-15*'.

7.15 The Petitioners further submitted that *vide* letter dated 08.10.2022, directed the Administrator to deposit the hospital cash collection of Rs. 12,00,000/- for the period 01.09.2022 to 08.09.2022 into the Hospital's bank account. However, the Administrator informed that the amount was reimbursed to Respondent No. 7 towards Bajaj Finance loan payments allegedly made by him from his personal account. Such payment and reimbursement were made without any approval of the Board or authority of the Administrator, thereby substantiating the Petitioners' allegations of misappropriation of Company funds by the Respondents in collusion with the Administrator and Accountant.

7.16 Upon re-entering the Hospital in September 2022, the petitioner found several important documents missing and discovered serious mismanagement of

Company funds by Respondent Nos. 2 to 7. The Respondents had also failed to pay the lease rent to Diphu Municipal Board, compelling the Petitioners to pay Rs. 8,00,000/- on 28.09.2022 upon receipt of the notice.

7.17 Due to mismanagement of accounts and the existence of multiple cash books, the Petitioners directed the Administrator to furnish detailed accounts of Hospital collections and expenses from February to September 2022. However, the Administrator provided incomplete information and stated that the records had been handed over to Diphu Police Station. Despite further requests, no proper account details were furnished and the Administrator directed the Petitioners to refer to the cash books or approach Respondent No. 7.

7.18 The aforesaid facts establish that the Respondents not only mismanaged and misappropriated Company funds but also removed vital documents without authority. The allegations made against the Petitioners regarding violation of the Companies Act, non-issuance of share certificates and misappropriation of funds are baseless. On the contrary, the Petitioners have calculated that Respondent Nos. 2 to 7 have misappropriated approximately Rs. 99,61,131/- from the Company funds during the period from February 2022 to September 2022.

Copies of the Patient Bill dated 09.04.2022 along with the bank statement of the patient's relative, copies of the multiple Cash Books maintained by Respondent Nos. 2 to 7, copy of the Notice dated 20.09.2022 issued by the Diphu Municipal Board along with the bank payment receipt dated 28.09.2022 and copies of the Letter dated 29.09.2022, Notice dated 08.10.2022 issued by the Director/Petitioner along with the Reply dated 08.10.2022 are annexed as '*Annexure-17*', '*Annexure-18*', '*Annexure-19*' and '*Annexure-20 (Colly)*'.

7.19 Further, the Petitioners submitted that despite the interim order dated 02.09.2022 passed by this Hon'ble Court directing the Respondents not to obstruct the Petitioners in managing the Hospital, the Respondents continued to interfere in the affairs of the Company. Despite repeated requests and the letter dated 29.09.2022, Respondent Nos. 2 to 7 continued to approve cash payments to vendors, including payments exceeding Rs. 10,000/-, in violation of applicable provisions. The Petitioners also directed the Administrator and Accountant not to make cash payments and to deposit collections into the Company's bank account; however, the said directions were ignored. Thus, the Respondents'

interference in the day-to-day functioning of the Hospital and unauthorised handling of Company funds is evident. The Respondents' claim that they were merely assisting the management is false and misleading, as their own statement establishes their continuous involvement in the affairs of the Hospital.

- 7.20 It is further submitted that that the EOGM dated 27.03.2022 was convened after they were unlawfully prevented from entering the Hospital by Respondent Nos. 2 to 7 in February 2022, with an intention to amicably resolve the dispute and safeguard the interest of Respondent No. 1 Company. However, the same could not be achieved due to the conduct of the Respondents. The allegation that the Petitioners failed to manage and control the Company is baseless and denied. The minutes of the EOGM dated 27.03.2022 (*Annexure-A7*) clearly show that issues relating to change in shareholding and the management of the Company were struck off and declared null and void, with the same proposed to be considered only after completion of the Company's audit.
- 7.21 The Petitioners submit that the Chief Executive Member, Karbi Anglong Autonomous Council, is not a member of Respondent No. 1 Company. Therefore, the invitation extended by Respondent No. 2 vide letter dated 04.05.2022 to involve the Chief Executive Member in the Internal Audit Committee of a private company was wholly improper and unacceptable. Further, the meeting was conducted at the Chief Executive Member's Conference Hall instead of the registered office of Respondent No. 1 Company, which clearly indicates that the purpose of the meeting was to exert undue pressure upon the Petitioners to resign as Directors and hand over the management of the Company to the Respondents.
- 7.22 The Petitioners submit that, as stated hereinabove, Respondent Nos. 2 to 7 illegally took control of the management, affairs, and accounts of the Hospital and prevented the Petitioners, despite being Directors, from entering the Hospital premises. Thereafter, the Respondents misappropriated Company funds and continue to interfere with the functioning of the Hospital. Hence, the Petitioners are entitled to seek appropriate reliefs under Sections 241 and 242 of the Companies Act, 2013.

8. The Petitioners sought this Tribunal to place certain additional documents on record. Accordingly, *vide* Order dated 09.06.2023, this Tribunal was pleased to permit the Petitioners to place the said documents on record by way of an Additional Affidavit.
9. Pursuant to the Order dated 09.06.2023, the Petitioners placed the additional documents on record by filing an Additional Affidavit dated 07.09.2023.
 - 9.1 The Petitioner filed this affidavit to bring on record certain documents as well as certified copy of the orders passed by the Learned Chief Judicial Magistrate, Karbi Anglong in PRC Case No. 74 of 2023 and certified copy of the Search and Seizure Memo submitted by the Investigating Officer in order to appropriate adjudication of the instant proceeding before this Hon'ble Court.
 - 9.2 In compliance with the order of dated 03.02.2023 passed by this Hon'ble Court in the present case, the Petitioner *vide* letter dated 13.02.2023 requested the Respondent No. 2 to 7 to handover the all the documents so as to enable the Petitioners to finalize the accounts for the year 2020-21 and convene the Board meeting. Copy of the letter dated 13.02.2023 is annexed as '*Annexure A-25 (Colly)*'.
 - 9.3 It is submitted that the Respondent No. 7 submitted his reply to letter dated 13.02.2023, denied being in possession of any Company documents and acknowledged having made certain payments from his personal account during the period from February 2022 to September 2022 on behalf of the Company. Such payments neither establish nor support the Petitioners' allegations that the Respondents restrained them from entering the Hospital premises or misappropriated Company funds. The fact that Respondent Nos. 2 to 6 did not submit any replies. Copy of the reply letter dated 24.02.2023 is annexed as '*Annexure 26*'.
 - 9.4 That the Petitioner *vide* Letter dated 08.03.2023 again requested the Respondent No. 7 to comply with the order passed by this Hon'ble Court dated 03.02.2022 and submit all the documents for preparation of the account statement but the Respondent No. 7 *vide* letter dated 13.03.2023 again denied possession of any documents. Copy of the Letter dated 08.03.2023 issued by the Petitioner and copy of letter dated 13.03.2023 issued by the Respondent No. 7 are annexed as '*Annexure 27 & 28*'.
 - 9.5 During the pendency of the present proceedings, the Petitioners received summons in PRC Case No. 74 of 2023 from the Court of the Chief Judicial

Magistrate, Karbi Anglong, directing them to appear before the said Court on 26.06.2023.

- 9.6 Upon receiving the summons in PRC Case No. 74 of 2023, the Petitioners applied on 07.06.2023 for certified copies of the documents, including the Search and Seizure Memo, filed by the Investigating Officer before the Hon'ble Chief Judicial Magistrate, Karbi Anglong.
- 9.7 Upon receiving the certified copies of the Search and Seizure Memo and other documents, the Petitioners, on scrutiny thereof, discovered that on 10.08.2022, when they were prevented by Respondents No. 2 to 7 from entering the Hospital, the then Administrator, Shri Longserli Ricky Singer, with the assistance of Respondents No. 2 to 7, had handed over certain original documents to Diphu Police Station without any written authority from the Petitioner. For the sake of brevity, the contents of the Search and Seizure Memo are not reproduced herein and the Petitioners crave leave of this Hon'ble Court to rely upon the same at the time of hearing. Copy of the Search and Seizure Memo are annexed as '*Annexure -29 (Colly)*'.
- 9.8 Upon perusal of the certified copy of the order dated 23.05.2023 in Diphu P.S. Case No. 63 of 2022, the Petitioners came to know that Shri Longserli Ricky Singer had sought zimma of certain Hospital records before the Hon'ble Chief Judicial Magistrate, Karbi Anglong. *Vide* order dated 29.05.2023, the Hon'ble Court allowed the application. It is submitted that Shri Longserli Ricky Singer filed the said application on behalf of the Company without any authority from the Petitioners and by making false and misleading statements. The contents of the zimma application and the orders are not reproduced herein for brevity and the Petitioners crave leave to rely upon the same at the time of hearing. Copies of Petition No. 20 filed before the Hon'ble Chief Judicial Magistrate, Karbi Anglong and the orders dated 23.05.2023 and 29.05.2023 passed in Diphu P.S. Case No. 63 of 2022 are annexed as *Annexure-30 & 31*'.
- 9.9 On 21.06.2023, the Petitioners received a letter from Shri Longserli Ricky Singer claiming that he had applied for zimma on the recommendation of the minority shareholders. Consequently, the Petitioners issued a Show Cause Notice dated 04.07.2023 seeking an explanation for filing the zimma application without authority within 10 days. No response has been received till date. Copy of the

Letter 21.06.2023 along with the Show Cause Notice dated 04.07.2023 is annexed as 'Annexure- 32 & 33'.

9.10 It is clear that Respondents No. 2 to 7 illegally took control of the Hospital's management, accounts and affairs, prevented the Petitioners, despite being Directors, from entering the Hospital, misappropriated the Company's funds and continue to interfere with its functioning.

9.11 Reliance is placed on ***Chiranjeevi Rathanam and Ors Vs Ramesh and Anr: Reported in 2017 SCC Online Mad 23049***, wherein the Hon'ble High Court of Madras observed that:

The word "Member" employed in Section 241 of the Act cannot be given a restrictive meaning. If restrictive meaning is given it may lead to abuse of process of law. Member of company in S.241 means and include persons not only members of the Company in strict sense, but also persons who "bears the character of a member" or "have substantial interest in the internal affairs of the company"

10. On the other hand the Respondents submitted counter affidavit dated 09.10.2023 filed on 10.10.2023:

10.1 The Respondent submitted that submission of additional documents is merely intended to delay the proceedings, waste the valuable time of this Hon'ble Bench and conceal the Petitioners' alleged misconduct. Being Directors in control of the affairs of R-1 Company, the Petitioners are alleged to have misappropriated the Company's funds, engaged in illegal activities, deprived the Respondents of their legal rights and unnecessarily delayed the due process of law.

10.2 The present company petition has been filed by the persons who have 100% control over the affairs and management of the Company and the facts submitted have no relevance u/s 241(1) and 242(4) of Act, few of them are narrated herein below:

- a. The Respondents had consistently objected to the alleged illegal and fraudulent allotment of 9,00,000 equity shares of Rs. 10 each made in their name without any offer to Respondent on 05.03.2021.
- b. The Petitioner failed to establish that how Respondents done any act of oppressive and mismanagement u/s 241(1) & 242(4) of the Act.

- c. The Petitioners have claimed that the Right Issue was made in compliance with Section 62 of the Act. Whereas no offer was ever been made to the Respondents and they have never received any offer for such Right issue hence the question of renunciation doesn't arise. Further, the respondents have never signed any renunciation form in favor of the Petitioners.
- d. The Petitioners in order to cover up their wrongdoings have failed to provide details of such illegal allotment and even in the Rejoinder filed by the petitioners they have failed to provide any evidence which could prove that the right issue has been done following the due process of law.
- e. Further, the Letter of Offer annexed with the rejoinder, without any proof of service and the signature of the Respondent, is self-created and was never received by the Respondent. Likewise, the renunciation form annexed at Page 45 of the Rejoinder is fabricated, unsigned and was neither received nor executed by the Respondents.
- f. The Respondent further submitted that they are ready and willing to purchase the entire 9,00,000 equity shares of Rs. 10 each, illegally and fraudulently allotted to the Petitioners on 05.03.2021, at the same price at which they were allotted. The Respondents are also willing to purchase the Petitioners' existing holding of 1,29,000 equity shares of Rs. 10 each at face value. Since the Petitioners themselves have sought a buy-out in Paragraph 17(d) of the Company Petition and the allotment dated 05.03.2021 was made without any valuation by a Registered Valuer as evident from E-Form PAS-3, the Respondents are ready to purchase entire shareholding of the Petitioners at the Face value of Shares.
- g. Further submitted that since from the beginning the Petitioners have failed to establish any concrete ground which would fall under the purview of 241(1) and 242(4) of Act, for oppression and mismanagement of the R-1 company done by the Respondent group.
- h. The principal act of oppressive committed by the Petitioners is the illegal allotment of 9,00,000 equity shares to themselves by claimed Rights Issue. Despite the same being the core dispute, the Petitioners have failed to furnish any substantive response in their Rejoinder.

- i. Since F.Y. 2021-22, the Petitioners have neglected the affairs of the Company by failing to pay creditors, withholding financial records and vouchers and not convening or issuing notices for the AGM. They also failed to service the loan obtained from Bajaj FinServ, compelling Respondent No. 7 to discharge the EMIs from his personal account to prevent default, despite the Petitioners being Directors and authorized signatories of the Company's bank accounts.
- j. The Petitioners have also misappropriated the Company's funds through unaccounted cash withdrawals of approximately Rs. 1.5 crore from ICICI Bank Account No. 217305000237 and utilized the same for personal loan EMI, as evident from the Company's bank statements.

The Petitioners made few payments towards their personal EMIs amounting of Rs. 9,44,799/- during the period from 01.05.2021 to 14.12.2021. Further, also made unaccounted cash withdrawals aggregating Rs. 80,56,800/- from the Company's account between 04.08.2021 and 29.12.2021 for their personal use.
- k. The main reason behind non-preparation and non-presentation of Financial Statements of R-1 company by the Petitioners for the F.Y. 2021-22 despite of direction issued by the Hon'ble Bench is to hide their wrong doings of immense misappropriation of the company funds for their own personal benefits and expenses as narrated above and in order not to bring such misappropriations of funds in the eyes of Hon'ble Bench the petitioners are diverting the attention of Hon'ble Bench that documents of the company are with the Respondent group, however all the documents of R-1 company were always in the possession of the Petitioners since the incorporation of the R-1 company. A copy of the relevant extract of the ICICI Bank Account Statement (A/c No. 217305000237) is annexed as '*Annexure-B*'.
1. After the Petitioners failed to operate the hospital and discharge its liabilities, Respondent No. 7, to ensure the Company continued as a going concern, made payment of Rs. 16.98 lakhs from his personal funds for the smooth functioning of the hospital. The said contribution was intimated to the Petitioners *vide* letter dated 24.02.2023, which has been annexed by the Petitioners themselves in their Additional Affidavit at Page 28.

- 10.3 The Petitioners, with an ulterior motive to conceal their acts of oppressive, mismanagement and misappropriation of the Company's funds, issued letters dated 13.02.2023 and 08.03.2023 demanding numerous documents and registers which were never in the Respondents' possession. Notably, no such allegation was made in the Company Petition or the Rejoinder and these letters were issued only after the order dated 03.02.2023, making them a clear afterthought intended to delay the proceedings and avoid disclosure of the true affairs of the Company.
- 10.4 Respondent No. 7 duly replied to the letter dated 13.02.2023 *vide* letter dated 24.02.2023. It is further submitted that between February 2022 and September 2022, several General Meetings were convened, yet the Petitioners neither attended them (except on 27.03.2023) nor raised any issue regarding the alleged non-availability of Company records. On the contrary, the Respondent Group was repeatedly denied for inspection of the Company's records despite being the majority shareholders and made several requests by email, hand delivery and telephone for convening the AGM and finalization of the accounts, which the Petitioners ignored.
- 10.5 Owing to the Petitioners' failure to discharge the Company's liabilities, Respondent No. 7, with the consent of the other Respondent shareholders, contributed Rs. 16.98 lakhs from his personal funds to keep the Company as a going concern, the details of which were furnished in the reply dated 24.02.2023. The Petitioners' allegation that the Respondent Group embezzled the Company's funds is wholly baseless and unsupported by any evidence.
- 10.6 It is an admitted position that the Petitioners, being the Directors of R-1 Company, have always retained custody of the Company's records. Accordingly, the letters dated 13.02.2023 and 08.03.2023 falsely alleging that the Respondents were in possession of the records are baseless, self-contradictory and intended solely to delay the finalization of the financial statements for F.Y. 2021-22. The letter dated 08.03.2023 itself demonstrates that the Petitioners had access to all documents necessary for the preparation of the financial statements and therefore, were fully capable of complying with this Hon'ble Bench's order dated 03.02.2023.

- 10.7 The documents relied upon by the Petitioners, including the orders of the Learned Chief Judicial Magistrate in PRC Case No. 74 of 2023 and the Search and Seizure Memo, are wholly irrelevant to the present proceedings under Sections 241 and 242 of the Companies Act, 2013. The Petitioners have deliberately omitted to disclose the application filed by Longserli Ricky Singer seeking Zimma of certain documents and have instead sought to divert the attention of this Hon'ble Bench from the real issues, namely the illegal allotment of 9,00,000 equity shares, misappropriation of Company funds, non-holding of AGM, denial of inspection of statutory records and non-compliance with the order dated 03.02.2023.
- 10.8 Further, the Petitioners have taken mutually contradictory stands. While alleging through their letters dated 13.02.2023 that the Company's records were in the Respondents' possession, they have simultaneously alleged in Paragraph 8 of the Additional Affidavit that the documents had been handed over to Diphu Police Station by the hospital administrator. These inconsistent pleas clearly demonstrate that the Petitioners are making false and self-contradictory assertions only to conceal their acts of oppression, mismanagement and misappropriation of Company funds and to delay the adjudication of the real disputes before this Hon'ble Bench.
11. This Tribunal, *vide* order dated 20.05.2025, directed that "*Ld. Counsel for the Petitioners submitted that he shall file an affidavit of the concerned person, stating that the service of the right issue offer of shares have been effected to all the Petitioners in IA (Comp. Act)/6/GB/2024, along with a copy of the renunciation form*"
12. This Tribunal, *vide* Order dated 17.07.2025, recorded in the order sheet that: "*Ld. Counsel for the Petitioner has filed an affidavit in compliance with the order dated 20.05.2025.*"
13. Pursuant thereto, the Petitioner filed an affidavit dated 15.07.2025, wherein the following submissions were made:
- 11.1 The Petitioner submitted that in February 2022, Respondent Nos. 2 to 7 forcibly and illegally took control of the management, accounts and affairs of Respondent No. 1 Hospital and prevented the Petitioners, despite being its Directors from entering the Hospital. Aggrieved by the said conduct, the Petitioners filed the present application before this Tribunal.

- 11.2 The Petitioners further submitted that he had instituted C.R. Case No. 16 of 2022 before the Court of the Learned Chief Judicial Magistrate, Karbi Anglong. Upon considering the complaint, the Learned Additional Chief Judicial Magistrate, Karbi Anglong, *vide* order dated 20.07.2022, took cognizance of offences under Sections 403, 406, 424, 506 and 120-B of the IPC read with Section 452 of the Act and issued summons to Respondent Nos. 2 to 7. A copy of the order dated 20.07.2022 passed in C.R. Case No. 16 of 2022 is annexed as '*Annexure-2*'.
- 11.3 After re-entering the Hospital premises pursuant to the interim order dated 02.09.2022 passed by this Tribunal in C.P. No. 14/GB/2022, they discovered that vital company records, including shareholding documents, were missing. Consequently, by letter dated 07.09.2022, the Petitioners directed the Hospital Administrator, Mr. Longserli Ricky Singnar, to produce all company-related documents within one week for scrutiny. A copy of the letter dated 07.09.2022 is annexed as '*Annexure-3*'.
- 11.4 The Hospital Administrator, in his reply, stated that the company records were neither in his possession nor available at the Hospital premises and informed that the documents had been submitted to Diphu Police Station for investigation. The Petitioner further submitted that, upon seeking details of the Hospital accounts by letter dated 08.10.2022, the Administrator advised them to refer to the Hospital Cash Book for cash transactions and to consult Respondent No. 2, Dr. Robertson Timung, regarding online transactions. He further submitted that all Hospital records had been handed over to the minority shareholders for investigation. It was also alleged that the Administrator subsequently left the services of Respondent No. 1 Company without any intimation. Copies of the Administrator's reply dated 07.09.2022, the Petitioner's letter dated 29.09.2022, notice dated 08.10.2022 and the Administrator's reply dated 08.10.2022 are annexed as '*Annexure-4*', '*Annexure-5*', '*Annexure-6*' and '*Annexure-7*'.
- 11.5 The Petitioner submitted that the aforesaid facts were brought to the notice of this Tribunal, which, *vide* order dated 03.02.2023 passed in C.P. No. 14/GB/2022, directed Respondent Nos. 2 to 7 to hand over all company records in their possession to the Petitioners to facilitate preparation of the balance sheet

and filing of annual returns with the Registrar of Companies. The Tribunal further directed the Petitioners to convene a Board Meeting within 45 days and ensure that the functioning of the Hospital was not disturbed. A copy of the order dated 03.02.2023 is annexed as '*Annexure-8*'.

- 11.6 In compliance with the order dated 03.02.2023 passed in C.P. No. 14/GB/2022, the Petitioners, by letter dated 13.02.2023, called upon Respondent Nos. 2 to 7 to hand over all company records to enable finalization of the accounts for FY 2020-21 and convening of the Board Meeting. In reply dated 24.02.2023, one shareholder stated that he was not in possession of any company records but acknowledged having made certain payments on behalf of the Hospital between February 2022 and September 2022. It was further submitted that no other shareholder responded and that a subsequent request dated 08.03.2023 also failed to secure the return of the company records. Copies of the Petitioners' letters dated 13.02.2023 and 08.03.2023, along with the reply letters dated 24.02.2023 and 13.03.2023, are annexed as '*Annexure-9*', '*Annexure-10*', '*Annexure-11*' and '*Annexure-12*'.
- 11.7 During the pendency of C.P. No. 14/GB/2022, the Petitioners received summons in P.R.C. Case No. 74 of 2023 from the Court of the Chief Judicial Magistrate, Karbi Anglong. Pursuant thereto, they obtained certified copies of the investigation records, including the Search and Seizure Memo. Upon scrutiny thereof, the Petitioners alleged that on 10.08.2022, when they had been prevented from entering the Hospital, the then Administrator, Shri Longserli Ricky Singnar, with the assistance of the minority shareholders, had submitted important original company documents to Diphu Police Station without any written authority from the Petitioners. A copy of the Search and Seizure Memo is annexed herewith as '*Annexure-13 (Colly)*'.
- 11.8 The Petitioner submitted that, upon obtaining certified copies of the orders dated 23.05.2023 and 29.05.2023 passed in Diphu P.S. Case No. 63 of 2022, it came to their knowledge that the then Administrator, Shri Longserli Ricky Singnar, had sought zimma (custody) of certain seized Hospital records on behalf of the Company without any authority from the Petitioners. It was alleged that, although the Learned Chief Judicial Magistrate, Karbi Anglong, by order dated 29.05.2023, granted zimma in his favour, the seized records were not released to

him as he lacked the requisite authority. Copies of Petition No. 28 and the orders dated 23.05.2023 and 29.05.2023 passed in Diphu P.S. Case No. 63 of 2022 are annexed as '*Annexure-14*' and '*Annexure-15 (Colly)*'.

- 11.9 By letter dated 21.06.2023, Shri Longserli Ricky Singer informed the Petitioners that he had applied for zimma on the recommendation of the minority shareholders. The Petitioners thereafter issued a show cause notice dated 04.07.2023 calling upon him to explain why he had filed the zimma application without any authority from the Company. It was further submitted that no reply was received to the said notice and that Shri Longserli Ricky Singer subsequently left the Company without assigning any reason. Copies of the letter dated 21.06.2023 and the show cause notice dated 04.07.2023 are annexed as '*Annexure-16*' and '*Annexure-17*'.
- 11.10 On 16.09.2023, the Petitioners filed an application under Section 451 of the Code of Criminal Procedure, 1973 seeking zimma (custody) of the seized Hospital records before the Court of the Learned Chief Judicial Magistrate, Karbi Anglong, which was registered as Petition No. 980 of 2023. However, by order dated 17.11.2023 passed in P.R.C. Case No. 74 of 2023, the Learned Chief Judicial Magistrate deferred consideration of the zimma application and stayed the proceedings pending orders from the Hon'ble Gauhati High Court. Aggrieved thereby vide order dated 17.11.2023, the Petitioners preferred Crl. Pet. No. 1382 of 2023 before the Hon'ble Gauhati High Court, which, by order dated 22.12.2023, directed the Learned Chief Judicial Magistrate to consider the Petitioners' application on merits. Copies of the orders dated 17.11.2023 and 22.12.2023 are annexed as '*Annexure-18*' and '*Annexure-19*'.
- 11.11 Pursuant to the order dated 22.12.2023 passed by the Hon'ble Gauhati High Court in Crl. Pet. No. 1382 of 2023, the Learned Chief Judicial Magistrate, Karbi Anglong, reheard Petition No. 980 of 2023. However, by order dated 19.02.2024 passed in P.R.C. Case No. 74 of 2023, the Learned Chief Judicial Magistrate rejected the Petitioners' prayer for zimma of the seized records. A copy of the order dated 19.02.2024 is annexed as '*Annexure-20*'.
- 11.12 Being aggrieved by the order dated 19.02.2024, the Petitioners filed Crl. Pet. No. 505 of 2024 before the Hon'ble Gauhati High Court, which, by order dated 25.11.2024, directed the Learned Chief Judicial Magistrate, Karbi Anglong,

Diphu to furnish photocopies of the seized documents to the Petitioners. In compliance thereof, the Learned Chief Judicial Magistrate, by order dated 30.11.2024, directed the Prosecuting Inspector to hand over the photocopies of the seized records to the Petitioners. Copies of the orders dated 25.11.2024 and 30.11.2024 are annexed as '*Annexure-21*' and '*Annexure-22*'.

11.13 Upon receiving photocopies of the seized documents, the same were examined by its accountant and auditor, who found that several records were still missing. The Petitioner lodged complaint before the Officer-in-Charge, Diphu Police Station. It was further submitted that, on 20.05.2025, this Tribunal directed the Petitioner to file the present affidavit confirming that the rights issue offer had been served upon all shareholders in I.A. (Comp. Act)/6/GB/2024. Copies of the email dated 19.05.2025 and the complaint are annexed herewith as '*Annexure-23*' and '*Annexure-24*'.

11.14 The Petitioner submitted that, in February 2021, the Board of Directors of R-1 Company reviewed the Company's financial position and considering its funding requirements, resolved to issue 9,00,000 equity shares of Rs. 10 each by way of a rights issue. Thereafter all the shareholders were informed about the decision of the Board of Directors to increase the Subscribed and Paid up Capital of the Company by issue of 9,00,000/- shares and were further informed that they are entitled to for the "rights shares offer", the offer was open for 18 days, i.e., from 13.02.2021 to 03.03.2021. In the said letter it was specifically mentioned that in the event their failure to revert back to the said offer within stipulated time period it would be considered that the shareholders are neither interested in availing the offer or renouncing it and the Boards of Directors will be within their rights to dispose of such shares in the matter as they deem fit.

11.15 Since, Respondent Nos. 2 to 7 did not respond within the stipulated period, the Petitioners allotted the said shares in accordance with the Articles and the applicable provisions of law. The Petitioner further submitted that the return of allotment (E-Form PAS-3), the Board Resolution and the audited financial statements for the year ended 31.03.2021 were duly filed with the Registrar of Companies and despite having knowledge thereof, the Respondents did not raise any objection until filing I.A. (Comp. Act)/6/GB/2024 under Section 59 of the Companies Act after more than 3 years. Copies of the minutes of the Board

Meeting dated 05.03.2021 and the rights issue offer letter issued to Petitioner No. 2 are annexed as '*Annexure-25*' and '*Annexure-26*'.

11.16 The Petitioner submitted that, as on 31.03.2020, the paid-up share capital of Respondent No. 1 Company comprised 14,000 equity shares, with each shareholder holding 2,000 equity shares, except Respondent No. 7, who was not then a shareholder. It was further submitted that, considering the Company's financial position, expansion plans, and funding requirements, the authorized share capital was increased from Rs. 10,00,000 to Rs.1,50,00,000. Thereafter, on 16.11.2020, the subscribed and paid-up share capital stood at Rs.51,40,000, and Respondent No. 7, Dr. Robertson Timung, was allotted 62,500 equity shares through the same procedure that was subsequently followed for the rights issue of 9,00,000 equity shares on 05.03.2021. Copies of the resolution passed at the EOGM dated 28.10.2020 and the minutes of the Board Meeting dated 16.11.2020 are annexed herewith as '*Annexure-27*' and '*Annexure-28*'.

11.17 The Petitioner further submitted that the return of allotment in Form PAS-3, the relevant Board Resolutions and the audited financial statements were duly filed with the Registrar of Companies. Despite having knowledge of the allotment, the Respondents did not raise any objection for more than three years and only thereafter challenged the allotment by filing I.A. (Comp. Act)/6/GB/2024 under Section 59 of the Companies Act, 2013, which, according to the Petitioner, is barred by limitation.

14. Heard the counsels for both parties and perused the records. The Present petition under Section 241(1) & 242(4) of the Companies Act, 2013 has been filed by the Directors of the Respondent No.1 Company i.e., Karbi Anglong Hospitals Private Limited alleging acts of oppression and mismanagement by the Respondent No. 2 to Respondent No. 7 in Respondent No.1 Company.

Finding and Analysis

15. It is understood that this Petition is filed under Section 241(1) & 242(4) of the Companies Act, 2013 seeking certain relief against the acts of oppression and mismanagement by the Respondents in Respondent No.1 Company i.e. Karbi Anglong Hospitals Private Limited *via* actions of Respondent No.2 to Respondent No.7.

16. The *sine qua non* for invoking Section 241 is that the affairs of the Company ought to have been conducted or are being conducted in a manner which is oppressive or prejudicial to the members of the Company. This requires an inspection of the key allegations levelled against the Respondents in a piecemeal fashion. Section 244 read with Section 241 of the Act reveals that the right to file an Application under Section 241 lies with the members having 1/10th of the shareholding in case of a company having share capital. In the present case, this criterion is specifically met, hence no aspersions are cast on the issue of *locus standi*.
17. After going through the submissions of both the Petitioners and Respondents, the key issues for consideration are reduced as follows:
 - A. Whether the Petitioners are entitled to an order calling for the records of Respondent No.1 Company in the possession or control of Respondent Nos. 2 to 7?
 - B. Whether Respondent Nos. 2 to 7 are liable to repay or restore the money or properties allegedly misappropriated from Respondent No.1 Company?
 - C. Whether Respondent Nos.2 to 7 should be directed to purchase the Petitioners' shares or vice versa?
- ❖ **Whether the Petitioners are entitled to an order calling for the records of Respondent No.1 Company in the possession or control of Respondent Nos.2 to 7?**
18. It is contended by the petitioners that in the month of February 2022, the Respondent Nos. 2 to 7 demanded to handover the control without any reason, without any Board of meeting and took charge of management, accounts and restricted the petitioners to enter into the management of the Hospital despite that the petitioners are directors of the Hospital.
19. Also, the Respondent No. 2 to 7 had not paid the Loan EMI of the vendors from whom Medicine and Medical instrument have been purchased. The Respondent No. 2 to 7 have threatened the petitioners with dire consequence.
20. The Petitioners on 13.02.2022, wrote a complaint to Officer in Charge, Diphu police Station against Respondent Nos. 2 to 4 regarding the act of extortion a robbery by collecting the daily cash from cash counter of Hospital. However, the FIR not get registered.
21. The Petitioners then on 20.06.2022 filed complaint before the Chief Judicial Magistrate, Karbi Anglong against the Respondents No. 2 to 7 alleging the aforesaid

accusations and also mentioning the subsequent threats that were meted out to the Petitioners. The complaint was registered as C.R case no 16/2022. Pursuant to this, Chief Judicial Magistrate, Karbi Anglong *vide* order dated 20.07.2022 was pleased to take cognizance of offences under Sections 403/406/424/506/120-B, IPC read with Section 452 of the Companies Act and issued summons to Respondents No 2 to 7.

22. On, the contrary the Respondents submitted that the records always remained with the Petitioners, who were the Directors of the Company.
23. After receipt of Summons, the Respondent No. 3, lodged an FIR on 06.08.2022 against the Petitioners alleging fraudulently increasing and acquiring the shares by submitting the forged documents and misappropriation of company's funds, which was registered as Diphu P.S. Case No. 63/2022 registered under section 120-B, 420 and 409 which is still under investigation.
24. The Petitioner thereafter, approached the Guwahati High Court for Anticipatory Bail protection. The Hon'ble Guwahati High Court after hearing the Petitioners in Anticipatory Bail Case No. 2516/2022, *vide* order dated 02.09.2022 granted interim protection to the Petitioners.
25. The Records also reveals that during the pendency of the present proceedings, this Tribunal *vide* order dated 03.02.2023 ordered that '*The Board of Directors is hereby directed to convene a Board Meeting within 45 (Forty Five) days and ensure that the functioning of the Hospital is not disturbed. The Respondents are **directed to handover all the documents** available with them to the Petitioners so that Balance sheet is prepared and annual returns are filed with the ROC without further delay. Interim Order passed earlier shall continue till next date of hearing*'.
26. The Petitioners thereafter issued letters dated 13.02.2023 and 08.03.2023 seeking compliance with the said order. On the contrary, the Respondent submitted *vide* letter dated 24.02.2023 and 13.03.2023 that they are not in the possession of any records or whatsoever.
27. It has also come on record of this Tribunal that during the investigation in Diphu P.S. Case No. 63 of 2022, certain original Company records had been seized by the investigating agency. The Petitioners thereafter initiated proceedings before the Chief Judicial Magistrate, Karbi Anglong seeking custody of those records. The CJM deferred the consideration of Zimma application of Petitioner. The Petitioner approached the Guwahati High Court in Crl. Pet. No. 505 of 2024 and *vide* order dated

25.11.2024 directed the Chief Judicial Magistrate, furnish photocopies of the seized documents to the Petitioners. In compliance thereof, the Learned Chief Judicial Magistrate, Karbi Anglong *vide* order dated 30.11.2024, directed the Prosecuting Inspector to hand over the photocopies of the seized records to the Petitioners.

28. Moreover, the Petitioners again filed the Police Complaint before the Officer in Charge, Diphu, Karbi Anglong on 23.05.2025 regarding Intimation regarding missing documents/files from the Office of Karbi Anglong Hospitals Private Limited.
29. Thus, the controversy regarding custody of the records has substantially shifted from the Respondents to the Officer in Charge of Police or before the Chief Judicial Magistrate, Karbi Anglong.
30. Hence, this Tribunal is of the opinion that the relief originally prayed for has substantially been addressed by subsequent judicial orders or pending criminal proceeding, during the pendency of the present proceedings.

❖ **Whether Respondent Nos. 2 to 7 are liable to repay or restore the money or properties allegedly misappropriated from Respondent No.1 Company?**

31. The Petitioner submitted that Respondent Nos. 2 to 7, in collusion with the Accountant, Sri Prabhat Singh Hanse, misappropriated an amount of Rs. 11,11,000/- during the period of their illegal occupation of the Hospital, i.e., from February to September 2022, the Respondents, in collusion with the Hospital's Administrator and Accountant, diverted patient payments into their personal bank accounts. Furthermore, they maintained multiple sets of cash books to conceal the misappropriation and manipulate the financial records of the Company.
32. The Petitioner submitted that *vide* letter dated 08.10.2022, directed the Administrator to deposit the hospital cash collection of Rs. 12,00,000/- for the period 01.09.2022 to 08.09.2022 into the Hospital's bank account. However, the Administrator informed that the amount was reimbursed to Respondent No. 7 towards Bajaj Finance loan payments allegedly made by him from his personal account.
33. On, the contrary, the Respondent submitted that the Petitioners made few payments towards their personal EMIs amounting of Rs. 9,44,799/- during the period from 01.05.2021 to 14.12.2021. Further, also made unaccounted cash withdrawals aggregating Rs. 80,56,800/- from the Company's account between 04.08.2021 and 29.12.2021 for their personal use.

34. Upon perusal of Records, this Tribunal draws attention over the FIR dated 06.08.2022 in case of Diphu P.S. Case No. 63 of 2022 registered under section 120-B, 420 and 409, the Respondent No. 3 alleges on the petitioner that the petitioner draws an amount of approximately 14 lakhs and also withdrew 2/3rd salaries without the consent of other shareholder and also collected money from cash counter. The matter in Diphu P.S. Case No. 63 of 2022 is still pending. The Relevant portion of FIR dated 06.08.2022 is reproduced below.

‘That sir, since the functioning of the hospital from 26th June 2021 to 30th January 2022 an amount of Rs. 3,64,09,683 cr. (Three crores sixty-four lakhs nine thousand six hundred and eighty-three) only were collected from the Hospital business and all the income and expenditures of the above-mentioned money were given responsibility to the above named two Directors. But the Directors have not given us any audit of the income and expenditure. Later we came to know that an amount of Rs. 10,79,445 (Ten lakhs seventy-nine thousand four hundred and forty-five) only and Rs. 3,46,051 (Three lakhs forty-six thousand and fifty-one) only were transferred to the personal account of Dr Mongve Kro, one of the Directors of the company.

That sir, all financial transactions (as self withdrawal) were done without the consent of other shareholders and use it for their personal purposes. The said two Directors haphazardly withdrew money from the Company's bank account. They also withdrew two-three forms of salaries without the consent of other shareholders and also collected money from cash counter without maintaining records. They have misappropriated crores of rupees and emptied the company's bank account thereby causing the collapsed of the hospital business’.

35. The Tribunal notes that both parties have levelled serious allegations of financial impropriety against each other. Criminal proceedings are pending in respect of several of these allegations. No forensic audit, independent accounting exercise or expert financial verification has been undertaken before this Tribunal.
36. Thus, the controversy regarding recovery of substantial sums has substantially shifted from the Respondents to the Officer in Charge of Police or before the Chief Judicial Magistrate, Karbi Anglong.
37. Hence, this Tribunal is of the opinion that the relief originally prayed for has substantially been addressed by subsequent judicial orders or pending criminal proceeding, during the pendency of the present proceedings.

❖ **Whether Respondent Nos.2 to 7 should be directed to purchase the Petitioners' shares or vice versa?**

38. Upon, perusal of Records, this Tribunal *vide* order dated 26.08.2025 appointed Mr Kushal Bhagat Bagadia, bearing Registration No. IBBI/RV/03/2019/10943 for assessing the value of plant and machinery of the Hospital and directed to file valuation report within 20 days. The valuer had submitted its valuation report dated 16.09.2025.
39. Furthermore, *vide* order dated 16.10.2025 this Tribunal again directed the Valuer to serve copy of the valuation report to both the parties within three days through e-mail. Again this tribunal *vide* order dated 30.10.2025 directed both the parties to come fully prepared with regard to the valuation of the shares/property on the next date, so that the matter can be decided.
40. Therefore, this Tribunal is of the considered view that neither the Petitioners nor Respondent Nos. 2 to 7 have arrived at any conclusion for the purchase or sale of their respective shareholding, notwithstanding the fact that this Tribunal had appointed an independent valuer for determination of the fair value of the shares. Since neither parties has expressed its willingness nor consent to either purchase the shares of the other or sell its own shareholding, this Tribunal is of the opinion that no direction for compulsory purchase or sale of shares can be issued in the absence of such willingness or consent.
41. Moreover, this Tribunal also observed in I.A (Comp. Act)/6/GB/2024, that the allotment of 9,00,000 Equity shares on 05.03.2021 to the Directors of the Respondent No. 1 company i.e., Karbi Anglong Hospitals Private Limited is itself in controversy. Since, the allotment of equity shares are itself in controversy, no direction can be issued without determination of the valid shareholding of the parties.

Order

42. Accordingly, with the observation as recorded above in this Company petition **CP/14/GB/2022** and the observation as recorded in **I.A (Comp. Act)/6/GB/2024**, the present Company Petition **CP/14/GB/2022** is disposed of.
43. The Registry is directed to send e-mail copies of the order forthwith to all the parties and their Ld. Counsel for information and for taking necessary steps.
44. Certified Copy of this order may be issued, if applied for, upon compliance with all requisite formalities.

45. File be consigned to records.

Sd/-

Yogendra Kumar Singh
Member (Technical)

Sd/-

Rammurti Kushawaha
Member (Judicial)

Signed this on 11th day of August, 2026.

Aditya P. (LRA)