NATIONAL COMPANY LAW TRIBUNAL
GUWAHATI BENCH
GUWAHATI

ORDER SHEET OF THE HEARING ON 8th SEPTEMBER 2026

CP/20/GB/2023

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

In the Matter of	Laxmi Narayan Sogani 2. Sumit Kumar Sogani, 3. Sumit Kumar Sogani& Sons (HUF) Vs Balaji Candles Pvt. Ltd. 2. Lucy Sawkmie, 3. Manoranjan Deka, 4. The Registrar of Companies, NER, 5. JhonNongrum
Under Section	U/s 241-242 of Companies Act, 2013

Appearances (via video conferencing/physically)

For Petitioner (s) : Mr. Siddharth Sancheti, Adv.

For Respondent (s) : None

ORDER

Order pronounced in open court *vide* separate sheets.

Sd/-
Yogendra Kumar Singh
Member (Technical)

Sd/-
Rammurti Kushawaha
Member (Judicial)

Zeba (PS)

NATIONAL COMPANY LAW TRIBUNAL

GUWAHATI BENCH

GUWAHATI

CP/20/GB/2023

A Petition under Section 241 and 242 of the Companies Act, 2013.

In the matter of:

Shri Laxmi Narayan Sogani, son of Danmal Sogani**,** residing at A-5, Pancharatna Apartment, Sati Jaymati Road, Athgaon, Guwahati – 781001, Kamrup (M), Assam.

… Petitioner No.1

-And-

Sri. Sumit Kumar Sogani, son of **Laxmi Narayan Sogani,** residing at A-5, Pancharatna Apartment, Sati Jaymati Road, Athgaon, Guwahati – 781001, Kamrup (M), Assam.

…Petitioner No.2

-And-

Sumit Kumar Sogani & Sons (HUF), represented by its Karta Sumit Kumar Sogani, MS Road, Bargola Building, Fancy Bazar, Guwahati – 781001, Kamrup (M), Assam.

… Petitioner No.3

-Versus-

Balaji Candles Pvt. Ltd., having its registered office at Pahamkmiedum, 8th Mile, Baridua, Ri Bhoi – 793101, Meghalaya.

… Respondent No.1

-And-

Miss Lucy Sawkmie, Baridua, 8th Mile, Mylliem, Syiemship, Ri-Bhoi Distirct, Meghalaya 793101 (Director, Balaji Candles Private Limited)

….Respondent No.2

-And-

Mr. Manoranjan Deka , son of Mr. Rajani Kanta Deka, Sarthebaribari Near Public Temple Batiya, Bihar- 845438 (Director, Balaji Candles Private Limited),

…. Respondent No.3

And

The Registrar Of Companies, Guwahati, Ministry of Corporate Affairs, having its office at 5th Floor, Prithvi Planet, Behind Hanuman Mandir, Ulubari, G.S. Road, Guwahati-781007, Assam.

…….Proforma Respondent No. 4

And

Mr. John Nongrum, Son of Late R. Lyndem, Resident of 23, Baridua, 8th Mile, Ri Bhoi, Meghalaya 793101.

…….Proforma Respondent No. 5

Coram:

Shri Rammurti Kushawaha : Member (Judicial)

Shri Yogendra Kumar Singh : Member (Technical)

Appearances (through hybrid mode)

For the Petitioner(s) : Mr. S. Sancheti, Adv

For the Respondent(s) : Mr. A.K. Sethi for ROC, NER for R-4

Order pronounced on: 08.09.2026

<u>As Per Bench</u>

1. This Company Petition has been filed by the Petitioners under Section 241 and 242 of the Companies Act, 2013 seeking certain relief against the alleged acts of oppression and mismanagement by the Respondents in Respondent No.1 (R-1) Company *i.e.* Balaji Candles Pvt. Ltd. *via* actions of Respondent No.2 & 3 (R-2 &3). That vide this instant petition u/s 241 and 242 of the Companies Act 2013, the petitioner hereby prays for the following reliefs :

   a. *Direct the respondent No. 2 and 3 be removed from the directorship of the Company for the acts and deeds committed by them which were detrimental to the interest of the Company and its members;*

   b. *Direct the appointment of petitioner No. 1 and 2 along with respondent No. 5 as directors of the respondent No. 1 Company and takeover the day to day business of the respondent No. 1 Company;*

c. *The petitioner No. 1 and 2 be allowed to file necessary forms with the respondent No. 4 for removal, appointment and change of directorship of the respondent no. 1 Company and be allowed to complete all compliance relating to re-constitution of the Board of Directors of respondent No. 1 Company in all respect;*

d. *The documents pertaining to the respondent No. 1 Company be adjudicated as null and void and be delivered up and cancelled pertaining to*

   i. *The records of the Company prepared in connection with filing of Form 32 along with minutes of Extra Ordinary General meeting dated 25.01.2014 and notice to shareholders dated 03.01.2014.*

   ii. *The returns filed by the respondent No. 1 Company with the respondent No. 4 relating to Form 32 with minutes of Extra Ordinary General meeting dated 25.01.2014, notice to shareholders dated 03.01.2014.*

   iii. *Allow the re-constituted Board of directors to complete the compliance of the order dated 13.12.2018 and order dated 20.12.2018 passed in CP No. 32/252(3)/GB/2018 by this Hon'ble Tribunal;*

e. *Injunction restraining the respondent No. 2 and 3 from holding or convening any other meeting of the Board of Directors or any Annual General Meeting or Extra Ordinary General Meeting of the respondent No. 1 Company without due permission from the Hon'ble Tribunal till the re-constitution of the Board of Directors of the respondent No. 1 Company;*

f. *Permanent injunction restraining the respondent No. 1 to 3 from transferring or alienation either by way of sale, gift or otherwise dispose off the schedule properties to any other person or persons or Company till the re-constitution of the Board of Directors of the respondent No. 1 Company.*

g. *Mandatory injunction upon the respondent No. 1 to complete all formalities regarding filing / modification / alteration / cancellation of such forms, deeds, documents and other related formalities with the respondent No. 4 thereby giving effect to the Orders as may be passed by this Hon'ble Tribunal.*

h. *Penalties may be imposed on the respondent No. 2 and 3 for contravening the provision of then the provisions of Companies Act, 1956 and now the Companies Act, 2013.*

i. *Cost of and incidental to this application be paid to the petitioners by the respondents;*

j. *Any other appropriate relief or reliefs be granted to the petitioners under provisions of the Companies Act, 1956, which may be found by this Hon'ble Tribunal to be entitled to under the law and equity.*

In the interim, the petitioners are praying for interim order(s):

In view of the facts, Your Lordships may graciously be pleased to pass ex-parte orders to maintain status quo with respect to:

i. The shareholding pattern of the respondent No. 1 Company;

ii. The composition of Board of Directors of the respondent No. 1 Company till the disposal of this Company petition;

iii. The schedule property of the respondent No. 1 Company either by way of transfer, sale, gift or otherwise dispose off the properties to any other person or persons or Company.

2. As stated in the Petition, Petitioner No.1 to 3 are Shareholders in Respondent No.1 Company in "Balaji Candles Pvt. Ltd", being a body corporate registered under the Companies Act, 1956, having registered office at registered office at Pahamkmiedum, 8th Mile, Baridua, Ri Bhoi – 793101, Meghalaya.

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

3.1. That the petitioners are presently the members and shareholders of the respondent No. 1 Company.

3.2. That the respondent No. 1 Company began operations in the year 2003 with the object of getting into the business of manufacturers, dealers, packers, processors, distributors and traders, exporter and importer of all types of candles, wax, refined wax, chlorinated paraffin wax, sealing wax and all kinds of materials required or used for manufacturing of candles and other chemicals of similar nature and to deal in all components relating to the above products in terms of other objects and was registered as a Private Company under the provisions of the Companies Act, 1956 and now within the meaning of Companies Act, 2013.

3.3. That the petitioners states that the petitioners apart from being the members of the respondent No. 1 Company, the petitioner No. 1 and 2 were also previous directors in the respondent No. 1 Company until removed illegally and fraudulently.

3.4. That the petitioners state that till the time, the petitioners were director in the respondent No. 1 Company, the Company was functional and regularly filing its return on time, accordingly, the returns were filed till the financial year ending on 31.03.2013, which is also reflected in the database of Ministry of Corporate Affairs. A copy of the Form 23AC along with Balance Sheet as on 31.03.2013 and Form 20B along with Annual return for the year ending 31st March, 2013 are annexed as *Annexure No. 4, 4(A), 5 and 5(A)* respectively

3.5. That the petitioners states that the respondent No. 1 Company is an active company as per database available at the website of Ministry of Corporate Affairs but is a defaulter in filing its annual returns with respondent No. 4 since the financial year ended on 31.03.2014.

3.6. That the petitioners states that for the business of the Company, the respondent No. 1 Company through petitioner No. 1 in the year, 2007, decided to buy one plot of land in Meghalaya. Then the respondent No. 1 Company through petitioner No. 1 approached the competent authorities of State of Meghalaya for seeking necessary approval for acquiring land in the name of the Company by way of transfer. The competent authorities after being satisfied that all the requisite pre-conditions was fulfilled by the Company according to Meghalaya Transfer of land (Regulation) Act, 1971, accorded the permission vide order dated 19.12.2007, accordingly one plot of land was purchased by the Company from Shri Marshal Syiemlieh vide Sale Deed dated 20.12.2007 which was registered before the Sub-Registrar Ri-bhoi District Nangpoh.

3.7. That the petitioners states that the respondent No. 1 Company is the absolute owner of the plot of land measuring about 2294.84 sq. mt. situated at Pahamkmiedum, 8th Mile Baridua, G.S. Road, Raid Marwet, Myllyiem syiemship, Ri-Bhoi District, Meghalaya. The possession of the said land is under the respondent No. 1 Company through the petitioner No. 1. The said land is more particularly described in Schedule below. A copy of the Sale Deed dated 20.12.2007 is annexed herewith as *Annexure No. 6.*

3.8. That the petitioners states that under the local law in Meghalaya regulating the transfer, alienation of the land in schedule area, the Meghalaya Transfer of Land (Regulation) Act, 1971 has imposed restriction on transfer of land by tribal to non-tribal. However, the Company being the legal entity in other word Juristic person capable of holding immovable property in its own name as a owner, the restriction imposed by the Meghalaya Transfer of Land (Regulation) Act, 1971 does not operate in cases where one of the director of the Company is Tribal and accordingly in the present petition, the proforma respondent No. 5 is a Tribal person and is ready to become a director in the present respondent No. 1 Company.

3.9. That the petitioners states before filing of this present petition, there were cases which were filed between the parties and the following cases were filed by and against between the shareholders of the Company:

Sl No.	Case No.	Party Name	Court
1.	Title Suit No. 1(T) / 2014 along with Misc. (J) Case No. 1(T) of 2014	Sudhir Kumar Sogani -vs- Balaji Candles Private Limited	In the Court of Smti. B. Khriam, Judicial Magistrate First Class, Ri-bhoi District, Nongpoh
2.	CR(P) No. 14 of 2014	Balaji Candles Private Limited -vs- Sri Sudhir Kumar Sogani	The High Court of Meghalaya
3.	CRP No. 16 of 2014	Laxmi Narayan Sogani & Anr. -vs- Balaji Candles Private Limited	The High Court of Meghalaya
3.	Company Petition No. 100 / 2014	Laxmi Narayan Sogani & Anr. versus Balaji Candles Private Limited	The Company Law Board, Kolkata Bench
4.	WP(C) No. 2815 / 2014	Laxmi Narayan Sogani & Ors versus The Commissioner and Secy. To the Government of Assam & 4 Ors.	Before the Hon'ble Gauhati High Court

3.10. That the during the ongoing dispute between the petitioners and remaining shareholders of the respondent No. 1 Company, the petitioners were illegal and fraudulently removed from the directorship of the Company by filing one form being Form 32 with proforma respondent No. 4 showing an extra ordinary meeting called and held on 25.01.2014 wherein respondent No. 3 headed the meeting as its chairman and concluded the meeting with a proposal to remove the petitioner No. 1 and 2 as its directors and appointment of respondent No. 3 as director but the said respondent No. 3 also resigned from the respondent No. 1 Company on 12.04.2016 but the respondent No. 1 Company has not filed necessary form with the respondent No. 4 for resignation of respondent No. 3 and as such the name of respondent No. 3 is still reflected as director of the respondent No. 1 Company. A copy of Form 32 with minutes of Extra Ordinary General meeting dated 25.01.2014, notice to shareholders dated 03.01.2014 and

resignation letter dated 12.04.2016 are annexed herewith as *Annexure 11, 11(A), 11(B) and 12.*

3.11. That the petitioners states during the ongoing dispute between the shareholders of the respondent No. 1 Company relating to the control of the respondent No. 1 Company a settlement was reached between the parties by entering into a deed of settlement dated 14.03.2016 at Guwahati by which the parties were suppose to adhere to the said settlement, off which one of the important settlement as per clause XI of the said settlement deed reached between the parties relating to the respondent No. 1 Company was that the petitioners shall remain as director of the respondent No. 1 Company along with Mr. Sudhir Kumar Sogani and each of the three parties shall hold one third of shares of the respondent No. 1 Company. A copy of Deed of settlement dated 14.03.2016 with all the annexures are annexed herewith as *Annexure No. 13*.

3.12. That the petitioners states that since no concrete steps were taken on the amicable settlement reached between the parties under the Deed of Settlement dated 14.03.2016, another round of litigations started between the parties, in which both the sides have filed FIRs, cross FIRs, Title Suits, Criminal petition, etc., the following are the list of cases which were filed by and against the parties:

In the Gauhati High Court:

Sl No.	Case No.	Party Name	Court
1.	Crl Ptn. No. 930 / 2018	Sudhir Kumar Sogani & Anr. versus State of Assam & Anr.	The Gauhati High Court
2.	Crl Ptn. No. 700 / 2018	Sumit Kumar Sogani vs State of Assam & Anr.	The Gauhati High Court
3.	Crl Ptn. No. 150 / 2018	Sumit Kumar Sogani vs State of Assam & Anr.	The Gauhati High Court
4.	Crl Ptn. No. 126 / 2018	Sumit Kumar Sogani vs State of Assam & Anr.	The Gauhati High Court
5.	FAO No. 74 / 2019	Sudhir Kr Sogani vs Sogani Commercials Pvt Ltd.	The Gauhati High Court

6.	CRP No.107 / 2019	Sumit Kr. Sogani vs Sogani Commercials Pvt. Ltd.	The Gauhati High Court
7.	IA(C) No. 4282 / 2019	Sudhir Kr. Sogani & Anr. vs Smti. Pallavi Jain & 5 Ors	The Gauhati High Court
8.	IA (Crl) No. 1047 / 2019 in AB No. 4273/2019	Sudhir Kumar Sogani vs State of Assam	The Gauhati High Court
9.	CRP (I/o) No. 205 / 2019	Sogani Commercials Private Limited	The Gauhati High Court
10.	Crl Ptn No. 192 / 2020	Sudhir Kr. Sogani & Anr. vs State of Assam & Anr.	The Gauhati High Court

Case status in Sub-Ordinate Courts at Guwahati:

Sl No.	Case No.	Party Name	Court
1.	C.R. Case No. 6452 / 2018	Sumit Kr. Sogani vs Sudhir Kumar Sogani	Additional CJM, Kamrup(M)
2.	Title Suit No. 351 / 2018	Laxmi Narayan Sogani vs IDBI Bank Ltd.	The Court of Civil Judge No. 1, Kamrup(M)
3.	Title Suit No. 582 / 2018	Sudhir Kumar Sogani & Anr. vs Smti. Pallavi Jain & Ors.	The Court of Civil Judge No. 1, Kamrup(M)
4.	Title Suit No. 177 / 2018	Laxmi Narayan Sogani vs Sogani Commercials Private Limited	The Court of Civil Judge No. 3, Kamrup(M)
5.	Misc. (J) Case No. 312 / 2018 in T.S. No. 177 / 2018	Laxmi Narayan Sogani & Ors. Versus Sogani Commercials Private Limited	The Court of Civil Judge No. 3, Kamrup(M)

3.13. That the petitioner states that due to ongoing dispute between the parties and due to removal of the petitioner No. 1 and 2 as director of the Company, the respondent No. 1 Company started to default in its statutory obligations in filing returns on time with respondent no. 4 which resulted into striking off the name of the Company from the

register of companies for which necessary application was filed under Section 252(3) of the Companies Act, 2013 before this Hon'ble Tribunal for restoration by petitioner No. 2 as shareholder and member of the respondent No. 1 Company which was registered as CP No. 32/252(3)/GB/2018. In the said Company petition, this Hon'ble Tribunal was pleased as an order dated 13.12.2018 directing the said respondent No. 1 Company by allowing the Company petition to:

1. "Comply with all statutory provisions of Companies Act, 2013 and file its statutory returns as per the Law prescribed within 30 days of the restoration order being passed.

2. Company will not change its existing shareholders and management for a minimum period of 5 years from the date of the order however, further shares can be issued to the existing shareholders only and to the legal heirs in case of their death.

3. To pay the restoration cost of not less than Rs. 50,000/- (Rupees Fifty Thousand only) payable to the Ministry of Corporate Affairs, Government of India since new company is registered with authorized capital of Rs. 1,00,00,000/- (Rupees One Crore only) they may have to pay registration fees."

The petitioners states thereafter due to typographical mistake which crept in at Sl No. 2 in paragraph 8 of the aforesaid Order which was subsequently changed vide order dated 20.12.2018 and read as :

"Company will not change its existing shareholders and management for a minimum period of 2 years from the date of the order however, further shares can be issued to the existing shareholders only and to the legal heirs in case of their death".

The petitioner No. 2 states that in spite of the aforesaid order passed by this Hon'ble Tribunal, the respondent No. 1 Company being represented by respondent No. 2 and 3 remain non-compliant and continue to default in filing of annual returns since 2013.

3.14. That the petitioners states that in an on-going dispute between the shareholders of the respondent No. 1 Company being family dispute, there are already two company petition which is pending for adjudication before this Hon'ble Tribunal wherein CP / 09 / GB / 2022 which was filed for oppressive and mis-management of the group company, Sogani Commercials Private Limited and during pendency of the said CP / 09 / GB / 2022, one of the directors of Sogani Commercials Private Limited sold the immovable property to the third party giving rise to a separate cause of actions with several new parties got involved along with bank for which a separate Company petition was required to be filed for setting aside the

sale of mortgage property of the said Company which was numbered as CP / 01 / 241 / 242 / GB / 2023 wherein this Hon'ble Tribunal has already granted statuo-quo order and now the said cases are pending before this Hon'ble Tribunal for due consideration.

3.15. That the petitioners states that the present respondent No. 1 Company has become defunct due to complete failure on the part of the respondent No. 2 and 3 in running the respondent No. 1 Company which is against the interest of the respondent No. 1 Company and its members.

3.16. That the petitioners states that the respondent No. 2 and 3 has not called for any board meeting and annual general meeting of respondent No. 1 Company for last more than 5 years and due to default on the part of the respondent No. 2 and 3 to call for necessary meetings under the due process of law, the respondent No. 1 Company is suffering and is an act of mis-management and oppression against the members of the respondent No. 1 Company.

3.17. That the petitioners states that the respondent No. 2 and 3 now are planning to sell the schedule land of the respondent No. 1 Company in collusion with the third party for which the respondent No. 2 might approach the competent authorities of Meghalaya for necessary permission to sell the schedule land of the respondent No. 1 Company and as such interim orders are prayed for and may be considered in the interest of justice and to protect the only asset of the respondent No. 1 Company.

3.18. That the petitioners states that the respondent No. 2 and 3 had stopped looking after the respondent No. 1 Company day to day affairs, its business and compliance of the law of the land but are only interest in the schedule land of the respondent No. 1 Company.

3.19. That the petitioners states that due to non-function Board of Directors, the respondent No. 1 Company also became a defaulter in non-filing of statutory returns of the Company with respondent No. 4.

3.20. That the petitioners states in spite of the Order of this Hon'ble Tribunal, the present respondent No. 2 and 3 failed to file the annual returns on time with the respondent No. 4 causing great hardship and violation of the order of the Hon'ble Tribunal and is an act of oppression and mis-management against the respondent No. 1 Company and its members.

3.21. That the petitioners states that the present application is filed in good faith and sufficient evidence is filed on record regarding the in-active status of the respondent No. 2 and 3 as directors which is against interest of the respondent No. 1 Company and its members and their intention is now only to dispose off the schedule land which is standing in the name of the company and thereby siphon off the funds of the respondent No. 1 Company which will cause substantial loss to the respondent No. 1 Company.

3.22. That the petitioners states that there are sufficient evidence filed to prove that the respondent No. 2 and 3 are acting only in their personal interest over and above the interest of the respondent No. 1 Company and its members causing substantial loss to the respondent No. 1 Company which has became non-functional.

3.23. That the petitioners being majority shareholders of the respondent No. 1 Company, the petitioner No. 1, 2 and respondent No. 5 be allowed to hold the post of director of the respondent No. 1 Company in the overall interest of the respondent No. 1 Company by removing the respondent No. 2 and 3 so that necessary compliance of the law of the land can also be completed, schedule land can be protected and the respondent No. 1 Company can be saved from facing bankruptcy.

3.24. That the petitioners states that the affairs of the respondent No. 1 Company is being conducted in a manner which is oppressive in nature and acts of the respondent No. 2 and 3 were nonfeasance and misfeasance in nature.

3.25. That in the respondent No. 1 Company there is a complete mis-management and due to such mis-management, the business of the respondent No. 1 Company is completely closed, there is non-compliance of the law of the land, the order of this Hon'ble Tribunal was not implemented and there is complete break-down of the affairs of the respondent No. 1 Company.

3.26. That the respondent No. 2 and 3 are now trying for wrongful alienation and transfer of the respondent No. 1 Company property being schedule land and as such respondent No. 2 and 3 are equally liable to answer before this Hon'ble Tribunal for their involvement in non-compliance and violation of the order of this Hon'ble Tribunal.

3.27. That there is continuous act of oppression against the petitioners and other members of the respondent No. 1 Company and against the respondent No. 1 Company itself till the date of filing of this petition in as much as acts were

continuously done against the detrimental interest to the members and creditors of the Company year after year and against the interest of the Company itself, the petitioners having lawful rights under the law to act for the overall interest of the Company and its member filed this application as members of the respondent No. 1 Company.

3.28. That the petitioners states that the respondent No. 1 Company is not doing any business and now only asset left over in the said Company being schedule property which need to be protected and reversing the illegal acts of the respondent No. 2 and 3 for which it is necessary that this Hon'ble Tribunal should intervene for larger interest of respondent No. 1 Company.

3.29. That it is just convenient necessary and proper for this Hon'ble Tribunal should intervene and bring to an end and / or prevent matters complaint of by the petitioners in the interest of all the members of the respondent No. 1 Company and for the respondent No. 1 Company itself.

3.30. That the petitioners states that if this Hon'ble Tribunal pierce the veil and look at the present real structure of the Company, then this Hon'ble Tribunal will come across the fact that the respondent No. 1 Company is now acting as a partnership firm amongst the present directors being respondent No. 2 and 3 in the name of respondent No. 1 Company and the petitioner No. 1 and 2 are already removed and excluded from the board of the Company and as such it is an act of oppression and prejudicial to the interest of the petitioners as members as well as prejudice to the interest of the Company itself.

3.31. The petitioners states that as there are sufficient grave situation exists regarding the respondent No. 1 Company, the respondent No. 2 and 3 are acting to the detrimental interest of the Company and its members, there is a grave situation to warrant an intervention by this Hon'ble Tribunal into the affairs of the Company since it is the respondent No. 2 who is not interested in the business of the company or for the benefit of the company as a whole except making personal gains, owing to the way in which power is mis-used and breach of trust committed by the respondent No. 2, the petitioners prays for consideration and interference by this Hon'ble Tribunal.

3.32. That the petitioners have also apprehensions that the respondent No. 2 and 3 might try to transfer / dispose off / align the immovable properties of the respondent

No. 1 Company, for which necessary protection and injunction is prayed for by the petitioners from the Hon'ble Tribunal.

3.33. That the petitioners also apprehend that the respondent No. 2 and 3 may try to change the shareholding pattern of the respondent No. 1 Company by issuance of new further shares, right issues or otherwise to reduce the present holding of the petitioners and change composition of Board of directors during pendency of the present petition and as such necessary prayer is made for grant of interim orders for protection of such change in the composition of the Board of Director, shareholding pattern, restriction of transfer of immovable assets of the respondent No. 1 Company till the disposal of the present case in terms of other prayers as may be considered by this Hon'ble Tribunal.

3.34. That the cause of actions for filing this application arose on various dates when including on 01.10.2014 when returns were not filed for the financial year ended on 31.03.2014, on 18.01.2019 when there was non-compliance of the order dated 13.12.2018 and order dated 20.12.2018 passed in CP No. 32/252(3)/GB/2018, on 31.03.2015, 31.03.2016, 31.03.2017, 31.03.2018, 31.03.2019, 31.03.2020, 31.03.2021, 31.03.2022, 31.03.2023 when there is a continuous default on the part of the respondent No. 2 and 3 to file annual returns of the Company and 02.08.2023 when the petitioners have came to know that the respondent No. 2 and 3 are trying to dispose off / sell the property of the respondent No. 1 Company and on such other date or dates were cause of action continue to arose within the territorial jurisdiction of this Hon'ble Tribunal.

3.35. That the petitioners states that the present application is filed under Section 241 and 242 of the Companies Act, 2013 since there are question of law and facts common to all the members of the respondent No. 1 Company. The claims made by the petitioners would be fairly be constituted by other members also and the reliefs sought for would adequately protect the rights and interest of all the members of the respondent No. 1 Company.

3.36. The petitioner having found no alternative has approached this Hon'ble Tribunal for ends of justice.

3.37. That the petitioner has filed this application bonafidely and for ends of justice.

3.38. It is submitted that unless Order or Orders as prayed for are passed, the respondent No. 1 Company, the petitioners as members of the Company and all its members

will suffer irreparable loss and prejudice which cannot be compensated in terms of money.

3.39. The petitioner declares that there is no previous writ petition or any other matter filed before any other Court of law except the list of cases as discussed in the foregoing paragraphs.

4. **On the other hand, the Respondent No. 02 vide her reply dated 02.10.2023 submit that:**

4.1. That the respondent No. 2 states that the petition of the petitioners is not maintainable under the law and facts of the case and as such the same is liable to be rejected.

4.2. The statements made in paragraph 1 to 5 of the petition are matter of records, the present respondent No. 2 do not admit anything which are not borne by the records.

4.3. The statements made in paragraph 6(II) to 6(VIII) of the petition are matter of records, the present respondent No. 2 do not admit anything which are not borne by the records.

4.4. The statements made in paragraph 6(IX) of the petition is admitted by the respondent No. 2 and accordingly the respondent No. 2 became the director of the Company.

4.5. The statements made in paragraph 6(X) to 6(XIII) of the petition are matter of records, the present respondent No. 2 do not admit anything which are not borne by the records.

4.6. The statements made in paragraph 6(XIV) of the petition it is submitted by the respondent No. 2 that the said respondent No. 2 do not have any information regarding the filing of the said case and the respondent No. 2 is not looking after the day to day affairs of the respondent No. 1 Company and as such the respondent No. 2 wants to resign from the respondent No. 1 Company.

4.7. The statements made in paragraph 6(XV) and 6(XVI) of the petition are matter of records, the present respondent No. 2 do not admit anything which are not borne by the records.

4.8. The statements made in paragraph 6(XVII) of the petition it is submitted by the respondent No. 2 that the said respondent No. 2 is a resident of Meghalaya and the Company is non-functional and as such the respondent No. 2 is not interest in the said respondent No. 1 Company for all purpose and intent and wants to resign from the said Company. The respondent No. 2 states that she being a tribal is not

acquainted with the day to day affairs of the Company and its process under the law and as such she is not involved in any of the acts as stated by the petitioners and prays before the Hon'ble Tribunal to release the respondent No. 2 from all liabilities as she do not want to continue to be the director of the respondent No. 1 Company.

4.9. The statements made in paragraph 6(XVIII) and 6(XXXIX) of the petition are matter of records, the present respondent No. 2 do not admit anything which are not borne by the records.

4.10. In view of the facts made in this reply, Your Lordships may be graciously be pleased to allow the respondent No. 2 to resign from the respondent No. 1 Company for ends of justice.

4 Heard Mr. S. Sancheti, Ld. Counsel appearing for the Petitioners and A.K. Sethi appearing for Porforma Respondent No.4.

5 Findings and Analysis:

5.1 This Petition is filed under Sections 241 and 242 of the Companies Act, 2013 seeking certain relief against the acts of oppression and mismanagement upon the affairs of the Respondent No.1 Company i.e. Balaji Candles Pvt. Ltd. *via* actions of Respondent No.2 & 3.

5.2 After going through the submissions of both the Petitioners and Respondents, the key issues for consideration are reduced as follows:

I. Whether this petition is maintainable u/s 241 and 242 of the Companies Act. 2013?

II. Whether the Family Settlement Deed dated 14.03.2016 has any bearing on, or gives rise to rights enforceable in, the present proceedings?

III. Whether the continuation of Respondent No. 3, Mr. Manoranjan Deka, as Director of Respondent No. 1 Company is valid?

IV. Whether non-compliance with the order of restoration in CP/32/GB/2018 amounts to oppression and mismanagement?

I. Whether this petition is maintainable u/s 241 of the Companies Act. 2013?

i. This Petition has been instituted under Section 241 and 242 of the Companies Act, 2013 alleging oppression and mismanagement. While considering the maintainability of the Petition, this Tribunal has examined the relevant provisions of the Companies Act, 2013.

ii. The Tribunal further notes that the right to invoke the jurisdiction under Section 241 is subject to the eligibility requirements prescribed under Section 244 of the Act. From the material available on record, the shareholding pattern of the petitioners is as follows:

Sl No.	Name	Percentage of shareholding.
1.	Laxmi Narayan Sogani	5.29 %
2.	Sumit Kumar Sogani	5.12%
3.	Sumit Kumar Sogani & Sons (HUF)	44.09%
	Total	**54.50%**

Therefore, this Tribunal is of the opinion that the Petitioners satisfy the statutory threshold prescribed therein and, therefore, possess the requisite *locus standi* to maintain the present proceedings.

iii. The Respondent has contended against the maintainability of this present petition but has provided no substantial ground for such objection. In view of the foregoing, this Tribunal finds no merit in the objections raised as to maintainability. The Petition satisfies the statutory requirements for invocation of jurisdiction under Sections 241 and 244 of the Companies Act, 2013, and no ground has been made out at this stage to reject the application filed under Sec 241 of the Companies Act, 2013. Accordingly, the objections as to maintainability stand rejected and the Petition is held to be maintainable.

iv. Therefore, this issue is answered in favour of the petitioners.

II. Whether the Family Settlement Deed dated 14.03.2016 has any bearing on, or gives rise to rights enforceable in, the present proceedings?

i. The petitioners have relied upon the Family Settlement Deed dated 14.03.2016 in support of certain grievances in the present petition. It is averred that under the said settlement, the Petitioners shall remain as directors of the R-1 Company alongwith Mr. Sudhir Kumar Sogani and each of the parties shall hold one-thirds of the shares of the R-1 Company.

ii. The Respondents have not disputed the existence of such Family Settlement Deed however it is admitted that such deed was never implemented. Therefore, it is clear that no enforceable rights arose from it.

iii. Upon perusal, this Tribunal finds that the Family Settlement Deed has two differing set of provisions. On one hand, it allocates various immovable properties among the

family members including the present petitioners. On the other hand, Clause XI and XII of such deed relates to the management of R-1 Company by recording the arrangement regarding the office of the directors of the R-1 Company as well as withdrawal of certain litigations. These provisions hence require separate consideration.

iv. It is settled law that a Family Settlement Deed may be acted upon if the implementation is proved. However in this present case, no such circumstance has been proved. The jurisdiction of this Tribunal under Sections 241-242 is limited to allegations of oppression and mismanagement regarding the affairs of a company. Questions relating to title, possession, ownership or other proprietary rights fall within the jurisdiction of the competent civil courts. This Tribunal, therefore confines itself to examining whether the Deed creates any enforceable corporate rights relevant to the present proceedings.

v. Further, Clause XI and XII stands on entirely different footing. It records an arrangement regarding the directorship and ownership of the R-1 company. However, this argument cannot be accepted unless the petitioners, by cogent material evidence, first establish that such implementation has been effected post execution. However, the petitioners have went on to admit the non-implementation of the said agreement, and therefore nullifying the significance of such arrangement.

vi. Accordingly, Clause XI cannot be construed to establish enforceable rights of the petitioners or impose obligations upon the respondents in the present proceedings. The provisions regarding the immovable properties do not create any enforceable rights capable of adjudication in the present proceedings, and in any event, falls outside the ambit of this Tribunal. Clause XI and XII may be considered for its limited evidentiary value as an attempt to reconcile and cannot establish a case of oppression and mismanagement.

vii. Therefore, this issue is answered in favour of the respondents.

III. Whether the continuation of Respondent No. 3, Mr. Manoranjan Deka, as Director of Respondent No. 1 Company is valid?

i. The Petitioners have averred that the Respondent No. 3, Mr. Manoranjan Deka has resigned from the R-1 company vide letter of resignation dated 12.04.2016 which has been placed on record being addressed to the Board of directors. It is therefore argued that he ceased to hold directorship status from such date regardless of the

failure to file the appropriate documents and intimations with the concerned Registrar of Companies.

ii. The Respondent denies and disputes all allegations except what are matters of record.

iii. Upon examination of the record, this Tribunal finds that the petitioners have relied upon a copy of the resignation letter dated 12.04.2016 *(Annexure-12 to the petition).* Against this, the contemporaneous corporate records i.e. MCA Master Data consistently reflect Mr. Manoranjan Deka as the active director of the Company.

iv. This must be examined in light of Section 168 of the Companies Act, 2013. Section 168(2) provides that resignation of a director shall take effect from the date on which the notice is received by the company or the date, if any, specified by the director in the notice, whichever is later.

v. In the present case, the resignation letter dated 12.04.2016 is neither specifically disputed nor challenged leaving this Tribunal no other alternative rather than holding such letter valid. Once a resignation letter from a director is held valid, the failure to file the appropriate forms before the Registrar of Companies cannot nullify such resignation.

vi. Reliance is placed upon ***Mother Care (India) Ltd. vs Prof. Ramaswamy P. Aiyar***[1] wherein the Hon'ble High Court of Karnataka has held that

"*As the appointment of a Director is not a bilateral character, the question of acceptance of the request to relinquish the office would not arise. Filing of Form No. 32 in terms of Section 303(2) of the Act is only a consequential act to be performed by the company in obedience to the statutory provision. If such a form is filed with the Registrar of Companies it is a proof of a Director ceasing to be a director. But, it is not an act to be complied with in order to make a resignation valid. Therefore, as the resignation by a director relinquishing his office as such director is of an unilateral character it comes into effect when the act of such resignation to relinquish the office is communicated to the Board."*

vii. Accordingly, the challenge to the directorship status of R-3 is accepted and this Tribunal upholds the validity of Respondent No. 3's resignation from the directorship status of R-1 company for the purpose of the present proceedings.

viii. This issue is accordingly answered in favour of the Petitioners.

[1] [2004]51SCL243(KAR)

IV. Whether non-compliance with the order of restoration in CP/32/GB/2018 amounts to oppression and mismanagement?

i. It is averred that this Tribunal had earlier in CP/32/GB/2018 vide order dated 13.12.2018 and corrigendum order dated 20.12.2018 had ordered restoration of the Company's name in the register subject to a cost of Rs. 50,000/- and directed the R-1 Company to complete filing of the statutory returns and ordered status quo upon the existing shareholding and management of the R-1 Company for a period of 2 years.

ii. However, despite such order, the R-1 Company has allegedly failed to file such statutory returns and such default persists till date.

iii. The report of the Ld. RoC dated 06.06.2024 also reflects the last annual filing date is for the year 2012-13 and the last AGM was held dated 28.09.2013.

iv. This Tribunal takes a serious note of this blatant violation and disregard of its orders without a satisfactory explanation tenable in law. Even though, violation of this Tribunal's orders falls squarely under the ambit of Contempt of Courts Act, 1971 r/w Section 425 of the Companies Act, 2013, such persistent violation as envisaged under Section 403 as well as other provisions of the Companies Act, 2013 has resulted in daily penalties and additional late fines being statutorily imposed upon the R-1 Company till the default persists. Such conduct by the managerial personnel of the R-1 Company demonstrates lack of probity, fair dealing and bonafide nature of governance and such increasing burdens of fines and penalties upon the R-1 Company is indeed prejudicial to the interests of its members and shareholders.

v. Furthermore, Section 241 of the Companies Act 2013 expressedly provides that –

" Any member of a company who complains that—

(a) the affairs of the company have been or are being conducted in a manner prejudicial to public interest or in a manner prejudicial or oppressive to him or any other member or members or in a manner prejudicial to the interests of the company; or……..."

vi. The jurisdiction of this Tribunal under Sections 241-242 is not confined to examining isolated acts. This Tribunal also must consider the cumulative effect of the established conduct to determine whether it reflects a pattern of mismanagement that is harsh, burdensome and lacks probity or otherwise prejudicial to the interests of the company and its shareholders. Reliance is placed on *Needle Industries (India) Ltd., & Ors vs Needle Industries Newey (India).*[2] wherein the Apex Court held that –

[2] 1981 AIR 1298

"…..The true position is that an isolated act, which is contrary to law, may not necessarily and by itself support the inference that the law was violated with a mala fide intention or that such violation was burdensome, harsh and wrongful. But a series of illegal acts following upon one another can, in the context, lead justifiably to the conclusion that they are a part of the same transaction, of which the object is to cause or commit the oppression of persons against whom those acts are directed……"

Therefore, the aforementioned conduct of the managerial officials in charge of the R-1 Company squarely falls under the manner prejudicial to public interest by the virtue of persistent default in filing of the Annual Returns and blatant disregard of this Tribunal's orders and hence warrants judicial interference by this Tribunal. As such, this issue in answered in favor of the petitioners.

6. It is pertinent to mention that upon careful examination of the record, this Tribunal finds no merit in the Petitioners' contention that their removal from the directorship of Respondent No. 1 Company in 2014 was illegal or fraudulent. The notice dated 03.01.2014, minutes of the Extra-Ordinary General Meeting dated 25.01.2014 and Form 32, marked as Annexure Nos. 11, 11(A) and 11(B), respectively, do not disclose any patent illegality or procedural irregularity. The Petitioners have also failed to plead or establish any specific violation relating to notice, quorum or other statutory requirements under the Companies Act, 1956. Mere assertions of illegality and fraud, without particulars of the alleged fraud or the manner in which the process was vitiated, are insufficient. Accordingly, the contention that their removal was illegal or fraudulent is rejected. Consequently, there is no ground warranting the setting aside of the said Extra-Ordinary General Meeting or the resolution passed therein.

7. It is further observed by this Tribunal that the right of reply of the R-3 namely Mr. Manoranjan Deka was closed by this Tribunal vide order dated 29.05.2024, however, an Interlocutory Application (IA (Comp. Act.)/15/GB/2024 was filed wherein in such IA, this Tribunal had allowed the R-1 & R-3 to file their reply subject to a cost of Rs. 10,000/- and an application for condonation of delay. However, the Respondents had failed to pay such cost or to file any reply and any application for condonation of delay and hence, their reply was not taken on record.

8. It is submitted by the R-2 in her reply that she is a Tribal person holding the office of the director of R-1 Company as mandated by the Local Laws of Meghalaya and has admitted that she is not acquainted with the daily affairs of the R-1 Company and has prayed for resignation from the R-1 Company.

9. Therefore, this Tribunal opines that the current position of the R-1 Company is critical in nature with one of its directors, namely Manoranjan Deka (R-3) who has already resigned from this R-1 Company and another director, namely Lucy Sawkmie has prayed before this Tribunal to consider her resignation, thereby leaving the R-1 Company with no active directors to manage the day-to-day affairs of the R-1 Company.

10. Therefore, to bring an end to the matters complained of, as mandated by Section 242, this Tribunal considers it just and equitable to direct the removal of the name of R-2 & 3 namely Lucy Sawkmie and Manoranjan Deka, in pursuance of their resignations, from the office of the Directors of the R-1 Company i.e. Balaji Candles Private Limited ansd such resignations must be updated in the statutory records maintained by the MCA Portal..

11. Consequent upon such removal, to avoid the administrative vacuum, this Tribunal is of the view that the R-1 company must be afforded an independent administrator to restore the R-1 Company's management to a duly elected Board. Such administrator shall manage the daily affairs, preserve its assets and records and exercise all the powers for proper administration of the company in accordance with law for a limited time period as prescribed herein below.

12. Accordingly, this Tribunal is of the view that the appointment of an independent administrator coupled with directions for calling an EGM to re-constitute a new Board of Directors is accordingly the relief best tailored to the present findings. Moreover, it is pertinent to note that an Administrator has already been appointed in respect of Sogani Commercials Private Limited, a company of the same group, in **CP/9/GB/2022** vide order dated **07.08.2026**, wherein the Petitioners herein were also the Petitioners, along with certain other members. In the interest of administrative efficiency, continuity and effective supervision, this Tribunal considers it appropriate to appoint the same Administrator in respect of the Respondent Company as well.This Tribunal leaves the rest upon the commercial wisdom of its members to take decisions best suited for the interests of the company as prayed for.

ORDER

13. In view of the abovementioned observations, this **CP/20/GB/2023** is partly **Allowed** with the following directions:

a) In exercise of the powers conferred under Section 242(2)(h) of the Companies Act, 2013, the resignations tendered by Miss Lucy Sawkmie's (Respondent No. 2) and Mr. Manoranjan Deka (Respondent No. 3) is held valid by this Tribunal.

b) **Mr Biman Debnath, PCS** is hereby appointed as an Independent Administrator in the Board of Directors of the Respondent No.1 Company with immediate effect.

c) The Administrator shall be entitled to a remuneration of **Rs. 1,00,000/- (Rupees One Lakh only) per month**, together with applicable taxes and reimbursement of actual out-of-pocket expenses, which shall be borne by Respondent No. 1 Company. In the event of default by Respondent No. 1 Company for whatsoever reasons, the Petitioners shall be jointly and severally liable to pay such remuneration. The Administrator shall hold office for an initial period of **30 days**, which may be extended by the Company and its shareholders, if required and on the basis of mutually agreed terms and conditions between the Respondent Company and the Administrator.

d) The Administrator shall convene and preside over an Extraordinary General Meeting of the members of Respondent No. 1 Company within 21 days, in accordance with the provisions of the Companies Act, 2013 and the Articles of Association, for the purpose of re-constituting a new Board of Directors.

e) The Administrator shall submit to this Bench a progress report upon completion of 30 days from the date of assuming office. Respondent Nos. 2 and 3 and all the officers of Sogani Commercials Private Limited shall extend full cooperation to the Administrator and shall produce all books of account, statutory records, documents and information as may be required for effective implementation of this Order.

f) The newly constituted Board of Directors and the members of Respondent No. 1 Company shall be at liberty to institute any other proceedings necessary for such corporate revival.

g) The Administrator shall stand discharged upon completion of the aforesaid directions and upon the newly constituted Board assuming charge of the affairs of the Company.

h) It is made clear that the Administrator shall not incur any personal, civil or criminal, liability in respect of any act, omission, default or liability of Respondent No. 1 Company arising prior to the date of his assumption of charge. The Administrator shall also not be personally liable for any act done in good faith in the discharge of his duties pursuant to this Order and in accordance with law.

14. Accordingly, with the above directions, this **CP/20/GB/2023** is disposed of.

15. No order as to costs.

16. 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.

17. Certified Copy of this order may be issued, if applied for, upon compliance with all requisite formalities.

18. File be consigned to records.

Sd/-
Yogendra Kumar Singh
Member (Technical)

Sd/-
Rammurti Kushawaha
Member (Judicial)

Signed this on 8th day of September, 2026.

Farhan Masood Zaman (LRA)