IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH, COURT – 1, AHMEDABAD

ITEM No.302

RCP (Companies Act)/2/2025
(Old Case) CP/27/AHM/2023

Under Section 241-242, 213 of Co. Act, 2013

IN THE MATTER OF:

Mohammedsalim Habibbhai Memon
V/s **.....Applicant**
SNA Infraprojects Pvt Ltd & Ors

.....Respondents

Order delivered on: 07/10/2026

C O R A M:

MR. SHAMMI KHAN, HON'BLE MEMBER (J)
MR. SANJEEV SHARMA, HON'BLE MEMBER (T)

O R D E R
(Hybrid Mode)

The case is fixed for pronouncement of order. The order is pronounced in the open court, vide separate sheet.

-SD-
SANJEEV SHARMA
MEMBER (TECHNICAL)

-SD-
SHAMMI KHAN
MEMBER (JUDICIAL)

THE NATIONAL COMPANY LAW TRIBUNAL,
DIVISION BENCH, COURT–I, AHMEDABAD

RCP (Companies Act)/2/2025
(Old Case) CP/27/AHM/2023

(Petition under Section 241-242 read with Section 213 of the Companies Act, 2013)

In the Matter of: *SNA Infraprojects Pvt Ltd & Ors*

Mr. Mohammedsalim Habibbhai Memon,
Having address at:
Bushra Palace, Near Farukh-e-Azam School,
Zam Zam Flat Gali Ma, Ghachi Hall Road,
Sarkhej – 380055.

.... Petitioner

VERSUS

1. **SNA Infraprojects Private Limited,**
CIN:U70101GJ2009PTC057742,
Having registered office at:
3, Hariyali Co-Op. Housing Society Ltd.
Opp. Juhapura, Near Memon Hall,
Sarkhej Road, Ahmedabad, Gujarat– 380055

2. **Mr. Naushad Zakiuddin Ranguni,**
Residing at: 5, Park Plaza,
Opp. V S Medical College,
Nr. Post Office, Ellisbridge,
Ahmedabad, Gujarat -380006

Also Residing at:
8B, Kurshid Park Society,
Nr. Gandhi Hall, Sarkhej-Juhapura Road,
Ahmedabad, Gujarat.

3. **Mr. Mohammed Aasim Salimahmed Puthawala,**
Residing at: 9/B, Kashmira Society,

Vishwakunj Char Rasta,
Narayannagar Road, Paldi,
Ahmedabad, Gujarat -380007

4. **Mr. Sajidbhai Habib Bhai Meman,**
Residing at: 406, Al-Arsh-2,
Nr. Unit Hills Society,
Vishala, Circle, Juhapura,
Ahmedabad, Gujarat -380055

5. **Registrar of Companies, Gujarat,**
ROC Bhavan, Opp. Rupal Park Society,
Behind Ankur Bus Stop, Naranpura,
Ahmedabad, Gujarat - 380013.

.... Respondents

Order Pronounced On: 07.10.2026

C O R A M :

SH. SHAMMI KHAN, HON'BLE MEMBER (JUDICIAL)
SH. SANJEEV SHARMA, HON'BLE MEMBER (TECHNICAL)

A P P E A R A N C E :

For the Petitioners : Mr. Fouzen N. Soniwala, Adv.
For the Respondents : Mr. M.M. Syed, Adv a. w.
Mr. Aditya Mehta, Adv. for R-1 & 3
Mr. Kunal Vaishnav, Adv. for R-2
Mr. Sadmaan A. Pirzada, Adv. for R-4

O R D E R
(*Per*: Bench)

1. This Company Petition has been filed on 03.06.2023 (through e-mode) by the Petitioners under Sections 241 &

242 read with Section 213 of the Companies Act, 2013 seeking following reliefs:

A. INTERIM RELIEFS

a) *To restrain the Respondent No. 1 to 4 from dealing with and disposing of negotiating, alienating, transferring, encumbering and creating third party rights and interest or parting with possession of the property of Respondent No. 1 company in any manner whatsoever.*

b) *Direct to Respondent No.1, 3 and 4 to file e-form DIR-12 on Ministry of Corporate Affairs website (Registrar of Companies, Gujarat) to give effect of resolution passed u/s 169 of Companies act, 2013 for removal of Respondent No.2 from the directorship.*

c) *Pending hearing and adjudication of the present Petition, restrain the Respondents from alienating, transferring, encumbering and creating third party rights and interest or parting with possession of the property including any other Assets (movable and immovable) of the Respondent No. 1 Company.*

d) *Appoint an Administrator/Special Officer in place of board of Directors of respondent company and to take charge over the management and affairs including books of accounts, papers, documents, entire assets and property of the respondent company till such time as this Hon. Tribunal may deem fit and proper.*

e) *To order and direct the Respondent no. 1 to 4 to produce and make available for inspection of petitioner the books of accounts, and all other records including registers, minutes of board and general meeting, annual reports, annual returns, shareholders register, and all other papers and documents pertaining to the respondent company and the chartered accountants, practicing company secretary, or such other representatives be allowed to accompany the petitioners for taking such inspection and the respondent number 1 to 4 be ordered and directed to furnish certified copies of all documents required by the petitioners subject to such terms and condition as this Hon'ble Tribunal may deem fit and proper.*

f) *The Respondent No. 1 Company be restrained by an order or injunction from operating the existing bank accounts and not to open any other bank account of the Respondent No. 1 Company*

g) *To Restrain the Respondent No. 1 to 4 or their agents and servants from holding any general or board meetings of the directors of*

Respondent No. 1 Company without issuing mandatory notice to the petitioner.

h) *To direct Respondent No.2 & 3 to deposit the entire cash received by executing sale deed and/or agreement for sale.*

i) *To Restrain the Respondent No. 1 to 4 or their agents and servants for sale, lease or dispose of any Flat, Immovable property of the Company.*

j) *For such further and other reliefs as the nature and circumstances of the case may require as this Hon. Tribunal may consider fit.*

B. FINAL RELIEFS

a) *This Tribunal may be pleased to pass appropriate order and directions under section 241 and 242 of the Companies Act 2013 to bring an end to the acts of oppression/mismanagement perpetrated by respondents.*

b) *That Respondent No. 2, 3 and 4 be removed from the post of directors and be declared as disqualified under Section 164(1)(c) and/or 167(1)(c) of the Companies Act, 2013.*

c) *To investigate into the various acts of mismanagement and affairs of the Company.*

d) *That an investigation be ordered into the affairs of the Respondent No. 1 Company under Section 213 of the Companies Act 2013 and issue necessary directions to the Respondent No. 5.*

e) *Pass an appropriate order under Section 447 and 448 of the Companies Act, 2013 against the Respondent No. 1 Company for filing of false and misleading information with the Respondent No. 5.*

f) *That perpetual orders and injunction be passed against the Respondent No.2, 3 and 4 from dealing with and disposing of negotiating, alienating, transferring, encumbering and/or creating any third-party rights and interest or parting with possession of all properties of Respondent Company.*

g) *This Hon'ble Tribunal may be pleased to pass appropriate orders under section 241 and 242 of the Companies Act 2013 for appropriate management of the respondent company and for that purpose to appoint such appropriate and fit proper person as Administrator and/or appoint an independent Committee of Management for managing the affairs of the respondent company and properties of respondent company for such time and on such terms and conditions as this Hon'ble Tribunal may deem it proper.*

h) *To direct appointment of an independent Auditor for the purpose of auditing de-novo the entire accounts and statutory records of the respondent company particularly during the last Eight (8) accounting years.*

i) *The Respondent No. 2 and 3 be ordered and directed to produce and make available for inspection of petitioner the books of accounts and all other records including registers, minutes of board and general meetings, annual reports, annual returns, shareholders registers, and all other papers and documents pertaining to the respondent company; and the chartered accountants, practicing company secretary or such other representatives be allowed to accompany the petitioner for taking such inspection and the Respondent No. 2, 3 and 4 be ordered and directed to furnish certified copies of all documents required by petitioner subject to such terms and conditions as the Hon'ble Tribunal may deem fit and proper.*

2. The facts of the case, as available in the Company Petition are summarized as under: -

2.1. The present Petition has been preferred by the Petitioner under Sections 241 and 242 read with Section 213 of the Companies Act, 2013, alleging acts of oppression, mismanagement and various statutory violations in the affairs of M/s. SNA Infraprojects Private Limited ("Respondent No.1 Company") by Respondent Nos. 2 to 4.

2.2. The Respondent No. 1 Company, bearing CIN U70101GJ2009PTC057742, was incorporated on 10.08.2009 under the Companies Act, 1956, with its registered office at Ahmedabad, Gujarat, and is stated to be engaged in the business of construction and development of real estate projects.

2.3. The Petitioner states that he became a shareholder of Respondent No. 1 Company at the time of its incorporation and presently holds 3,300 equity shares of Rs. 10/- each, constituting 33% of the paid-up share capital. The other substantial shareholders are Respondent No. 2 holding approximately 34% and Respondent No. 3 holding approximately 33% of the share capital.

2.4. Respondent No. 2, Mr. Naushad Zakiuddin Ranguni, was a promoter-director of Respondent No. 1 Company. According to the Petitioner, he was removed from the office of director with effect from 20.07.2018 pursuant to a resolution purportedly passed under Section 169 of the Companies Act, 2013; however, despite such removal, he continued to represent himself as a director and remained involved in the affairs of the Company.

2.5. Respondent No. 3, Mr. Mohammed Aasim Salimahmed Puthawala, is stated to be a promoter-director and shareholder holding approximately 33% of the share capital, while Respondent No. 4, Mr. Sajidbhai Habib Bhai Meman, has been a director of the Company since 28.02.2011.

2.6. The Petitioner states that Respondent No. 1 Company had undertaken several real estate projects, including Al-Arsh-2, Al-Hamd, Al-Arsh-3, Al-Arsh Heights and Al-Arsh Etunal Homes,

comprising flats and plots developed during different financial years from 2010-11 to 2015-16. It is alleged that requisite building-use permissions and other statutory compliances were not obtained in respect of certain projects.

2.7. According to the Petitioner, after the removal of Respondent No. 2, the affairs of the Company continued to be controlled by Respondent Nos. 2 and 3, including operation of the Company's bank accounts. The Petitioner alleges that he was not provided with the Company's financial statements, statutory records or information concerning its affairs despite being a substantial shareholder.

2.8. The Petitioner further alleges that Annual General Meetings were not duly convened or attended by the shareholders, and that false or incorrect particulars concerning the holding of AGMs were filed with the Registrar of Companies. The Petition refers, inter alia, to statutory records reflecting meetings dated 30.09.2014, 30.09.2015 and 28.02.2019, while the Petitioner claims that he had neither received notices of such meetings nor attended them.

2.9. The Petition alleges that the Respondents created and filed documents showing purported shareholder meetings despite the absence of actual meetings and thereby failed to comply with the requirements relating to Annual General Meetings and

approval/filing of financial statements under the Companies Act, 2013.

2.10. The Petitioner alleges that Respondent Nos. 2 and 3 dealt with and disposed of various properties of the Company without proper authorisation of the Board, and that certain sale transactions were undertaken without corresponding Board resolutions or authority permitting the execution of such transactions. The Petition further alleges that the consideration received from certain transactions was not duly accounted for in the Company's books.

2.11. In respect of Flat No. D/504, Fifth Floor, Al-Arsh-3, the Petitioner alleges that an agreement for sale was entered into with Mrs. Iram Ismail Mansuri on 19.10.2015 for a total consideration of Rs. 11 lakh, against which Rs. 10 lakh was allegedly received in cash. Thereafter, the same flat was sold to Mr. Momin Alihussein Mohamadalli on 17.02.2016 for Rs. 10.70 lakh, and subsequently another agreement for the same flat was entered into with Mr. Shaikh Mohammadhanif Amirmiya on 26.02.2016 for ₹24 lakh. A settlement agreement dated 19.08.2019 is also relied upon by the Petitioner in relation to the earlier transaction.

2.12. In respect of Flat No. B/101, First Floor, Al-Arsh-3, the Petition states that the flat had already been sold by sale deed dated 23.05.2014 for Rs. 18 lakh,

whereas Respondent No. 2 subsequently entered into another agreement for sale of the same flat on 02.09.2016 for Rs. 24 lakh and allegedly received Rs. 10 lakh as advance.

2.13. In respect of Flat No. A/503, Fifth Floor, Al-Arsh-3, the Petitioner states that the flat was sold by sale deed dated 30.03.2017 for Rs. 12 lakh, whereas Respondent No. 2 subsequently entered into another agreement for the same flat on 24.05.2017 for Rs. 24 lakh and allegedly received Rs. 20 lakh in cash as advance.

2.14. In respect of Flat No. D/501, Fifth Floor, Al-Arsh-3, the Petition alleges that the flat was sold by sale deed dated 19.07.2017 for Rs. 18 lakh, despite an earlier agreement dated 24.05.2017 having been executed for the same flat for a consideration of Rs. 13.50 lakh.

2.15. The Petition further refers to Flat No. 304, Block “B”, Al-Arsh Eternal Homes, which was sold by sale deed dated 02.05.2022 for a consideration of Rs. 23,87,200/-. It is alleged that, out of the consideration received, an amount of approximately Rs. 13.50 lakh was transferred/diverted to the personal accounts of Respondent Nos. 2 and 3, without corresponding authorisation of the Company.

2.16. Similarly, Flat No. 102, Block “C”, Al-Arsh Eternal Homes was sold by sale deed dated 11.10.2022 for Rs. 13 lakh. The Petition alleges that Rs. 5 lakh out of the sale consideration was credited into the Company's HDFC Bank account, operated by Respondent Nos. 2 and 3, and was thereafter transferred to the personal account of Respondent No. 2.

2.17. The Petitioner alleges that Respondent Nos. 2 and 3 had, between 01.01.2016 and 25.01.2019, withdrawn an aggregate amount of approximately Rs. 2,37,29,000/- from the Company's bank account by way of cash withdrawals.

2.18. It is further alleged that Respondent No. 2 transferred approximately Rs. 1,08,61,500/- from the Company's account to his personal account up to 28.08.2017, while Respondent No. 3 allegedly transferred approximately Rs. 70 lakh from the Company's account to his personal account up to 16.07.2018.

2.19. The Petition also alleges diversion of Company funds by Respondent No. 2 to the accounts of his wife and son, including an alleged transfer of approximately Rs. 11,15,000/- to his wife's account and Rs. 5 lakh to his son's account, while Respondent No. 3 is alleged to have transferred approximately Rs.

2,38,73,000/- to his proprietary concern, M/s. Pukar Traders, on 18.01.2019.

2.20. According to the Petitioner, the aforesaid transactions resulted in an alleged diversion/siphoning of approximately Rs. 6.70 crore from the Company up to 25.01.2019, through cash withdrawals, transfers to personal accounts, relatives' accounts and allied concerns.

2.21. The Petitioner further alleges that several purchasers of the Company's flats raised complaints concerning the transactions and that certain police complaints/FIRs and charge-sheets were also filed in relation to the alleged irregularities. Copies thereof have been annexed with the Petition.

2.22. The Petitioner contends that the aforesaid acts, including alleged multiple sale of the same properties, unauthorised execution of sale deeds, non-convening of statutory meetings, non-maintenance/incorrect filing of statutory records and alleged diversion of Company funds, constitute oppression and mismanagement of the affairs of Respondent No. 1 Company and have adversely affected the interests and value of the Petitioner's shareholding.

2.23. On the aforesaid basis, the Petitioner has approached this Tribunal seeking appropriate reliefs

under Sections 241, 242 and 213 of the Companies Act, 2013, alleging that the affairs of Respondent No. 1 Company have been conducted in a manner prejudicial to the interests of the Company and its shareholders.

3. In compliance with order dated 19.06.2023, the R-2/ Naushad Zakiuddin Ranguni filed its Affidavit-of-Reply on 18.07.2023 vide Inward No. D-2637 stating the following:

3.1. It is contended that the Petitioner, being a shareholder of Respondent No.1–Company, is already in possession and custody of the relevant Company documents and has nevertheless alleged non-disclosure of documents by the Respondents.

3.2. Respondent No.2 has further contended that the allegations raised in the Petition relate to periods substantially prior to the filing of the Petition and are barred by limitation, including the allegations concerning his continuance as Director despite removal, alleged illegal allotment of flats under the scheme/MOU, operation of the Company's bank account and withdrawal of cash, and FIRs allegedly pending against the Directors.

3.3. In particular, the allegations relating to cash withdrawals are stated to pertain to the period from 01.01.2016 to 25.01.2019, while the allegations concerning the alleged documents/agreements and

sale deeds are also stated to be of 2018 and therefore beyond limitation.

3.4. Respondent No.2 has denied having signed the alleged documents and has contended that the allegations prima facie concern relatives of the Petitioner.

3.5. It is further alleged that the present proceedings have been instituted with ulterior motives and as a means of exerting pressure upon the Respondents in relation to criminal proceedings pending between the parties.

4. In compliance with order dated 19.06.2023, the R-1/SNA Infraprojects Private Limited & R-3/Mohammed Aasim Salimahmed Puthawala filed its Affidavit-of-Reply on 18.07.2023 vide Inward No. D-2637 stating the following: -

4.1. The Respondent Nos. 1 and 3, in their Reply, have denied the allegations contained in the Petition and stated that the Petition is barred by limitation and founded on suppression of material facts.

4.2. It is submitted that, in 2008, Respondent No. 3, along with the Petitioner, Respondent No. 4 and Respondent No. 2, had commenced a partnership firm in the name of S.N.A. Infrastructure for development of the "Al-Arsh-1" project, which was subsequently dissolved, and thereafter S.N.A. Infra

Project Pvt. Ltd. was incorporated on 06.08.2009, with Respondent Nos. 2 and 3 holding approximately 34% and 33% shares respectively.

4.3. During 2009-10, the Company undertook various projects, including Al-Arsh-2, Al-Arsh-3, Al-Hamd, Al-Arsh Eternal Homes and Al-Arsh Heights. Respondent No. 4 resigned as director on 28.02.2011 and was thereafter appointed as a non-executive director, while Respondent No. 3 contends that the Company operated two bank accounts and that transactions were undertaken with the signatures of two out of the three directors.

4.4. It is further stated that in 2015, an alleged incident involving a customer payment and purported forgery of the signature of Respondent No. 2 led to an investigation of the Company's accounts by a forensic agency, whose report dated 24.09.2015 allegedly disclosed irregularities in the Company's books and accounts and alleged withdrawal/diversion of Company funds by Respondent No. 4; consequently, an undertaking dated 06.04.2016 was executed by Respondent No. 4, wherein he allegedly undertook not to interfere with the Company's affairs or undertake transactions on its behalf.

4.5. The Reply further states that, upon Respondent No. 3's return from Haj on 29.09.2017, certain

irregularities concerning the Company's affairs and allotment letters came to his knowledge, following which Respondent No. 4 was reinstated as a director on 03.11.2017, and complaints concerning the alleged acts of Respondent No. 2 were made before the appropriate authorities.

4.6. It is further stated that Respondent No. 3 thereafter came to know of alleged execution of documents, sale of flats and use of purported forged signatures by Respondent Nos. 2 and 4, including an allotment letter dated 24.07.2017, which was subsequently referred for forensic examination.

4.7. The Respondents further rely upon a land-grabbing complaint dated 10.01.2022 against Respondent No. 4 and Mr. Samir Habibbhai Memon concerning Flats Nos. B-303 and B-402 in Al-Arsh Eternal Homes, and state that proceedings therein were stayed by the Hon'ble Gujarat High Court by order dated 13.04.2022.

4.8. The Reply also refers to complaints received from home buyers, pursuant to which Respondent No. 3 caused an FIR to be registered on 20.07.2022 against Respondent Nos. 4 and his brother under various provisions of the Indian Penal Code.

4.9. It is further contended that the construction of the Company's projects had substantially been

completed between 2011 and 2016, that the flats were thereafter sold to purchasers who were stated to be in possession thereof, and that applications for regularisation had subsequently been made under the applicable regulations.

4.10. The Respondents have accordingly denied the allegations of unauthorised sale of flats, siphoning of funds and non-maintenance of statutory records, contending that the transactions relied upon by the Petitioner pertain to the period prior to 2019 and are barred by limitation; they have further alleged that substantial amounts received from the Company were utilised towards project expenses and that amounts were also transferred to the accounts of the Petitioner and his family members with the knowledge and consent of the shareholders/directors.

4.11. The Reply also refers to a police complaint dated 04.05.2023 lodged by Respondent No. 3 against the Petitioner and others and the public caution notice dated 25.06.2023, whereby Respondent No. 4 was stated to have been removed from the position of director on 20.07.2018 and the public was cautioned against dealing in the properties and transactions of the Company.

5. That, this Tribunal vide order dated 28.11.2024, dismiss the original Company Petition CP/27/AHM/2023 on the ground of non- appearance of the Petitioner.

6. That, the Petitioner filed an Interlocutory Application IA(Rest)/1(AHM)2025 in CP/27(AHM)2023 to restore the original Company Petition. The Tribunal vide order dated 31.07.2025 restored the original Company Petition in CP/27(AHM)2023 with renumbered as RCP (Companies Act)/2/2025.

7. In compliance with order dated 28.08.2025, the Applicant filed its Written Submission on 04.11.2025 vide Inward No. D-6270.

8. In compliance with order dated 19.06.2023, the R-2/ Naushad Zakiuddin Ranguni filed its Written Submission on 27.11.2025 (through e-mode).

9. In compliance with order dated 19.06.2023, the R-1/SNA Infraprojects Private Limited & R-3/Mohammed Aasim Salimahmed Puthawala filed its Written Submission on 07.11.2025 vide Inward No. D-7977.

10. In compliance with order dated 29.01.2026, R-1/ SNA Infraprojects Private Limited filed an additional affidavit on 19.03.2026 vide Inward No. D-2456 to produce the following towards compliance: -

10.1. Status of the Company as per the details available on the website of Ministry of Corporate Affairs (Copy annexed as Annexure "A").

10.2. Copy of the Bank Account from 10.03.2018 till 12.03.2024 as obtained from the Vejalpur Police as submitted by the Respondent no. 4 herein before the Authority (Copy annexed as Annexure "B"). As per the said statement the last withdrawal from the account was only on 14.12.2020. The copy could not be obtained directly from the Bank as signatures of 2 Directors are required to access the bank details.

10.3. Copy of the Letter dated 29.07.2024 received from ROC enclosing the Complaint filed by Respondent no. 4 herein against the Respondent no. 1 to 3 herein along with the preliminary reply dated 20.08.2024 and detailed reply dated 26.09.2024 filed by the Respondent no. 1 herein [Copy annexed as Annexure "C" (colly)].

10.4. Copy of the Order dated 07.10.2025 passed by Commissioner of Income-tax (Appeal), Income Tax Department and the Acknowledgment of e-filing

Income Tax Appeal against the said order before the Income Tax Appellate Tribunal, Ahmedabad [Copy annexed as Annexure "D" (colly)].

10.5. Copy of the Charge Sheet filed in view of the FIR registered on 20.07.2022 against Respondent No. 4 and Samir Memon (the brother of Petitioner and Respondent no. 4 herein) for forgery and cheating (Copy annexed as **Annexure "E"**).

11. This Tribunal, vide an order dated 07.05.2026, granted an opportunity to the parties to explore the possibility of an amicable settlement in the presence of their respective Counsel. However, this Tribunal vide order dated 15.05.2026 recorded that no possibility of an amicable settlement has emerged.

12. In compliance with order dated 02.07.2026, the Applicant filed an additional affidavit on 14.07.2026 vide Inward No. D-D-5809 stating the following: -

12.1. The Petitioner brought on record that Respondent No. 1 Company had maintained two separate bank accounts, including an account originally maintained with Dena Bank and subsequently merged with Bank of Baroda, for which records for the period 2011 to 2018 were available, and another account

maintained with HDFC Bank, the existence of which, according to the Petitioner, was disclosed only during the pendency of the proceedings; the Petitioner accordingly alleged that non-disclosure of such accounts amounted to suppression of material facts.

12.2. It was further stated that Respondent No. 1 Company, incorporated in 2009, had undertaken and developed several real estate projects, namely Al-Arsh-2 comprising 48 units, Al-Arsh-3 comprising 120 units, Al-Hamd comprising 5 units, Al-Arsh Heights comprising 32 units and SNA Eternal Homes comprising 60 units, thereby indicating substantial property and financial transactions.

12.3. The Petitioner further relied upon the information available on the records of the Ministry of Corporate Affairs dated 25.09.2015, and contended that despite the Respondents' stand that the Company was not functioning or had been in a defunct state since 2019, Respondent No. 3, stated to be the Managing Director of the Company, had executed a conveyance deed in 2026, allegedly without the knowledge or confirmation of the other director.

12.4. In relation to Al-Arsh-2 situated at Survey No. 518/3, Vishala, Ahmedabad, the Petitioner referred to the pending title dispute concerning the property, the development agreement entered into between the original landowner and Respondent No. 1 Company,

the proceedings initiated by the Collector under the Gujarat Prohibition of Transfer of Immovable Property and Provision for Protection of Tenants from Eviction from Premises in Disturbed Areas Act, the proceedings before the Hon'ble Gujarat High Court in SCA No. 11267 of 2013, and the subsequent direction of the SSRD through the Collector to maintain status quo; notwithstanding the same, it was alleged that Respondent No. 3 proceeded to execute a conveyance deed in respect of the said property in 2024, which, according to the Petitioner, was contrary to the subsisting orders and judicial protection.

13. That, the R-1/SNA Infraprojects Private Limited & R-3/Mohammed Aasim Salimahmed Puthawala filed its rebuttal affidavit to the Additional Affidavit of the Petitioner dated 09.07.2026 on 21.07.2026 vide Inward No. D-6037 stating the following: -

13.1. The Respondents No. 1 and 3, by way of the present Rebuttal Affidavit, have responded to the Additional Affidavit dated 09.07.2026 filed by the Petitioner and have, at the outset, raised a preliminary objection that the matter is at the stage of final hearing and that, vide Order dated 02.07.2026, this Tribunal had permitted the Petitioner only to place on record the

bank statement of HDFC Bank Ltd. for the purpose of the oral submissions, along with supporting documents, if any, and had specifically restricted the same from being used to introduce any fresh factual allegations or documents relating to matters beyond the scope of the said order.

13.2. It is submitted that the Petitioner, through the Additional Affidavit, has sought to introduce fresh allegations concerning the affairs of Respondent No.1, including Annual General Meetings, execution of conveyance deeds, transfer of immovable properties and other matters, which, according to the Respondents, travel beyond the liberty granted by this Tribunal.

13.3. The Respondents have further denied the allegations made by the Petitioner regarding the HDFC Bank account and submitted that the account bearing No. 02372320006292 was opened on 09.12.2010, and that the Petitioner, being an authorised signatory thereof, was aware of its existence; the Respondents have relied upon the certificate issued by HDFC Bank dated 15.07.2026 confirming the existence of the said account and the authorised signatories.

13.4. It is further submitted that pursuant to the Order dated 29.01.2026, the Respondents had already furnished the requisite bank account details for the period directed by this Tribunal and had duly

complied with the same, and therefore the allegation of suppression or non-disclosure is denied.

13.5. The Respondents have also denied the allegations of mala fide conduct, illegality, fraudulent intent and disregard of judicial orders and have reserved their right to respond thereto, if required, in accordance with law.

13.6. Without prejudice to the aforesaid objections, the Respondents have placed on record, as Annexure-B, the audited annual accounts of Respondent No.1 for the financial years 2010-11 to 2016-17, including the balance sheets, auditors' reports and relevant financial statements, contending that the said records demonstrate the financial position and transactions of the Company during the relevant period.

14. In compliance with order dated 22.07.2026, the Petitioner filed an additional affidavit on 13.08.2026 vide Inward No. D-6845 stating the following: -

14.1. The Petitioner states that, pursuant to the Order dated 29.01.2026, Respondent No. 3 had filed a Compliance Affidavit on behalf of Respondent No. 1– Company along with certain documents; however, according to the Petitioner, the said documents did not disclose the complete particulars of the

transactions allegedly carried out by Respondent Nos. 2 and 3.

14.2. In compliance with the subsequent directions of this Tribunal, the Petitioner has accordingly furnished details of the alleged withdrawals and transfers from the bank account of Respondent No. 1–Company. I

14.3. t is stated that cash withdrawals described as "Self–Cash Withdrawal" aggregating to Rs.1,87,97,000/- were made during the period from 21.01.2016 to 14.05.2018, while further withdrawals reflected as being made in the name of "SNA Infraprojects Pvt. Ltd." during the period from 13.03.2015 to 09.08.2016 aggregated to Rs.1,15,23,500/-, thereby totalling Rs.3,03,20,500/-.

14.4. The Petitioner has further alleged that amounts were transferred from the Company's bank account to the personal accounts of Mr. Naushad Zakiuddin Ranguni (Rs.1,13,36,500/-), Mr. Mohammed Aasim Salimahmed Puthawala (Rs.92,50,000/-), Mrs. Sabhina Naushad Ranguni (Rs.12,15,000/-), Mr. Ayan Naushad Ranguni (Rs.5,00,000/-), Mr. Parvez Ranguni (Rs.1,00,000/-) and to proprietary concerns namely Pucar Traders (Rs.1,72,00,000/-), Zenith Incorporation (Rs.3,23,00,000/-) and Infinity (Rs.62,50,000/-).

14.5. According to the Petitioner, the aforesaid withdrawals and transfers, collectively amounting to Rs.10,84,72,000/-, demonstrate alleged siphoning of the funds of Respondent No. 1– Company by Respondent Nos. 2 and 3 and their relatives/connected concerns.

14.6. The Petitioner has relied upon the corresponding bank account statements annexed as Annexure R-1 (Colly.) and has contended that the transactions disclose alleged acts of illegality, abuse of power and breach of trust, attracting the applicable provisions of the Companies Act, 2013.

14.7. The Petitioner has further submitted that there may be other transactions in accounts connected with Respondent Nos. 2 and 3 and has, therefore, sought appropriate inquiry by this Tribunal into the affairs and transactions of the Company.

15. That, the R-1/SNA Infraprojects Private Limited & R-3/Mohammed Aasim Salimahmed Puthawala filed its rebuttal affidavit to the Additional Affidavit of the Petitioner dated 12.08.2026 on 17.09.2026 vide Inward No. D-7904 stating the following: -

15.1. It is submitted that the Respondents had already demonstrated in their Rebuttal Affidavit dated 09.07.2026 that the Petitioner was an authorised

signatory of the HDFC Bank account of Respondent No.1 and was aware of the transactions therein.

15.2. The Respondents have further stated that Respondent No.1's bank account could be operated only through the joint signatures of two authorised signatories and that Respondent No.4, being one of the authorised signatories, was responsible for managing the Company's day-to-day affairs, including signing cheques, with the knowledge of the Petitioner.

15.3. The Respondents have also drawn attention to Charge Sheet No. 46/2024 dated 24.02.2024, registered at Vejalpur Police Station, wherein Respondent No.4 has allegedly been arraigned as an accused in connection with the Company's financial records and transactions.

15.4. With respect to the alleged cash withdrawals reflected in Tables 1 and 2 of the Additional Affidavit, the Respondents have contended that the same were ordinary cash withdrawals made in the regular course of the Company's real-estate and construction business and were not payments to any third party.

15.5. In relation to the amounts allegedly received by Respondent No.3, the Respondents have relied upon the Company's ledger accounts to contend that the relevant amounts were substantially repaid or

accounted for, and have denied their characterisation as siphoning or fraud.

15.6. Similarly, the Respondents have contended that the amounts reflected against Pucar Traders, aggregating to approximately Rs.1.72 crore, were utilised towards the Company's business and operational expenses, including electricity, statutory dues and professional fees, and that the said amounts were substantially applied towards the Company's own requirements.

15.7. As regards the amount of Rs.3.23 crore allegedly paid to Zenith Incorporation, the Respondents have disputed its description as an entity connected with Respondent Nos.2 and 3 and have relied upon the Company's ledger to demonstrate the transactions recorded therein.

15.8. The allegation concerning Rs.62.50 lakh paid to Infinity has also been denied as siphoning or fraud. The Respondents have further alleged that the Petitioner himself and entities connected with him, including Ghoghari and Memon Infraprojects Pvt. Ltd. and Aza Infraspace Pvt. Ltd., received substantial amounts from the Company which, according to the Respondents, have not been disclosed in the Petitioner's Additional Affidavit; the Respondents have accordingly contended that the tabulation adopted by the Petitioner is selective and misleading.

15.9. It is further submitted that the Respondents have specifically denied the allegation that an amount of Rs.1,99,30,500/- was misappropriated through Respondent No.1 and have asserted that the allegations made in the Additional Affidavit are unsupported and liable to be rejected.

16. That, the ROC filed its Report on 23.09.2026 vide Inward No. R-616 stating the following: -

16.1. It is stated that the Company was incorporated on 10.08.2009 and its registered office is situated at 3, Hariyali Co-operative Housing Society Ltd., Opp. Juhapura, Near Memon Hall, Sarkhej Road, Ahmedabad.

16.2. As per the MGT-7/Annual Return for the year ended 31.03.2017, the Company had three shareholders, namely Naushad Zakiuddin Ranguni holding 3,400 shares, Mohammed Aasim Salimahmed Puthawala holding 3,300 shares and Mohammedsalim Habibbhai Memon holding 3,300 shares, aggregating to 10,000 shares.

16.3. The Report further records that the Company had filed its financial statements for the financial year ended 31.03.2017 and, as per the records available on the MCA V3 portal, the directors included Mohammed Aasim Salimahmed Puthawala, Saijibhai Habibbhai Memon, Naushad Zakiuddin Ranguni and

Mohammed Salim Habibbhai Memon, with the respective dates of appointment/cessation as reflected in the Master Data annexed to the Report.

16.4. The Master Data further records the Company as an active private company limited by shares, with authorised and paid-up capital of Rs.1,00,000/-.

16.5. The Report specifically states that, as per the records available with the office of the Registrar of Companies, no prosecution, complaint, compounding proceedings, investigation or inspection is pending against the Company.

17. That, the Petitioner filed its Consolidated Revised Written Submission on 01.10.2026 (through e-mode). The major contentions of the Petitioner are as follows: -

17.1. The Petitioner, holding **33% shareholding** in Respondent No.1 Company, has invoked Sections **241, 242 and 213 of the Companies Act, 2013**, alleging oppression, mismanagement, exclusion from management, non-disclosure of records and irregular allotment of flats.

17.2. The Petitioner states that Respondent Nos.2 to 4, being Directors and controlling shareholders, allegedly diverted Company funds, withheld corporate information, interfered with shareholder

rights and acted contrary to their statutory and fiduciary obligations.

17.3. The Petitioner further alleges manipulation of Company accounts, non-disclosure of financial information, irregular allotment of flats, failure to maintain records and transactions involving alleged self-dealing and conflicts of interest.

17.4. According to the Petitioner, an FIR, charge-sheet and observations in the Company's audit reports had already been placed on record and were relied upon to support the allegations of financial irregularities and mismanagement.

17.5. Pursuant to the Tribunal's directions for disclosure of bank accounts, the Petitioner placed the Additional Affidavit dated **09.07.2026**, disclosing HDFC Bank Account No. **02372320006292**, which the Petitioner states had not earlier been disclosed.

17.6. Pursuant to the further order dated **22.07.2026**, the Petitioner filed the Additional Affidavit dated **12.08.2026**, containing a bank-record-based reconciliation and alleging diversion of approximately **Rs.10,84,72,000/-** to Respondent Nos.2 and 3 and connected persons/entities.

17.7. The Petitioner submits that the alleged diversion constitutes a continuing wrong and that subsequent acts constitute fresh causes of action; it further

contends that limitation should not defeat the proceedings where the alleged transactions were discovered during the pending proceedings.

17.8. The Petitioner refers to a complaint made before the Registrar of Companies alleging financial irregularities, unfiled financial reports, paper AGMs and personal withdrawals of approximately **Rs.2,37,29,000/-**, with withdrawals involving relatives stated at approximately **Rs.7,56,99,500/-**.

17.9. The Petitioner also relies upon an Income-tax appeal concerning A.Y. 2018-19 and states that notices under Section 133(6) of the Income-tax Act, 1961 were issued after the Company's income-tax return was allegedly not filed and reminders remained unanswered.

17.10. The Petitioner submits that the existence of the HDFC account and the extent of the alleged diversion became known only pursuant to disclosure directed by the Tribunal, and therefore contends that the alleged concealment affects the Respondents' limitation objection.

17.11. The Petitioner contends that the Additional Affidavits were within the liberty granted by the Tribunal because they concerned the bank account and transactions which the Tribunal had directed to be

disclosed and tabulated, and the Respondents had an opportunity to reply.

17.12. The Petitioner submits that the Rebuttal Affidavits do not fully answer the alleged diversion and that, despite entries showing partial repayments, substantial amounts allegedly remain unreconciled and recoverable according to the Respondents' own material.

17.13. Regarding transfers to the personal accounts of Respondent No.2, his wife and his son, the Petitioner states that no corresponding ledger, voucher, repayment entry or reconciliation has been produced in the Rebuttal Affidavits and therefore treats these transactions as unanswered.

17.14. In answer to the contention that the Petitioner was an authorised signatory of the HDFC account, the Petitioner submits that being named as a signatory does not by itself establish actual knowledge or operation of the account, particularly since he states that he resigned as Director in **2011**.

17.15. The Petitioner further submits that reliance on Charge Sheet No. **46/2024** concerning Respondent No.4 does not answer the alleged diversion by Respondent Nos.2 and 3; it seeks investigation under Section 213 and appointment of an independent Administrator.

17.16. Finally, the Petitioner submits that although Respondent No.2 was purportedly removed as Director on **20.07.2018**, he allegedly continued to exercise control over Company finances; on this basis, the Petitioner seeks the reliefs prayed for in the Petition against Respondent Nos.2 to 4.

18. That, the Respondent No.1 and 3 filed its Consolidated Revised Written on 01.10.2026 (through e-mode). The major contentions of the Respondent No. 1 and 3 are as follows: -

18.1. The Respondent Nos. 1 and 3 submit that the Petition is barred by limitation, is an abuse of the process of the Tribunal, and has been filed with suppression of material facts and unclean hands. They further submit that the Additional Affidavits dated 09.07.2026 and 12.08.2026 do not cure these defects.

18.2. According to the Respondents, the Petitioner, Respondent Nos. 2 and 3 originally formed a partnership, which was converted into the Company in 2009, and the Petitioner was one of its first directors holding 33% shareholding. The Petitioner authorised a payment of Rs.10,00,000/- to Zenith Incorporation on 12.02.2011.

18.3. The Respondents state that after the Petitioner resigned as director on 28.02.2011, his brother, Respondent No.4, became a director and the Petitioner continued to remain involved in the Company's affairs. They further state that irregularities and alleged manipulation of the Company's accounts were detected in 2015 and the books were subjected to forensic examination.

18.4. It is submitted that the forensic report dated 24.09.2015 allegedly recorded manipulation of day-books and siphoning of more than Rs.1 crore, allegedly involving Respondent No.4 and his brothers. Thereafter, on 06.04.2016, the Petitioner, Respondent No.4 and their brother executed an Undertaking concerning the proposed criminal action against Respondent No.4.

18.5. The Respondents further state that, after Respondent No.2 became untraceable in 2017, Respondent No.4 was reinstated as director and, thereafter, cheques of the Company were signed by Respondent Nos.3 and 4. They contend that the Petitioner was aware of this arrangement and cannot now challenge transactions arising during that period.

18.6. The Respondents submit that complaints concerning the alleged irregularities were made during 2017–2018, followed by further proceedings under the Land Grabbing Act and an FIR dated 20.07.2022

against Respondent No.4 and Samir Memon. The present Petition was filed on 03.06.2023, shortly after anticipatory bail was granted to Respondent No.4 and a complaint of threats was made by Respondent No.3.

18.7. On limitation, the Respondents contend that the Petitioner's allegations principally concern transactions between 2014 and 2019 and that Article 137 of the Limitation Act, 1963 prescribes three years where no specific period is provided. They therefore submit that no surviving cause of action within the relevant period has been pleaded.

18.8. The Respondents further submit that the subsequent claim of Rs.10,84,72,000/- covering transactions from 2011 to 2020 was introduced only through the Additional Affidavit dated 12.08.2026. According to them, only two entries fall within three years from filing of the Petition, and both have been specifically answered on merits.

18.9. It is further submitted that the allegations relate to concluded transactions and do not disclose a continuing state of affairs oppressive to the Petitioner as a member. The Respondents therefore contend that Sections 241–242 of the Companies Act, 2013 cannot be used merely to reopen or compensate for past transactions which had already concluded.

18.10. On acquiescence and suppression, the Respondents contend that the Petitioner remained involved in the Company's affairs, was himself a signatory to the HDFC account and had authorised the initial Zenith payment. They submit that, despite knowledge of the alleged irregularities and the 2016 Undertaking, he remained silent for several years.

18.11. The Respondents allege that the Petitioner suppressed the 2016 Undertaking, forensic report, role of Respondent No.4, his own authority over the HDFC account and the criminal proceedings involving his brother. They submit that such non-disclosure materially affects the Petitioner's claim for discretionary and equitable relief under Sections 241–242.

18.12. The Respondents also describe the Petition as a counter-blast to the criminal proceedings, relying upon the sequence of the FIR, anticipatory bail, complaint of threats and filing of the Petition. They state that the Charge Sheet alleges misappropriation of approximately Rs.1,99,30,500/- against Respondent No.4 and Samir Memon and that these facts were not disclosed in the Petitioner's subsequent affidavits.

18.13. With regard to the Additional Affidavit dated 09.07.2026, the Respondents submit that the Tribunal's Order dated 02.07.2026 granted limited

liberty to place the HDFC bank statement and supporting material relating thereto. They contend that the Petitioner travelled beyond that liberty by introducing matters concerning AGMs, a conveyance deed and the Gujarat Disturbed Areas Act.

18.14. In respect of the Additional Affidavit dated 12.08.2026, the Respondents submit that the Order dated 22.07.2026 permitted only tabulation of amounts already pleaded. They contend that the Petitioner instead introduced a new quantified claim of Rs.10,84,72,000/- concerning several persons and entities and thereby attempted to enlarge the pleadings at the stage of final hearing.

18.15. Concerning the HDFC account, the Respondents contend that the Petitioner had himself disclosed the account number in the original Petition but omitted his own status as a signatory. They rely upon the HDFC Bank letter and audited accounts to submit that the account was known to the Petitioner and was reflected in the Company's financial records.

18.16. The Respondents dispute the computation of Rs.10,84,72,000/- and submit that the tables principally contain gross debit figures without accounting for repayments, credits and amounts applied for the Company's purposes. They specifically dispute the calculations concerning R3, Pucar Traders, Zenith and Infinity and state that several

amounts were either repaid, adjusted or used for Company expenses.

18.17. The Respondents further submit that the Petitioner's tabulation does not disclose payments allegedly received by the Petitioner and connected entities, totalling Rs.3,44,16,700/-, against which Rs.1,46,87,000/- was allegedly repaid, leaving a stated net amount of Rs.1,97,29,700/-. They therefore contend that the Petitioner's computation does not present the complete financial position.

18.18. Finally, the Respondents submit that neither the Petitioner nor Respondent No.4 filed a rejoinder to the Reply despite opportunity, whereas the Petitioner filed further affidavits instead. They accordingly pray for dismissal of the Petition, rejection of the Additional Affidavits, appropriate liberty concerning the alleged false statement regarding the HDFC account, costs and such further orders as the Tribunal may deem fit.

19. That, the Respondent No.4/ Sajidbhai Habib Bhai Meman filed its Consolidated Revised Written on 01.10.2026 (through e-mode). The major contentions of the Respondent No. 4 are as follows: -

19.1. The Respondent No. 4 states that although he is arrayed as a respondent, he does not oppose the

Petition and supports the Petitioner's case regarding alleged prejudice to the Company and oppression of its members by Respondent Nos. 2 and 3. He adopts the Petitioner's written submissions and additional affidavits dated 09.07.2026 and 12.08.2026, to the extent consistent with his own submissions.

19.2. The Respondent No. 4 submits that he is the real brother of the Petitioner, was a director of Respondent No. 1 Company since 28.02.2011, but does not hold any shares. According to him, the Petition under Sections 241, 242 and 213 of the Companies Act, 2013 concerns exclusion from management, non-disclosure of records and alleged irregular allotment of Company flats.

19.3. It is submitted that the Petitioner's additional affidavits disclose a bank account allegedly concealed from him for more than a decade and a reconciliation showing alleged diversion of approximately Rs. 10,84,72,000/- of Company funds. Respondent No. 4 contends that the rebuttal affidavits of Respondent Nos. 1 and 3 do not satisfactorily explain the unreconciled amounts and entries concerning Respondent No. 2 and his family.

19.4. The Respondent No. 4 states that, on 20.06.2023, he independently submitted a complaint to the Registrar of Companies against Respondent Nos. 2 and 3 regarding alleged financial irregularities and sought

investigation into the Company's affairs. The complaint referred to non-filing of financial statements, AGMs allegedly being held only on paper, personal withdrawals of about Rs. 2,37,29,000/- and withdrawals to close relatives of about Rs. 7,56,99,500/-.

19.5. The Respondent No. 4 further submits that the inquiry sought from the Registrar of Companies remains pending for more than three years. He relies upon the statutory scheme concerning inquiry and investigation under Chapter XIV, including Sections 206 and 210, and submits that Section 213 empowers the Tribunal to order investigation where the requisite circumstances and material are established.

19.6. It is clarified that the amounts of Rs. 2,37,29,000/- and Rs. 7,56,99,500/- mentioned in Respondent No. 4's 20.06.2023 complaint are distinct from the later bank-record reconciliation of Rs. 10,84,72,000/- placed by the Petitioner. Respondent No. 4 states that he does not claim these figures to be cumulative, but treats them as separate indications arising from different material.

19.7. Respondent No. 4 addresses Charge Sheet No. 46/2024, relied upon by Respondent Nos. 1 and 3 to allegedly implicate him in manipulation of the Company's books. He submits that the criminal

proceeding does not explain or justify the alleged withdrawals and transfers attributed to Respondent Nos. 2 and 3, and that the subject matter of that proceeding is separate from the present Company Petition.

19.8. The Respondent No. 4 further states that no charge has been framed against him in the said proceeding and that his discharge application is pending. He also contends that the transaction in question was carried out under the signatures of Respondent Nos. 2 and 3 and therefore, according to him, their alleged lack of knowledge of the transaction cannot be accepted.

19.9. On the basis of the above submissions, Respondent No. 4 seeks allowance of the Petition against Respondent Nos. 2 and 3 and an investigation under Section 213 into the affairs of Respondent No. 1 from 01.04.2018 onwards, including forensic examination of the Company's bank accounts. He specifically refers to HDFC Bank Account No. 02372320006292.

19.10. The Respondent No. 4 lastly seeks appointment of an independent Administrator or other suitable arrangement under Section 242, directions for accounting and restoration of amounts found diverted, interim restraint concerning Company bank accounts and assets, and a report from the Registrar of Companies regarding his complaint dated

20.06.2023. He also seeks such further orders as may be considered appropriate in the interest of justice.

20. We have heard the learned Counsel for the Petitioner, Respondent Nos.1 to 3 and Respondent No.4 and have carefully considered the Company Petition, Replies, Additional Affidavits dated 09.07.2026 and 12.08.2026, Rebuttal Affidavits dated 20.07.2026 and 16.09.2026, Consolidated Revised Written Submissions dated 01.10.2026 and the documents placed on record, including the ROC Report dated 23.09.2026. The record includes Reply Annexures A to H, Annexures R-1 (Colly.) to R-4, Annexure A and Annexure B (Colly.) to the Rebuttal Affidavit dated 20.07.2026 and Rebuttal Annexures 1 to 3.

21. The Petitioner holds 3,300 equity shares, representing 33% of the paid-up share capital of Respondent No.1 Company, and therefore satisfies the threshold contemplated under Section 244 of the Companies Act, 2013. However, such eligibility concerns the locus to maintain the proceedings and does not by itself establish oppression or mismanagement. The substantive requirements of Sections

241 and 242 are required to be established on the basis of the material placed before the Tribunal.

22. The governing principles are settled in ***Shanti Prasad Jain v. Kalinga Tubes Ltd.,*** AIR 1965 SC 1535, wherein oppression was understood as burdensome, harsh and wrongful conduct involving lack of probity or fair dealing. In ***Needle Industries (India) Ltd. & Ors. v. Needle Industries Newey (India) Holding Ltd. & Ors.,*** AIR 1981 SC 1298, the Hon'ble Supreme Court held that the conduct has to be examined as a consecutive story and not merely by isolated acts.

23. In ***Sangramsinh P. Gaekwad & Ors. v. Shantadevi P. Gaekwad (Dead) through LRs & Ors.,*** AIR 2005 SC 809, the Hon'ble Supreme Court held that oppression must be established by burdensome, harsh and wrongful conduct and that allegations of mala fide conduct require appropriate pleading and proof. In ***Dale & Carrington Investment (P) Ltd. & Anr. v. P.K. Prathapan & Ors***., AIR 2005 SC 1624, an improper allotment made for

acquiring corporate control, where established by evidence, was held capable of constituting oppression.

24. The Petition was instituted on 03.06.2023. A substantial part of the allegations concerns transactions and events between 2014 and 2019 and is therefore required to be examined in the light of Section 433 of the Companies Act, 2013 read with Article 137 of the Limitation Act, 1963. However, the Petition also contains specific allegations concerning transactions of 2022, which fall within three years preceding the Petition and therefore require separate consideration on their merits.

25. In ***Ramesh B. Desai & Ors. v. Bipin Vadilal Mehta & Ors.,*** (2006) 5 SCC 638, the Hon'ble Supreme Court recognised that limitation may involve a mixed question of law and fact. In ***Smruti Shreyans Shah v. The Lok Prakashan Ltd. & Ors.,*** (2019) ibclaw.in 730 NCLAT, Company Appeal (AT) Nos.25 and 32 of 2018, decided on 05.09.2019, the NCLAT held that Article 137 applies to proceedings under Sections 241 and 242 and that successive violations do not necessarily constitute a fresh

cause of action unless a genuine continuing cause is established.

26. The transactions relied upon through the Additional Affidavit dated 12.08.2026 and Annexure R-1 (Colly.), including the alleged aggregate amount of Rs.10,84,72,000/-, are principally historical transactions extending from earlier years up to 2020. The Respondents have disputed the computation and contended that the tabulation consists substantially of gross debit figures without appropriate adjustment for repayments, credits and amounts allegedly utilised for Company purposes.

27. A completed withdrawal, payment, sale or transfer does not become a continuing act merely because its financial consequences continue. Whether successive acts constitute a continuing course of oppressive conduct must be determined from their nature, continuity and effect upon the member. On the material placed before us, the historical transactions do not establish a continuing course of conduct subsisting at the date of institution of the Petition so as to avoid the consequences of limitation.

28. The specific allegations concerning Flat No.304, Block B, Al-Arsh Eternal Homes, relating to the sale deed dated 02.05.2022, and Flat No.102, Block C, Al-Arsh Eternal Homes, relating to the sale deed dated 11.10.2022, have also been considered. These allegations fall within the relevant period and, therefore, cannot be rejected merely on limitation. However, the Petitioner has not established by sufficient and reliable material that the amounts alleged in relation to these transactions were unauthorisedly appropriated by Respondent Nos.2 and 3 for their personal benefit.

29. In particular, the alleged routing of Rs.5,00,000/- in relation to Flat No.102 through the HDFC Bank Account No.02372320006292 is not reconciled with the HDFC Bank material placed on record, which records the account as dormant and without debit and identifies the relevant transaction history as preceding the period from 01.04.2018. The material, therefore, does not establish that the said 2022 transaction was routed through the aforesaid HDFC account. The allegations concerning the 2022

transactions accordingly do not, by themselves, establish oppression or mismanagement.

30. The HDFC Bank certificate dated 15.07.2026, produced as Annexure A to the Rebuttal Affidavit dated 20.07.2026, records that Account No.02372320006292 was maintained since 09.12.2010, was operated on an "ANY TWO JOINTLY" basis and included the Petitioner among the authorised signatories. The Respondents have further relied upon Annexure B (Colly.), comprising audited accounts, to contend that the account was reflected in the Company's financial records. The bank record materially weakens the assertion that the account was wholly unknown to the Petitioner, though signatory status by itself does not conclusively establish knowledge of each transaction.

31. The scope of the liberty granted by the orders dated 02.07.2026 and 22.07.2026 has also been considered from the record. The material placed thereafter could be considered only within the scope of the liberty granted by the Tribunal and could not enlarge the substantive cause of action beyond the pleaded case. The Additional Affidavits

may accordingly be considered only to the extent permissible under the said orders and cannot be treated as instituting an independent or substantially new cause of action.

32. The alleged aggregate amount of Rs.10,84,72,000/- appearing in Annexure R-1 (Colly.) has been examined along with the explanations and rebuttals of the Respondents. The existence of debit entries establishes the transactions reflected in the bank record but does not, without further proof, establish unauthorised diversion or misappropriation. The Respondents have placed material concerning ledger entries, repayments, adjustments and utilisation of amounts, and the Petitioner has not established transaction-wise that the disputed entries represented unauthorised application of Company funds for the personal benefit of the Respondents.

33. As regards the transactions concerning Zenith, Pucar Traders, Infinity and the entries attributed to Respondent No.3, the material placed by the Respondents provides explanations and reconciliations which remain

substantially disputed by the Petitioner. The record therefore establishes a financial dispute concerning the character and accounting treatment of various transactions, but does not establish, to the requisite standard for relief under Sections 241 and 242, that such transactions formed part of a continuing oppressive or mismanaged state of affairs. The Petitioner's allegations and the Respondents' explanations have been considered together.

34. The Respondents have also relied upon payments made to the Petitioner and entities connected with him, including Ghoghari and Memon Infraprojects Pvt. Ltd., Aza Infraspace Pvt. Ltd. and Ayat Infrastructure. The said material is relevant to the completeness of the Petitioner's financial tabulation, although we do not treat the Respondents' calculations as independently establishing any liability against the Petitioner or such entities. The competing financial material, considered as a whole, does not establish the statutory ingredients of oppression or mismanagement.

35. The FIR, Charge Sheet, forensic material and complaints before statutory authorities have also been considered. Such material may constitute relevant circumstances, but the filing of an FIR or Charge Sheet does not by itself amount to proof of the allegations contained therein in these proceedings. The criminal proceedings concerning Respondent No.4 and other persons are separate proceedings and cannot, without independent proof, conclusively establish the Petitioner's allegations against Respondent Nos.2 and 3.

36. The ROC Report dated 23.09.2026 records that, according to the records available with the ROC, no prosecution, complaint, compounding proceeding, investigation or inspection was pending against the Company as on the date of the Report. This position is stated to be inconsistent with the assertion of Respondent No.4 regarding his complaint dated 20.06.2023; however, no further material has been placed before us establishing that such complaint continued to remain pending as on 23.09.2026. The ROC

Report, in any event, does not independently establish the allegations of oppression or mismanagement.

37. Section 213 does not require the Tribunal to finally adjudicate criminal liability before directing an investigation; however, the Tribunal must be satisfied from objective material that circumstances contemplated by the provision exist and are capable of suggesting the statutory grounds. The principle in ***Barium Chemicals Ltd. v. Company Law Board,*** AIR 1967 SC 295, is relevant in this regard. On the present record, the disputed bank entries, competing explanations, HDFC material and ROC Report do not furnish sufficient circumstances to form the statutory opinion contemplated by Section 213.

38. We have also considered the Consolidated Revised Written Submissions of Respondent No.4, who supports the Petition and seeks investigation, forensic examination, accounting and restoration of alleged diverted amounts, appointment of an Administrator and consequential restraints. His complaint dated 20.06.2023 and the material relied upon by him have been considered.



However, the allegations made by Respondent No.4, in the absence of independent material sufficient to satisfy Sections 241, 242 or 213, cannot by themselves justify the reliefs sought.

39. Even assuming that certain irregularities in the affairs of the Company stood established, the second statutory condition under Section 242(1)(b) has also not been satisfied. The Petitioner has not established circumstances which would otherwise justify winding up of the Company on the just and equitable ground, coupled with the further requirement that such winding up would unfairly prejudice him as a member. Consequently, the requirements for exercising the jurisdiction under Section 242 are not satisfied.

40. Accordingly, **Restored Company Petition No.02 of 2025 (**Old Company Petition No.27 (AHM) of 2023**) is dismissed.** The prayers under Sections 241, 242 and 213 of the Companies Act, 2013, including investigation, appointment of Administrator or independent management, removal of directors, inspection and production of records,

appointment of an independent auditor, accounting and restoration of alleged diverted amounts, injunctions and other consequential directions, are **rejected**.

41. The prayers invoking Sections 447 and 448 and for declaration of disqualification under Sections 164 and 167 are also **rejected** for want of the statutory foundation. The parties shall bear their own costs. Pending applications, if any, stand disposed of accordingly.

42. A certified copy of this order be issued to the parties, if applied for, upon compliance with all requisite formalities.

-SD-
SANJEEV SHARMA
MEMBER (TECHNICAL)

-SD-
SHAMMI KHAN
MEMBER (JUDICIAL)

Jeel Pathak/LRA