IN THE NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD
COURT – 2

ITEM No.303
CP 48 of 2018

Proceedings under Section 241-242, 244 of Co. Act, 2013

IN THE MATTER OF:
Shahin Firdosh Contractor
Pan-Asia Petroleum Pvt Ltd & Ors

V/s **.....Applicant**

.....Respondent

Order delivered on: 23/09/2026

Coram:
Mrs. Chitra Hankare, Hon'ble Member(J)
Dr. Velamur G Venkata Chalapathy, Hon'ble Member(T)

ORDER

This case is fixed for pronouncement of order

The order is pronounced in open court vide separate sheet

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DR. V. G. VENKATA CHALAPATHY
MEMBER (TECHNICAL)

Sd/-

CHITRA HANKARE
MEMBER (JUDICIAL)

SJ/AD/AP

IN NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD BENCH (COURT-II)

Company Petition No. 48 of 2018

(Application under Section 241 & 242 read with Section 244 of the Companies Act 2013,)

IN THE MATTER OF:

Mrs. Shahin Firdosh Contractor
Age 47, having address at
2601 Zahra, Dr. E Moses Rd, Worli,
Mumbqi-400018

....Petitioner

VERSUS

1. **Pan-Asia Petroleum Private Limited,**
having its registered address at
Survey No. 25/3/1/2, near Dardra Checkpost,
Village Dadra, Silvassa, DN 396191.
2. **Mr. Matinreza Firdos Punjani**
Individual, age 22 years, residing at
Plot No. 535/536 New Manekwadi Circle,
ShishuviharCircle, Near Ranima House,
Krishnanagar, Bhavnagar - 364001
3. **HannidhuseinRamjalaliPunjani,**
individual, age 62 years, residing at 61 ,
Gandhisamruti Society, B.H. Agro Petrol Pump,
Juhapura, Ahmedabad 380055, Gujarat

...Respondents

Order pronounced on 23.09.2026

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Coram:

MRS. CHITRA HANKARE
HON'BLE MEMBER (JUDICIAL)
MR. VELAMUR G. VENKATA CHALAPATHY
HON'BLE MEMBER (TECHNICAL)

Appearance:-

For the Applicants : Ms. Jaimin R. Dave, Adv.

For Respondents. : Mr. Piyush Luktuke , Adv., Mr. Hardik Paranjape, Adv.

JUDGEMENT

1. The present application has been filed by the shareholders of the Respondent No. 1 Company and The petitioner owns and holds 2,80,000 equity shares of Rs.10/- each, representing 38.621% of the total equity share capital of Respondent No.1. The Petitioner is a promoter and second largest shareholder of Respondent No.1. The Petitioner fulfills the qualifying criteria prescribed under Section 244 of Companies Act, 2013 and seeking reliefs as hereunder;

   i. *for appropriate orders, reliefs and directions under Section(s) 241, 242 and 244 of the Companies Act, 2013, against Respondent Nos.2 to 3 to forthwith cease and desist from indulging in the aforesaid acts of oppression and mismanagement, which have been p6rpetrat6d by the Respondent Nos. 2 to 3, and for all necessary and consequential orders and directions in that behalf.*

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ii. that an appropriate scheme for the management, administration, control and conduct of the affairs of Respondent No.1 be framed by this Hon'ble Tribunal, including interalia, an appointment of an independent Chairman or Directors or Administrator etc., as this Tribunal may deem fit and proper, upon such terms and conditions as this Tribunal may deem fit and proper;.

2. The Applicant submitted that Respondent No.1 Company is essentially a two-member company, wherein the Applicant and Respondent No.2 are the principal shareholders. Respondent No.2, holding 61.375% of the paid-up share capital, is the Chairman and Managing Director, while Respondent No.3 is a director and relative of Respondent No.2. Respondent No.4 is the statutory auditor of the Company, allegedly appointed at the instance of the Punjani group without the Applicant's concurrence.

3. The Applicant alleges that Respondent Nos.2 and 3 have systematically excluded her from the management and affairs of Respondent No.1. It is submitted that notices of various AGMs/EOGMs were not duly served upon her and, even where notices were given, meetings were allegedly conducted without her participation. In particular, the Applicant refers to the AGM dated 30.09.2017, which she alleges was concluded

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in her absence, and submitted that the resolutions passed therein were without her participation.

4. The Applicant further alleges that she was denied access to the books of accounts, financial statements, statutory records, minutes of Board/General Meetings and resolutions despite repeated requests, including her communication dated 22.09.2017. She submitted that the Board was dominated by the Punjani group and that she had no proportional representation or effective participation in the management of the Company.

5. The Applicant also disputes the manner in which her status as a promoter was reflected in the Annual Return for FY 2016-17. She submitted that despite being a signatory to the incorporation documents and claiming to be a promoter shareholder, she was shown merely as a shareholder other than promoter.

6. With regard to the financial affairs, the Applicant alleges continuous deterioration in the Company's financial performance, pointing out that the Company's profit of approximately Rs.2.26 lakh in FY 2012-13 had turned into a net loss of approximately Rs.9.03 lakh in FY 2016-17. She further raises concerns regarding substantial receivables,

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long-outstanding debts and trade payables, and alleges that adequate steps for recovery and proper disclosure of such amounts were not undertaken.

7. The Applicant alleges that the books of accounts and financial statements contain fictitious, fabricated and artificial entries and submitted that the nature and extent of such irregularities could be ascertained only upon inspection of the underlying records. She therefore seeks inspection of the books of accounts, ledgers, invoices and statutory records and an independent audit/investigation into the Company's financial affairs.

8. The Applicant further questions substantial expenditure incurred by the Company, including foreign-currency expenditure of Rs.356.78 lakh in FY 2016-17 and Rs.1,699.16 lakh in FY 2015-16, as well as expenditure towards storage tanks and other expenses. It is alleged that despite specific requests, party-wise details, agreements, invoices and particulars of such expenditure were not furnished, giving rise to apprehension of fictitious expenditure and diversion/siphoning of Company funds.

9. The Applicant also raises concerns regarding the absence of corresponding liabilities towards excise duty and other

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indirect taxes, as well as unsecured loans of Rs.29 lakh and additional borrowings of Rs.5,14,084 reflected in the Annual Return, for which details were allegedly not provided. According to the Applicant, these transactions require examination of the Company's accounts and records.

10. The Applicant submitted that despite the Company having earned profits in earlier years, no dividend or other return was received by her for about ten years. She alleges that the benefits arising from the Company's operations were diverted to the Punjani group, thereby depriving her of her legitimate economic interest in the Company.

11. The Applicant further alleges that the reported loss for FY 2016-17 did not reflect the true financial position of the Company, which had sales and other income of approximately Rs.10.93 crore. She apprehends that the accounts were manipulated or falsified and that accommodation entries were used to suppress profits and deprive her of her legitimate share in the Company's income and assets.

12. The Applicant alleges that Respondent No.4, being the statutory auditor, failed to satisfactorily address her queries and failed to detect or report the alleged irregularities in the accounts. She accordingly alleges that Respondent Nos.2 to 4

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acted in concert and that the affairs of the Company were conducted in a manner prejudicial to the Company and the Applicant.

13. The Applicant also challenges the proposed sale/disposal of the Company's sole industrial undertaking at Silvassa. She submitted that the decision was taken without adequately informing or involving her, despite the undertaking being operational and having generated gross revenue of approximately Rs.10.62 crore during FY 2016-17. She had sought particulars of the proposed transaction, including its rationale, terms and commercial conditions, and had requested that she be kept informed and given a right of first refusal.

14. According to the Applicant, the proposed disposal of the principal industrial undertaking, coupled with the alleged financial irregularities, lack of transparency and exclusion from management, raises a serious apprehension of depletion of the Company's assets and possible diversion or siphoning of the sale proceeds. She therefore alleges that the acts and conduct of Respondent Nos.2 to 4 constitute oppression and mismanagement and are prejudicial to the interests of the Applicant and Respondent No.1 Company.

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15. Reply filed by Respondent No.2 for himself and for and on behalf of Respondent Nos.1 and 3 and submitted that the Petitioner has failed to establish any act of oppression or mismanagement in the affairs of Respondent No.1 Company or any conduct prejudicial to the interests of the minority shareholders. It is contended that the allegations in the Petition primarily relate to events of 2009 and, after the exit of the erstwhile partners of the Partnership Firm, the Respondent No.1 Company ceased to retain the character of a quasi-partnership.

16. The Respondents further submitted that the Petitioner voluntarily resigned from the Board of Respondent No.1 Company with effect from 01.12.2011 and thereafter did not participate in or take interest in the business for several years. It is contended that only upon receipt of notice of the General Meeting in 2017 for approval of the proposed sale of the undertaking/plant, the Petitioner raised allegations of oppression and sought proportionate representation and other rights.

17. It is submitted that the Petitioner, in her resignation letter, had expressed gratitude to Late Shri Firdosh Punjani for his cooperation during her tenure. The Respondents state that

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Respondent No.2 was appointed as Director on 25.07.2016 and Respondent No.3 on 28.06.2017, and therefore the allegations of oppressive conduct against them are stated to be belated and unsupported by any specific acts.

18. The Respondents alleged that after the Petitioner's resignation, an entity, namely Al ASR Oceanic Limited, stated to be owned/controlled by the Petitioner's spouse, Mr. Firdos Contractor, commenced business with Respondent No.1 Company. The Company supplied products on credit based on the relationship and trust with the Petitioner and her group, but substantial payments remained outstanding. It is alleged that an amount of Rs. 28,95,82,686/- was due from the said entity, resulting in pressure on the Company's working capital and cash flow and contributing to the deterioration of its financial position.

19. The Respondents therefore deny the allegations of financial irregularities and submit that the financial difficulties of Respondent No.1 Company were, inter alia, attributable to substantial trade receivables from entities allegedly connected with the Petitioner and her spouse, which affected the Company's ability to meet its other liabilities and resulted in an increase in the debtor and creditor cycles.

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20. With regard to the proposed sale of the plant/property, the Respondents rely upon the Petitioner's email dated 11.09.2017, wherein she expressed interest in purchasing the plant proposed to be sold. It is contended that the said communication demonstrates that the Petitioner herself was interested in the proposed sale and that her present objections were raised in the context of seeking a right of first refusal/purchase of the property.

21. The Respondents submitted that although Section 180 of the Companies Act, 2013 was not applicable to the private company, the Respondent Company voluntarily sought approval of the shareholders for the proposed transaction in order to ensure transparency and enable the shareholders to exercise their voting rights. The Petitioner was accordingly entitled to vote for or against the proposed resolutions.

22. It is further submitted that the plant was a technologically advanced facility established with the expertise of Late Shri Firdosh Punjani and became commercially operational in 2011-12, around the time when the Petitioner resigned from the Company. The Respondents contend that the Petitioner cannot simultaneously oppose the proposed sale and seek a right of first refusal in respect thereof.

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23. The Respondents submitted that the rights of minority shareholders cannot be exercised so as to override the lawful rights of the majority shareholders. It is contended that the mere exercise of voting rights by the majority or passing of resolutions in accordance with the requisite majority cannot, by itself, constitute oppression or mismanagement.

24. The Respondents further submitted that the Petitioner has failed to identify any particular act which was burdensome, harsh or wrongful or which caused unfair prejudice to her rights as a shareholder. In relation to the Petitioner's allegation concerning the shares of the deceased father of Respondent No.2, the Respondents submitted that the issue concerns transmission of shares and not transfer, and reliance is placed upon Articles 5 and 6 of the erstwhile Articles of Association.

25. The Respondents submitted that the concerns raised by the Petitioner were considered at the EOGM held on 06.09.2017. The Petitioner dissented from the resolutions; however, the resolutions concerning sale of the plant and appointment of the Managing Director were passed by the requisite majority, whereas the proposal for adoption of a new set of Articles of Association was not carried through as it required the

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requisite special majority. It is contended that such lawful exercise of corporate powers does not constitute oppression.

26. The Applicant filed rejoinder and submitted that the Respondents, by virtue of majority control, marginalised her rights and proceeded towards sale of the Company's sole industrial undertaking at Silvassa without her consent, despite the undertaking being operational and generating substantial revenue. The Applicant disputes the allegation that she raised grievances only upon the proposed sale of the undertaking and submitted that her grievances pre-dated the sale proposal. She further stated that her non-participation in management cannot deprive her of her rights as a shareholder.

27. The Applicant denies having any connection with Al ASR Oceanic Ltd. or liability for the alleged outstanding amount of Rs. 28,95,82,686 and submitted that the Respondents have not produced supporting material for such allegations. With regard to the proposed sale, the Applicant relies upon the emails dated 11.09.2017, 16.09.2017 and 02.10.2017 to contend that a Right of First Refusal (ROFR) was agreed to. She submitted that under the ROFR she was required only to

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match the best third-party offer and was not required to make the initial offer.

28. It is contended that once the Company proposed disposal of the undertaking and sought shareholders' approval, all material information and data ought to have been furnished to enable an informed decision. The Applicant disputes the Respondents' allegation that the Petition has been filed with an intention to acquire the Company's assets and submitted that the Petition seeks redressal of acts allegedly committed through unauthorised Board and General Meetings.

29. The Applicant denies that Late Shri Firdosh Punjani alone was responsible for establishing the Company and submitted that the Company was promoted through the collective efforts of its promoters. She also disputes the allegation that the Respondent No.2 group infused the amounts reflected in the Respondents' statement, contending that the figures merely represent year-end outstanding balances. The Applicant further submitted that material information and documents necessary for taking an informed decision regarding disposal of the undertaking were not supplied to her and that the books and accounts were also not furnished despite repeated requests. Applicant specifically contended that the AGM

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dated 30.09.2016, at which Respondent No.2 was appointed as director, was convened behind her back; hence, according to her, the appointment and subsequent acts are illegal.

30. The Respondent filed sur-rejoinder and submitted that The Respondents rely upon the Petitioner's email dated 11.09.2017 and the earlier email dated 15.01.2014 concerning the proposed sale of the plant/property, contending that the same establishes the Petitioner's prior knowledge and interest in the proposed sale. The Respondents further rely upon the email dated 12.09.2013 from the Petitioner's spouse suggesting dissolution of their partnership, to contend that the Petitioner's group had lost interest in the Company's business. The Respondents oppose the Petitioner's claim of Right of First Refusal (ROFR), stating that she voted against the sale resolution and did not submit any concrete offer for purchase of the plant/property. It is submitted that, pursuant to an alleged understanding between Late Shri Firdosh Punjani and Mr. Firdos Contractor, payments from entities connected with the Petitioner's spouse were stopped, resulting in decline in sales, increased fixed expenses and losses to the Company. Reliance is placed on the email dated 10.06.2013 in this regard.

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31. The respondent filed synopsis and place on record documents relating to the alleged direct or indirect connection of certain debtor and creditor entities with the Petitioner and her spouse. It is contended that these facts were not disclosed by the Petitioner and are relevant to the financial difficulties and cash-flow constraints of Respondent No.1 Company.

32. In this regard, the Respondents refer to the list of debtors and creditors and specifically rely upon entities including Millennium Petroleum Trading DMCC, stated to be a subsidiary of Oceanic Petroleum Pvt. Ltd., and Al ASR Oceanic Limited, incorporated in the UAE, which is alleged to be owned/controlled by the Petitioner's spouse. The Respondents submit that substantial amounts remained outstanding from such entities, including more than Rs 28 crore from Al ASR Oceanic Limited.

33. The Respondents accordingly contended that the financial difficulties and alleged irregularities relied upon by the Petitioner were substantially connected with the outstanding dues of entities allegedly associated with her group and not with any oppressive or mala fide conduct on the part of the Respondents.

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34. The order was reserved on 02.04.2026 but it was dereserved on 11.05.2026 to clarify the name of counsels for both the parties. The Applicant filed the pusis and submitted that Adv. Mr. Darshan Varandani is associated with the office of Mr. Jaimin Dave. Adv. Being a senior colleague at the office, Mr. Jaimin R Dave was appearing on his behalf before the Tribunal. The applicant filed the vakalatnama. The Respondent also filed the clarification and submitted NoC from that Mr. Sandip Sheth, Practising Company Secretary.

35. We have heard the counsels for both the sides and perused documents placed on record.

36. Observations

a. Originally the Petitioner was also a director on the Board of Directors of the Respondent no.1. On 1st December 2011, the Petitioner resigned as a director of R No.1.

b. The applicant apparently was not monitoring the affairs of the company or its developments, and only after the death of Mr. Late Shri Firdosh Punjani. Once R 2 took over the directorship of the company as the legal heir of Late Shri Firdosh Punjani, the difference of opinion started between the petitioner and the respondents, particularly on the sale of the land and building of the factory. The respondents have

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submitted that the resolution was dropped and the property is intact.

c. The various allegations made by the applicant are not There apparently seems to be financial weakness in the R 1, but nothing stops the petitioner to offer herself as a Director again instead of asking for various examination of documents and making other allegations which do not substantiate the ground for filing this application under Sec 241-242 of Companies Act. Her being inactive, resigned from directorship and the respondents who had any how majority having control of the company cannot be stated to be reasons for Oppression and Mismanagement.

d. An opportunity was given to both the parties to find a buyer to buy out each other vide order dated 13.11.2025. But there was no progress. Hence matter was heard and reserved.

e. The prayers sought in the application do not survive as we find that it is a mere accusation and no offer has been made to take over the entity from R 2 who is submitted to be young and inexperienced. R 2 has not objected to Petitioner even though it is submitted that he has not informed the petitioner on his becoming a director or appointing R 3 as a director. Thus operation & mismanagement is not proved by

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the applicant. It appears to be an automatic succession as Petitioner has resigned in 2011. In the interest of the company, if both petitioner and R 2 can sit and decide whether to continue the affairs as going concern or file an application for winding up through the respective provisions under Sec 10 of the IBC would be the only solution for the dispute than this adjudicating authority passing any order on its merits of this application.

37. In view of the above, we pass the following order:

ORDER

Company Petition No. 48 of 2018 is rejected and disposed of.

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DR.V. G. VENKATA CHALAPATHY
MEMBER (TECHNICAL)

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CHITRA HANKARE
MEMBER (JUDICIAL)

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