

NATIONAL COMPANY LAW APPELLATE TRIBUNAL
AT CHENNAI

(APPELLATE JURISDICTION)

Company Appeal (AT) (CH) No.129/2025

(IA Nos.1438, 1439 & 1440/2025)

In the matter of:

Mr. Jaber Abdul Wahab
Through his power of attorney holder
Mr. Afdhel Abdul Wahab
Having its registered office at:
Box No.923, Indus House, Chakkorathukilam
Calicut – 673 005.

Mr. Javeed Abdul Wahab
Through his power of attorney
Mr. Afdhel Abdul Wahab
Indus Motor Company Private Limited
Box No.923, Indus House, Chakkorathukilam
Calicut – 673 005.

Mrs. Yasmin Wahab
Through his power of attorney
Mr. Afdhel Abdul Wahab
Indus Motor Company Private Limited
Box No.923, Indus House, Chakkorathukilam
Calicut – 673 005.

... Appellants

V

Mr. T.P. Anilkumar
310 NBQ, Bank Street, Dubai, UAE

Mr. T.P. Ajithkumar
310, NBQ building
Khalid Bin Waleed Road, Duabi, UAE

Mrs. T.P. Sarada
Ashirwad, Florican Road, Calicut

Mrs. Anju Madhav
EL-90, Electronic Zone
MIDC Mahape, Navi Mumbai – 400 710.

...Respondents

Present :

For Appellant : Mr. R. Venkatavaradan, Mr. Alishan Naqvee,
Ms. Rupal Bhatia & Mr. Saurav Chaudhary, Advocates
For Respondents : Mr. PH Arvind Pandian, Senior Advocate
For Ms. Shruti Khanijow,
Ms. Ameer Rana, Prasadhi Agrawal
& Mr. Darshit Sidhabhatti, Advocates for R1 and R3
Mr. Rahul Balaji & Ms. Medha Sachdev,
Advocates for R2 & R4

WITH

Company Appeal (AT) (CH) No.130/2025
(IA Nos.1442 & 1443/2025)

In the matter of:

Mr. Pulikkal Veetil Abdul Wahab
Through his power of attorney
Mr. Afdhel Abdul Wahab
Indus Motor Company Private Limited
Box No.923, Indus House, Chakkorathukulam
Calicut – 673 005.

... Appellants

V

Mr. T.P. Anilkumar
310 NBQ, Bank Street, Dubai, UAE

Mr. T.P. Ajithkumar
310, NBQ building
Khalid Bin Waleed Road, Duabi, UAE

Mrs. T.P. Sarada
Ashirwad, Florican Road, Calicut

Mrs. Anju Madhav
EL-90, Electronic Zone
MIDC Mahape, Navi Mumbai – 400 710.

... Respondents

Present :

For Appellant : Mr. PS Raman, Senior Advocate
For Mr. Alishan Naqvee,
Ms. Rupal Bhatia & Mr. Saurav Chaudhary, Advocates
For Respondents : Mr. PH Arvind Pandian, Senior Advocate
For Ms. Shruti Khanijow,
Ms. Ameer Rana, Prasadhi Agrawal

&Mr. Darshit Sidhabhatti, Advocates for R1 and R3
Mr. Rahul Balaji & Ms.Medha Sachdev,
Advocates for R2 & R4

WITH
Company Appeal (AT) (CH) No.131/2025
(IA Nos.1444 & 1445/2025)

In the matter of:

Indus Motor Company Private Limited
Through its authorised representative
Mr. Afdhel Abdul Wahab
Indus Motor Company Private Limited
Box No.923, Indus House, Chakkorathukulam
Calicut – 673 005.

Mr. Thomas Kuruvilla
Through his power of attorney
Mr. Afdhel Abdul Wahab
Indus Motor Company Private Limited
Box No.923, Indus House, Chakkorathukulam
Calicut – 673 005.

... Appellants

V

Mr. T.P. Anilkumar
310 NBQ, Bank Street, Dubai, UAE

Mr. T.P. Ajithkumar
310, NBQ building
Khalid Bin Waleed Road, Duabi, UAE

Mrs. T.P. Sarada
Ashirwad, Florican Road, Calicut

Mrs. Anju Madhav
EL-90, Electronic Zone
MIDC Mahape, Navi Mumbai – 400 710.

...Respondents

Present :

For Appellant : Mr. Satish Parasaran, Senior Advocate
For Mr. Alishan Naqvee,
Ms. Rupal Bhatia & Mr. Saurav Chaudhary, Advocates
For Respondents : Mr. PH Arvind Pandian, Senior Advocate
For Ms. Shruti Khanijow,
Ms. Ameer Rana, Prasadhi Agrawal

&Mr. Darshit Sidhabhatti, Advocates for R1 and R3
Mr. Rahul Balaji & Ms.Medha Sachdev,
Advocates for R2 & R4

WITH

Company Appeal (AT) (CH) No.132/2025
(IA Nos.1454 & 1455/2025)

In the matter of:

Mr. Ajmal Abdul Wahab
Indus Motor Company Private Limited
Box No.923, Indus House, Chakkorathukulam
Calicut – 673 005.

Mr. Afdhel Abdul Wahab
Indus Motor Company Private Limited
Box No.923, Indus House, Chakkorathukulam
Calicut – 673 005.

... Appellants

V

Mr. T.P. Anilkumar
310 NBQ, Bank Street, Dubai, UAE

Mr. T.P. Ajithkumar
310, NBQ building
Khalid Bin Waleed Road, Duabi, UAE

Mrs. T.P. Sarada
Ashirwad, Florican Road, Calicut

Mrs. Anju Madhav
EL-90, Electronic Zone
MIDC Mahape, Navi Mumbai – 400 710.

...Respondents

Present :

For Appellant : Mr. TK Bhaskar, Mr. Alishan Naqvee,
Ms. Rupal Bhatia, Mr. Saurav Chaudhary
& Mr. Niranjana S Rao, Advocates

For Respondents : Mr. PH Arvind Pandian, Senior Advocate
For Ms. Shruti Khanijow,
Ms. Ameer Rana, Prasadhi Agrawal
&Mr. Darshit Sidhabhatti, Advocates for R1 and R3
Mr. Rahul Balaji & Ms.Medha Sachdev,
Advocates for R2 & R4

ORDER
(Hybrid Mode)

Per: Justice Sharad Kumar Sharma, Member (Judicial)

These are a batch of four Company Appeals, all of them are arising out of the common impugned order of 03.09.2025, as passed by the Learned NCLT, Kochi Bench in CP/02/KOB/2020, being the proceedings that were drawn under Sections 213, 241, 242, 244 & 246 to be read with Sections 337 & 341 of the Companies Act, 2013.

2. The Company Petition, which was thus preferred before the Learned Tribunal, was filed by the petitioner therein who are the Respondents to the Company Appeals under consideration herein that, Comp App (AT) (CH) No.129/2025, 130/2025, 131/2025 & 132/2025. They had filed the Company Petition, primarily, praying for a direction to conduct an independent forensic audit into the affairs of the company being M/s. Indus Motors Company Pvt. Ltd. from the Financial Year 2011-12 onwards till the Financial Year 2018-19 by an independent auditor to be appointed by the Learned Tribunal. In the said Company Petition, a bunch of reliefs were sought, which inter alia contained, a direction to conduct investigation into the affairs of the company by an inspector to be appointed by the Central Government, to declare that the Executive Management of the Company has mismanaged the affairs of the Company i.e., Indus Motors Company Private Limited in a manner, which was prejudicial to the public interest, as well as the interests of the company itself, and a direction to the majority shareholders to recompensate the company for all its losses suffered

by the company along with the interest to be calculated at the rate of 12%, as a consequence of the fraudulent acts, which were said to have been committed by the majority shareholders under Section 242(2) of the Companies Act, 2013, or in the alternative, to order for reduction in the share capital of the company, to the extent of the shareholding of the majority shareholders under Section 242(2)(c) of the Companies Act, 2013, and for the disqualification of majority shareholders as promoters of the Company. Various other such ancillary interim reliefs were also sought in the Company Petition, which had taken the shape of the declarative relief. In the said Company Petition, the petitioners had also prayed for certain interim reliefs, which are given below: -

[The interim reliefs extracted herein below are as placed on record by the Appellants in the Company Appeals]

“Interim Reliefs:

a. The Minority Shareholders respectfully submit that in light of the peculiar circumstances of the present case as narrated above, showing blatant mismanagement of the Company by Respondent Nos. 2 to 6 and oppression of the Minority Shareholders, there is a prima facie case in favour of the Minority Shareholders. In particular, Respondent Nos. 2 to 7's actions and omissions, as detailed above, discloses a concerted and calculated pattern of fraudulent conduct amounting to gross mismanagement of the Company.

b. It is submitted that such acts have caused irreparable harm and injury to the Company by diverting its funds, burdening it with credit, and substantially eroding the net worth of the Company. The Minority Shareholders and Respondent No. 1 Company stand

to suffer irretrievable harm and injury the event such prayers are not granted.

c. In view of the conduct of Respondent Nos. 2 to 7 as the present petition, the Minority Shareholders apprehend that the said Respondents may fraudulently and clandestinely further indulge in activities which will deplete the value of the Company by either creating further liabilities or by indulging in large scale manipulations or fabrications in the records of the Company. Hence, the Minority Shareholders humbly submit that this Hon'ble Tribunal may be pleased to pass the interim orders as prayed. It is submitted that the balance of convenience is squarely in its favour. The facts and circumstances described in the present petition would make it evident that Respondent Nos. 2 to 7 have acted in a manner contrary to their fiduciaries duties to the Company and in the event this Hon'ble Tribunal were to pass the interim orders as prayed, no prejudice would be caused to these Respondents.

d. In light of the above, pending the final disposal of the present petition, this Hon'ble. Tribunal may be pleased to pass the following orders to:

i. Direct the Respondents to permit the Petitioner Nos. 1 and 2 to exercise their rights as a Director of the Company including to conduct inspection of the books of account and other statutory records maintained by the Company at the

xvi. A Special Officer/Administrator be appointed to take charge custody and control of all books, records and documents as also assets and properties of the Company with a direction to make an inventory of the same and with further direction to initial all such books, records and documents;

xvii. Injunction restraining the respondents from using the fund of the Company for the purpose of the instant litigation in any manner whatsoever,

xviii. Ad-interim orders in terms of prayers above; and
xix. Such further order or orders and/or direction or directions as
this Hon'ble Tribunal may deem fit and proper.”

3. Apart from it, when the Company Petition was pending consideration, before the Tribunal, there were various other interlocutory applications, which came up for consideration, being IA(C/Act)/159/KOB/2024, IA(C/Act)/178/KOB/2024 & IA(C/Act)/17/KOB/2025.

4. The Company Petition is still pending consideration; however, the impugned order, which is the subject matter of challenge in the instant Company Appeal, being that of 03.09.2025 is with regard to the order, which has been passed on the aforesaid interlocutory applications in CP/02/KOB/2020.

5. The backdrop under which the Company Petition was preferred is that the petitioners who are the Respondents in Comp App (AT) (CH) No.129/2025 contended that they are the minority shareholders of M/s. Indus Motors Company Pvt. Ltd. (herein referred to as the ‘company’, Respondent No.1 Company therein) claim to have been collectively holding 20% of the issued, subscribed and fully paid-up equity share capital of the Company, and each of the petitioners claim to be holding 5% of shares. In contrast, the majority shareholders i.e., Respondent Nos.2-6 & 8 to the Company Petition, who are shown to be collectively holding 59.83% shares, with Respondent No.2 to the Company Petition, as the Managing Director and the Executive Chairman holding 59.08% and Respondent Nos.3-6 & 8 to the Company Petition holding 0.13% each. The Respondent No.8 to the Company Petition is the non-executive director, and the

wife of Respondent No.2 to the Company Petition, and Respondent No.7 to the Company Petition was the chief executive officer.

6. The Petitioners/Respondents herein had alleged in the Company Petition of misuse of their position by the majority shareholders of the Company and perpetuation of the fraud over the years and that despite the repeated objections raised by them against the majority shareholders regarding the poor corporate governance of the company, but the same was deliberately ignored for a sufficiently long time and that owing gross misutilisation of funds and resources, substantial loss was caused to the company. The petitioners contended that the Respondent No.2 to the Company Petition had violated Section 184 of the Companies Act, 2013, as he did not disclose the interest in multiple related party transactions, and that the financial statements failed to provide adequate details of the related party transactions. They had stated that the statements for the Financial Year 2017-18, included the transactions with Malabar Gold Private Limited, without any explanation given about the same, even though the detailed transaction was placed on board, in the proceedings before the Company Petition, the Petitioners/Respondents herein in the Comp App (AT) (CH) No.129/2025. The petitioners have further alleged that the Respondents therein failed to disclose various transactions entered into by them, have conducted various board meetings without notice to the petitioners and have committed any such acts detrimental to the interests of the company. It was alleged that the Respondents therein have initiated the arbitration proceedings against the petitioners under the arbitration

clause of the Memorandum of Understanding drawn up in 2007, alleging that the petitioners had breached their obligations under the Memorandum of Understanding.

7. On the other hand, it is the case of the Appellants/Respondents, that the company had incurred various losses. In 1998, Respondent No.2 therein stepped into the company & then company become profitable. In 2007, a Memorandum of Understanding was signed between Respondent No.2 to the Company Petition, Respondent No.2 herein/Petitioner No.2, Mr. Haji & Mr. P.A. Hamza, detailing the management and transfer of shares in the company. It is their case that the petitioners have breached obligations under 2007 and have made allegations against them. Accordingly, the Appellants/Respondents therein came up with a case that the petitioners are the ones who have to be blamed upon having deliberately omitted Mr. PA Hamza and the directors from Mr. PA Ibrahim Haji's family, to avoid objections under the arbitration agreement in 2007 Memorandum of Understanding. It was under the intricate factual backdrop that the Company Petition was preferred with the following reliefs: -

“V. Relief Sought:

Final Reliefs

In light of the facts and circumstances of the case, the Minority Shareholders most respectfully pray that this Hon'ble Tribunal may be pleased to grant the following reliefs:

- a) A direct and independent forensic audit into the affairs of the Company from the F.Y. 2011-12 till the F.Y. 2018-19 by an independent auditor appointed by the Hon'ble Tribunal preferably from one of the big four auditing terms;*

- b) *Direct the investigation into affairs of the Company by an inspector appointed by the Central Government.*
- c) *Declare that the Executive Management of the Company have mismanaged the affairs of the Respondent No.1 Company in a manner prejudicial to public interest and interests of the Company and have acted oppressively;*
- d) *Direct Majority shareholders to recompense the Company for all losses suffered by the Company along with an interest calculated thereon at the rate of 12% (twelve percent), as a consequence of the fraudulent, unlawful and wrongful sets or omission of the Majority Shareholders, under Section 242 (2) of the Companies Act, 2013;*
- e) *In alternative, order reduction in the share capital of the Company to the extent of the shareholding of the Majority Shareholders under Section 242(2)(c) of the Companies Act, 2013;*
- f) *Disqualification of Majority Shareholders as promoters of the Company and/or from voting in the Company as shareholders of the Company.*
- g) *Direct recovery of undue Rains made by the Executive Management of the Company, including the management fee paid to the Executive Management of the along with an interest calculated thereon at the rate of 12% (twelve percent) and payment thereof to the Company under Section 242 (2) (i) of the Companies Act, 2013;*
- h) *Remove Majority Shareholders as director of the Company under Section 242 (2) (h) of the Companies Act, 2013;*
- i) *Direct the Respondent No. 2 to offer the 6.4% shares of the Company not purchased by Mr. P.A. Hamza and currently in the custody of Respondent No. 2 to be purchased by the other shareholders of the Company at the exercise price of*

Rs. 137.23 (Rupees One Hundred Thirty Seven point Two Three);

- j) Direct the Respondent No. 2 to transfer, the amount of dividend received by him in relation to the 6.4% equity shares of the Company not purchased by Mr. P.A. Hamza to Respondent No. 1 along with an interest calculated thereon at the rate of 12% (twelve percent).*
- k) Direct enquiry into the conduct of the Majority Shareholders and order to repay or restore the money or property or any part thereof by the said Respondents, with interest at such rate as the Hon'ble Bench considers just and proper, or to contribute such sum to the assets of the Respondent No. 1 by way of compensation in respect of the misapplication, retainer, misfeasance or breach of trust, as the Hon'ble Bench considers just and proper.*
- l) Direct the Executive Management of the Company to make a public announcement to the effect that the Company is an independent entity and is not a part of Bridgeway/Peeves Group.*
- m) Direct Respondent Nos. 2 to 8 to compensate the Company for damages incurred by it due to the unauthorised use of the registered trademark of the Company by companies belonging to the Bridgeway/Peeves Group.*
- n) The Board of Directors of the Company be superseded and an Administrator and/or Special Officer be appointed to take charge over the management and affairs of the Company and of all books, papers, records and documents of the Company as well as its assets and properties; or Alternatively, a Committee be constituted by this Hon'ble Board consisting of the representatives of the petitioners to function as such Administrator and/or Special Officer for management and control of the affairs of the Company on*

such terms and conditions as to this Hon'ble Benchs may deem fit and proper;

- o) To restrain the Respondents 2 to 8 from permanently dealing with the properties of Respondent No. 1 in any manner whatsoever.*
- P) Declare that the Respondents 2 to 8 are jointly or severally liable for all damages / losses caused to the Respondent No. 1 by way of diverting and siphoning off funds through the Respondents 2 to 6 and Respondent No. 8, as determined by the independent auditor appointed by this Hon'ble Bench.*
- q) To direct the Respondents to strictly comply with the Memorandum and Articles of Association of the Company and not to pass any resolution, either in a board meeting or general body meeting or by way of a circular resolution, ultra vires the Memorandum and Articles of Association of the Company.*
- r) Declare that the Majority Shareholders had indulged in fraudulent activities as listed out under Sections 337 to 339 of the Act and accordingly penalize the said Respondents for such fraudulent activities as provided in the sections.*
- s) Pass such other and further orders, as this Hon'ble Tribunal may deem fit and proper in the facts and circumstances of the case.”*

8. Prime allegations which could be summarised are in the following manner: -

(i) Misutilisation of funds in M/s. Aster DM Healthcare IPO.

(ii) Unauthorised use of the resources of the Company, at the cost of the Company and its stakeholders, for the benefit of the majority shareholders.

(iii) Unauthorised loans and pay-outs to the directors and to the other related parties.

(iv) Unauthorised siphoning of funds under the garb of corporate social responsibility contribution, without disclosure of its details.

(v) Non-disclosure of the particulars of related party transactions.

(vi) Conducting of board meetings without notice to all the directors.

(vii) Conducting of the Annual General Meetings without notice to all shareholders.

(viii) Non-appointment of the whole-time company secretary, within time as per law.

(ix) Usurping of shares of Mr. P.A. Hamza and Mrs. Fareeda Hamza.

(x) Issues with relation to statutory auditor resignation and subsequent appointment.

(xi) Continuation of disqualified directors.

(xii) Discriminatory and unfair practices contrary to law, thereby profiting the majority shareholders.

(xiii) Issues highlighted in the Internal Audit Report by KPMG for the Financial Year 2021-22.

(xiv) Highlighting the anomalies as pointed by the advocate commissioner report and manipulative practices favouring majority shareholders.

9. At the initial stage of the proceedings of the Company Petition, there were various interlocutory applications, which has been considered and decided

by the impugned order of 03.09.2025. These interlocutory applications are described in brief below: -

(i) **IA(C/Act)/159/KOB/2024**, that was preferred on 27.08.2024 for the following reliefs: -

“5. Relief(s) Sought:

In view of the above, the Applicants most respectfully pray before this Hon’ble Tribunal, as under:

- A. Pass an appropriate order(s) appointing an independent and reputed valuer(s), or registered valuer(s) as per Section 247 of the Companies Act, 2013, to conduct fair valuation of the Applicant No.1 company and submit the same before this Hon’ble Tribunal to facilitate exit of the Respondents herein (Petitioners in the captioned Company Petition) from the Applicant No.1 company;*
- B. Pass an appropriate order(s) directing the Respondents herein (Petitioners in the captioned Company Petition) to exit the Applicant No.1 company at the valuation conducted and submitted by the valuer(s) appointed by this Hon’ble Tribunal in terms of prayer A. above; and*
- C. Pass any other order/orders as this Hon’ble Tribunal may deem fit in the facts and circumstances of the case and in the interest of justice and equity.”*

It was filed by Respondent No.1 company, to the Company Petition along with other Respondents as against the Petitioners to the Company Petition i.e., the Respondents in the Company Appeal, wherein they had prayed for seeking an appropriate direction appointing an independent and reputed valuer(s) or registered valuer(s) as per Section 247 of the Companies Act, 2013, and to conduct fair valuation of the Applicant No.1 Company (M/s. Indus Motors Company Pvt. Ltd.) and to submit its report before the Learned Tribunal to

facilitate exit of the petitioners in the Company Petition (the Respondents to the Company Appeal). Further a prayer was sought for directing the Respondents to the application i.e., the petitioners to the Company Petition and the Respondents to the Company Appeal, to exit the Applicant No.1/Respondent No.1 Company at the valuation conducted and submitted by the valuers, as being appointed by the Tribunal.

(ii) Another IA was filed, being **IA/(C/Act)/178/KOB/2024** on 26.09.2024 for the following reliefs: -

“5. Relief(s) Sought:

In view of the above, the Applicants most respectfully pray before this Hon’ble Tribunal, as under:

- C. Pass an appropriate interim order(s) directing the Respondents herein (Petitioners in the captioned Company Petition) to immediately provide cash collaterals, non-cash collaterals and personal guarantees in proportion to their shareholding in the Applicant No.1 company as per the terms of 2007 MoU; and*
- D. Pass any other order/orders as this Hon’ble Tribunal may deem fit in the facts and circumstances of the case and in the interest of justice and equity.”*

This was filed by the Applicant No.1/Respondent No.1 to the Company Petition, by invoking the provisions contained under Rule 11 of the NCLT Rules, wherein the applicant sought direction to be issued to the Respondents to the application i.e., the petitioners to the Company Petition and the Respondent to the Company Appeal to provide cash collateral and non-cash collateral personal guarantees in proportion to their shareholdings in the Applicant No.1 Company as per the terms of 2007 Memorandum of Understanding.

(iii) The third Interlocutory Application, which came up for consideration before the Tribunal while passing the impugned order, was **IA(C/Act)/17/KOB/2025**, which was filed on 11.02.2025, wherein the Applicant to the application/Petitioners to the Company Petition have prayed for grant of host of interim reliefs which, inter alia include prayers that the board of Respondent No.1 Company be superseded and by way of an interim measure, the administrator or a special officer be appointed to take charge over the management and the affairs of the company, or in the alternative, a committee consisting of the representatives of the petitioners be constituted to function as an interim administrator/special officer for the management and control of the affairs of Respondent No.1 Company. Besides that, an injunction was also sought as against the Respondent No.1 Company, and Respondent Nos.2 to 8 to the Company Petition not to act upon the Agenda No.1 of the EGM scheduled to be held on 03.03.2025, pertaining to the re-appointment of Respondent No.2 to the Company Petition as the Managing Director of the company and it was also prayed to declare the Agenda Item Nos.7 & 8 of the 269th board meeting of the Respondent No.1 company and other resolutions passed therein, to be null and void. In a nutshell, the reliefs sought in the said application were the following: -

“PRAYERS

41. In light of the above, the Petitioners most humbly pray that pending the final disposal of the present Petition, this Hon'ble Tribunal may be pleased to:

(A) Grant interim relief in terms of para d (vi) of the Petition till the disposal of the said Petition, in as much as, the Board of Directors of the Respondent No. 1 Company be superseded and an Interim Administrator and/or Special Officer be appointed to take charge over the management and affairs of the Company and of all books, papers, records and documents of the Company as well as its assets and properties;

(B) Alternatively, constitute a Committee consisting of the representatives of the Petitioners to function as Interim Administrator and/or Special Officer for management and control of affairs of the Respondent No. 1 Company, till disposal of the Petition in terms of interim relief d (vii) sought in the Petition;

(C) Grant urgent interim injunction against Respondent No. 1 Company and Respondent Nos. 2 to 8 from taking up, passing, adopting, effectuating and/or taking any further steps with regard to Agenda Item No. 1 of the Notice for the Extraordinary General Meeting scheduled on 03.03.2025 pertaining to re-appointment of Respondent No. 2 as Managing Director of the Company and/ or any resolution passed thereto at the Board Meeting dated 07.02.2025 or any other subsequent Board Meeting;

(D) Declare Agenda Item Nos. 7 and 8 of the Notice for 269th Board Meeting of the Respondent No. 1 Company and the resolutions passed thereto as null, void and illegal and restrain Respondent Nos. 1 to 8 from taking any action in pursuance thereof including but not limited to taking up, passing, adopting, effectuating and/ or taking any further steps with regard to the said Agenda Item Nos. 7 and 8 including passing Agenda Item No. 1 of the Notice for the Extraordinary General Meeting pertaining to re-appointment of Respondent No. 2 as Managing Director of the Company on 03.03.2025 or at any other general meeting;

(E) In the alternative, keep in abeyance during the pendency of this Petition, resolutions passed in Agenda Item Nos. 7 and 8 and their contents at the 269th Board Meeting of the Company or any such subsequent board meeting or general meeting including but not limited to the extraordinary general meeting dated 03.03.2025;

(F) Restrain Respondent No. 2 from acting in any managerial or executive capacity at the Respondent No. 1, including but not limited to as Whole time Director or Managing Director such that he controls or effectively controls the affairs of the Respondent No. 1 Company;

(G) Direct Respondent No. 2 to repatriate/ reimburse Respondent No. 1 Company forthwith the illegally gained monies as remuneration in capacity of Managing Director between 1 July 2020 to 23 July 2024 in gross violation of Section 196 of the Companies Act, along with 12% interest from the date of contravention of Section 196 of the Companies Act, 2013 upto the date of payment and any other funds thereto related to Respondent No. 2's illegal acts and omissions under the law upto 2024;

(H) Restrain Respondent Nos. 2 to 8 from acting against the interests of the Company, in as much as appointing Respondent No. 2 as Managing Director of the Company despite him having illegally gained more than INR 19 Crores as Managing Director of the Company between 2020 and 2024 in violation of Section 196 of the Companies Act, 2013;

(I) Direct Respondent No. 1 Company to remove Respondent Nos. 5 and 6 as Directors of the Company who are disqualified as such under Sections 164(2)(a) and 167(1)(a) of Companies Act, 2013 and take all necessary steps under the law and make appropriate filings before the Registrar of Companies to reflect amended Board of Directors in accordance with Companies Act, 2013;

(J) Restrain Respondent Nos. 2, 5 and 6 from acting in any managerial or executive capacity at the Respondent No. 1, including but not limited to as Whole time Director or Managing Director such that they controls or effectively controls the affairs of the Respondent No. 1 Company; and

(K) Grant any other relief that this Hon'ble Tribunal deems fit in the facts and circumstances of the present case.”

10. All these interlocutory applications, have been decided together by the Learned Tribunal by the impugned order of 03.09.2025, where the Learned

Tribunal has issued directions to Respondent Nos.2 to 6 & 8 of the Company Petition, to refund to Respondent No.1 company the sum of Rs.2,37,66,000/- along with the interest payable on it at the rate of 12% per annum and to refund all types of remuneration and monetary benefits including the premium and management fees received by them for the periods they were disqualified from holding their respective positions in the company to the Respondent No.1 company, along with the interest payable on it at the rate of 6% per annum, failing which the company would be entitled to initiate the necessary steps for redemption of shares to reduce their shareholdings held by the defaulting Respondents to the extent of their liability.

11. Besides that, Learned Tribunal, after observing that since both parties have expressed their dissatisfaction to the Forensic Audit Report, as expressed by them, by filing an objection to it, the matter requires comprehensive investigation by the Central Government into all alleged financial and managerial irregularities including those highlighted by the Auditors in the light of the evidence on record, indicating the alleged payments that were said to have been made in Dubai in connection with the affairs of the company incorporated in India proceeded to issue directions directing the Ministry of Corporate Affairs to initiate a thorough investigation into the affairs of Respondent No.1 company for the period starting from 2011-2012 onwards by appointing competent and duly qualified inspectors. Lastly, the Tribunal had proceeded to pass an order of appointing an administrator to safeguard the interest of the company and its stakeholders and appointed a

former Judge of the Hon'ble Kerala High Court, to function as an administrator subject to the terms and conditions as given in the impugned order.

12. The Company Appeal CA (AT) (CH) No.129/2025 is filed by the Appellants who are directors and shareholders of the company Indus Motor Company Pvt. Ltd. The Appeal is accompanied with **IA No.1438/2025**, where the Appellants, who are the Respondents in the Company Petition, had prayed for staying the effect and operation of the impugned order dated 03.09.2025, as it has been rendered in CP/02/KOB/2020 and also in the interlocutory applications as detailed above.

13. In the connected Company Appeal, being **Comp App (AT) (CH) No.130/2025**, which has been preferred by the Appellant, who is the majority shareholder, managing director and chairman of the said company. He is also Respondent No.2 to the Company Petition, challenges the impugned order of 03.09.2025, and the orders that were passed on interlocutory applications which have been detailed above, contending thereof that, the orders and the observations, which has been made by the Learned NCLT, while passing the impugned order, have far-reaching and disproportionate consequences on the functioning of the Wahab Group. He has submitted that directors and shareholders of the Respondent No.1 Company, who had already approached the Hon'ble High Court of Kerala by filing **Writ Petition (C) No.33123/2025** for staying of the impugned order and that the Hon'ble High Court of Kerala, by an order of 10.09.2025, was pleased to keep the impugned order of 03.09.2025 in

abeyance for a period of two weeks from the date of issuance of a certified copy of the impugned order in order to enable the petitioner to prefer the Company Appeal before the Appellate Tribunal. Hence, the Appellant (Respondent No.2 to the Company Petition) had filed the instant Company Appeal on 25.09.2025, questioning the propriety of the impugned order dated 03.09.2025.

14. Primarily, the challenge given by the Appellant in the Comp App (AT) (CH) No.130/2025 is to the observations and the findings those have been recorded by the Learned Tribunal, while passing the impugned order. He has contended that apart from the fact that the impugned order was passed by the Tribunal ignoring/overlooking the facts and evidence which were already brought on record by him and other Appellants in the connected Appeals, the Tribunal, while passing the impugned order by holding thereof that the Tribunal erred in treating both the parties unequally and in reference thereto he has placed reliance to para 184 of the impugned order contending thereof that the observation that has been made in para 184 of the impugned order, with regards to the following effect, would be bad in the eyes of law, because it was based upon a misreading of the pleading, as the Tribunal had ignored to consider submission of the Appellant as recorded in para 78 of the impugned order. It was also contended that the Learned NCLT ignored the submission made by this Appellant, vacation of the office of Respondent No.1 & 2 as having failed in the discharge of their responsibility of directors & disqualified the Appellants from being directors would be bad in the eyes of law.

“... .. However, despite a direct and specific query posed by the Tribunal, learned counsel for the Petitioners has failed to furnish any cogent explanation regarding the precise nature, legal basis, and purpose of such remittance

Such opacity undermines the credibility of both groups and necessitates closer judicial scrutiny.”

15. The Appellant submitted that the impugned order was bad because there was no finding of any pattern of alleged acts which would be amounting to oppression and mismanagement still in the absence of which various directions have been issued, even in respect of isolated allegations, which were clearly time-barred. The Appellant submitted that the finding recorded by the Learned Tribunal would be perverse and contrary to the record for the reason being that he claimed that he continued to function as a managing director in the company because of the order dated 17.01.2020 of the NCLT, directing the parties to maintain status quo in all aspects, and restricting the status quo order with regard to the status to the management of the company. This Company Appeal too is accompanied with a stay application being IA No.1443/2025, where the Appellant Pulikkal Veetil Abdul Wahab has sought the stay of the impugned order under challenge.

16. The connected **Comp App (AT) (CH) No.131/2025**, too arises out of the same impugned order dated 03.09.2025, passed in the aforesaid Company Petition. The Company Appeal has been preferred by the Appellant Nos.1 & 2, who are the Indus Motor Company Pvt. Ltd. and its Chief Executive Officer respectively. They are also the Respondent Nos.1 & 7 respectively in the

Company Petition. Primarily, they have raised their grievances qua the unwarranted investigation, which has been directed to be conducted by the Central Government into the affairs of the Appellant No.1 Company, as per the directions issued by the Learned NCLT under Section 213 of the Companies Act, 2013, and also as against the appointment of an administrator to exercise control and supervision over the working of a successful and profit making Respondent No.1 Maruti Dealership of India (the Appellant No.1 Company). They have also challenged the direction issued for the refund with the interest, the remuneration that were allegedly received by Mr. Pulikkal Veetil Abdul Wahab and, by the other shareholders and directors of the Wahab Group of Appellant No.1 Company. While raising the challenge against the impugned order, by filing the Company Appeal, the Appellants too referred to the filing of the Writ Petition being **Writ Petition No.33123/2025**, preferred before the Hon'ble Kerala High Court, where the interim order was initially granted on 10.09.2025, with the liberty left open to approach this Appellate Tribunal (NCLAT). They have submitted that the directions of appointment of an administrator was contrary to the very spirit of the provisions contained under Sections 241 & 242 of the Companies Act, 2013, and the underlining fundamental principles that the interest of the company, should be kept paramount while making any order under the said section so that, it may not have a damaging impact on the reputation and potential business activities. Besides that, they have submitted that if the impugned order is permitted to be implemented, the business of the Appellant No.1 Company

would suffer from all the fronts viz the advances towards the booking of the cars of the customers, as well as the management of the inventory and other financial transactions and various other factors relating to the business affairs of Respondent No.1 Company in the Company Petition (the Appellant herein).

17. This Company Appeal too is accompanied with a stay application, being **IA No.1445/2025**, where Appellants have sought a stay of the effect and operation of the impugned order, almost on identical grounds which have been pleaded in the other Company Appeals, contending thereof that the balance of convenience lies in their favour, because if the impugned order of 03.09.2025 is permitted to be implemented, it will cause an irreparable injury so far as it relates to the reputation and the conduct of business of the Appellant No.1 Company.

18. In **Comp App (AT) (CH) No.132/2025** has been preferred by Mr. Ajmal Abdul Wahab & Mr. Afdhel Abdul Wahab, who are executive directors and shareholders of the company and also the Respondent Nos.5 & 6 to the Company Petition. They have also questioned the directions for unwarranted investigation, which has been directed to be conducted by an investigation agency to be appointed by the Government of India to investigate into the affairs of the Respondent No.1 Company and also with regard to the appointment of an administrator to exercise control and supervision over the functioning of the Respondent No.1 Company, which is one of the leading dealers in the Maruti Dealership in India, besides questioning the propriety of direction to refund the remuneration payable to the Managing Director, Mr. Pulikkal Veetil Abdul

Wahab, on the ground that there was no necessity for appointment of an administrator to supervise the functioning of the Respondent No.1 Company to the Company Petition. They have also pleaded various other grounds in the said Company Appeal for setting aside the impugned order and for seeking the stay of the impugned order as it has been prayed for in **IA No.1455/2025**, wherein the prayer has been made to stay the effect and operation of the impugned order passed by the Tribunal.

19. Heard Learned Counsel for the parties at length on an issue for the grant of stay. If the conclusions derived by the Learned Tribunal in the impugned order of 03.09.2025 are taken into consideration. Primarily, it contained the following effective directions: -

*“277. The Respondents are held liable for the loss sustained by the Company due to the unauthorized investment in Aster DM Healthcare. **The Respondents No.2 to 6 and 8 are hereby directed to refund to Respondent No.1. Company the sum of Rs. 2,37,66,000 (Rupees Two Crores Thirty-Seven Lakhs Sixty-Six Thousand only), along with interest at the rate of 12% per annum, with monthly rest from the date of investment till payment, within a period of three months from the date of receipt of this order.***

278. It is hereby directed that the all types of remuneration and monetary benefits including management fees received by Respondent No. 2 in his capacity as Managing Director after attaining the age of seventy years on 01.07.2020, during which period he was statutorily disqualified from holding such office in the absence of a valid special resolution as mandated under Section 196(3) of the Companies Act, 2013, shall stand refunded to the Company. Similarly, any remuneration, fees, or monetary benefits

*paid to Respondent No. 5 and Respondent No. 6 during the period of their disqualification under Sections 164(2)(a) and 167(1)(a) of the Companies Act, 2013, consequent to the default in statutory filings by IndusGo Mobility and Technology (India) Private Limited, shall also be refunded to the Company. **The Respondent No. 2, Respondent No. 5, and Respondent No. 6 are hereby directed to return the entire amount of such remuneration and all benefits, including the premium and entire management fees, to the Respondent No.1 Company, along with simple interest at the rate of 6% per annum from the date of the payment, within three months from the date of this order.***

279. It is important to mention and clarify that different rates of interest have been awarded for the various reliefs granted in this Order. The reason for such differentiation lies in the nature of the underlying transactions. The investment in Aster DM Healthcare was a deliberate and conscious act aimed at the undue enrichment of another entity at the expense of the Company. Such an investment cannot, by any stretch of the imagination, be regarded as having been made in good faith. In contrast, the other cases involve amounts that became recoverable due to statutory directives and instances of non-compliance, without the same element of deliberate misconduct.

280. If the amounts are not refunded to the Company within the stipulated period of three months from the date of this Order, the Company shall be entitled to initiate necessary steps for the redemption of shares to reduce their shareholdings held by the defaulting Respondents, to the extent of their liability, subject to compliance with the applicable statutory provisions and based on a valuation conducted by an independent valuer.

281. Further, it is directed that the Company shall constitute a CSR Committee strictly as per the Companies Act,2013, and other applicable laws. The said Committee shall be responsible for

recommending and overseeing the utilisation of CSR funds in the future.

282. There is no evidence that Respondent No. 1 Company ever merged with Bridgeway or Peeves Group. The mere fact that some shareholders may have an Interest in these other companies does not justify attributing any association or merger between Respondent No. 1 and those entities. Furthermore, the past actions of the petitioners shall not operate as an estoppel against them in future proceedings. Therefore, we find merit in the prayer under clause (1). As there is no material on record to suggest that Indus Motors ever decided to form a group with the other two companies, the mere fact that the Managing Director of the Indus Group or his family holds some interest in another company does not, by itself, render Indus Motors a group company of the others. A person may be a director in multiple companies, but this alone does not entitle the other companies to treat all such companies as group companies. Accordingly, this Tribunal deems it fit and proper to grant liberty to Respondent No. 1 Company to issue a public notice clarifying that Indus Motors is not a group company of Bridgeway and Peeves Group of Companies and to take all such steps to undo such claims of other entities.

283. The findings and observations made in paragraphs 260 to 267 supra are reiterated, and parties shall be bound by the same. Considering all the facts and circumstances of the case, including the long-standing association between the Petitioners and the Respondents, and with a view to affording them time to reconcile and work together for the betterment and development of Respondent No.1 Company, this Tribunal deems it just and proper to defer the buyback offer or exit option as come in supra in paragraphs 260 to 267 for a period of 6 months. During this period, if the parties, through mutual consent or upon mediation agree to continue with the existing shareholding pattern or adopt a modified arrangement for

the smooth and coordinated functioning of Respondent Ne Company, they may do so. However, in the event parties fail to arrive at a mutual consensus, as discussed supra in paragraphs 260 to 267, it shall be open to either party to invoke this order, and the parties shall be bound to do so, and findings so recorded shall be binding upon them.

284. Once both parties, despite relying on the forensic audit report, expressed their dissatisfaction by filing objections against it, it became Imperative to direct an investigation by the Central Government to examine the matter in greater depth. particularly in light of the evidence on record indicating alleged payments made in Dubai in connection with the affairs of a company Incorporated in India. All financial and managerial irregularities including highlighted by the auditors, warrant a detailed investigation by the Central Government to uncover the truth. Upon careful consideration of the facts and circumstances on record, it is evident that acts of oppression and mismanagement have occurred within Respondent No. 1 Company. Considering the seriousness of the allegations, the additional reliefs sought by the Petitioners shall be considered following the outcome of a comprehensive investigation to be conducted by the Central Government under the relevant provisions of the Companies Act, 2013. At this stage, no further relief is being granted. However, liberty is granted to the parties to approach this Tribunal afresh upon conclusion of the said investigation.

285. Accordingly, in exercise of the powers conferred under Section 213 of the Companies Act, 2013, this Bench directs the Ministry of Corporate Affairs to initiate a thorough investigation into the affairs of Respondent No. 1 Company by appointing competent and duly qualified Inspectors for this purpose, covering the period since the financial year 2011-12. If the Ministry of Corporate Affairs deems it appropriate, it may alternatively and simultaneously

proceed under Section 212 of the Companies Act, 2013, and appoint any other competent investigative authority as it considers fit for conducting the investigation. It is expected that the central agency will be able to summon all concerned parties who have benefited from such funds and those who have returned the funds to the Company, to ensure the end use of the funds of the Respondent No.1 Company.”

20. Under the basic principles of law, whenever a court created under a law is adjudicating upon the rights of the parties, be it at an interlocutory stage or at the stage of final disposal of the proceedings, it is duty-bound to consider and record its finding based upon the evidence and its consideration to arrive at a conclusion while recording a finding about a particular ratio or an action. Any conclusion which is derived by the Tribunal or the Court, without assigning reasons, cannot be read in the eyes of law, for the reason being that once such an order is put to test at an Appellate forum, it is always the disclosure of the mind of the Tribunal based upon consideration of material which is to be considered by the Appellate Tribunal as to how and under what logic the Tribunal has recorded its finding and proceeded to pass the order. In the instant case, the sole reason given by the Tribunal has been that its order would protect the interests of the company and its stakeholders. There is nothing on record to show as to how and in what manner the Tribunal had arrived at the said conclusion, and upon consideration of which material. Nor the Tribunal has recorded any logic or reasoning as to how the Tribunal has substituted its finding to infer that the nature of the interim order passed by the Tribunal would protect the interest of the

company or its stakeholders. Rationality for the appointment of an administrator was required to be considered under the given facts of the case, and since in the impugned order, the facts have not been considered it would rather make the controversy more complicated rather than resolving it. Even though the Tribunal has observed that it intends to protect the interest of the company there is nothing recorded in the finding in the impugned order as to how it would safeguard the interest by appointment of the administrator, and therefore the impugned order would be bad in the eyes of law. Attachment of logic to a conclusion arrived by the Tribunal, imparts transparency to the order, and also helps in clearing doubt if any of parties, who be adversely affected by the order. The aim of any judicial order is to make the parties understand as to what are the reasons that makes the Tribunal or Court to pass a particular order. It may be kept in mind that such exercise helps in building trust between the litigant and the justice dispensation system, which is manifestly lacking in the impugned order.

21. The Learned Tribunal, had proceeded on the basis of a solitary observation, that it intends to protect the interests of the company and its stakeholders, and accordingly had directed for a comprehensive investigation, and had appointed the administrator Hon'ble Justice S. Siri Jagan, the Retired Judge of the Hon'ble High Court of Kerala, subject to certain terms and conditions, which are given therein. If we scrutinise the reasoning, which has been assigned by the Learned Tribunal, behind the appointment of an administrator, we don't find any correlation of the same with any other set of

findings recorded pertaining to the necessity of carrying out the investigation or the aspect pertaining to the refund of remuneration and payments made to directors as directed by the impugned order. All these directions have serious repercussions and hence should be backed by sound reasoning. So far as the directions issued for conducting the investigation with regard to various financial transactions leading to alleged financial in prosperity, allegedly disproportionate payments made to directors and infructuous investments as observed in para 277 onwards in the impugned order are concerned, they can be held to be prima facie in the tune with the functioning of the company, as well as for the purposes of the effective adjudication of the Company Petition. However, there was no necessity for the Learned Tribunal to appoint an administrator, and that, too who is not an expert in the commercial field, who may not be able to effectively deal with intricate commercial aspects involved in running the company and its management and that too when such directions for appointment of an administrator are not backed by any sound reasoning, which will be able to justify the necessity for appointment of the administrator. So far as the impugned order of 03.09.2025 is concerned, looking to the backdrop of the grounds taken by the Appellants in the four connected Company Appeals, where they have commonly challenged the impugned order of 03.09.2025, we feel that at this interim stage, the impugned order dated 03.09.2025, deserves to be stayed so far as it relates to the appointment of the administrator to look into the affairs of the company and the terms and conditions which have been detailed therein

in para 286 of the impugned order. It is made clear that we are not disturbing the observation made by the Tribunal as regards to the necessity of holding an investigation by the Central Government. The said application would stand disposed of. The parties to the Company Appeal may exchange their pleadings.

22. List these Company Appeals on **01.04.2026**.

[Justice Sharad Kumar Sharma]
Member (Judicial)

[Jatindranath Swain]
Member (Technical)

09.03.2026
VG/MS/AK