



**THE REPUBLIC OF UGANDA**  
**IN THE MATTER OF THE COMPANIES ACT CAP 106**  
**AND IN THE MATTER OF THE COMPANIES (POWERS OF THE**  
**REGISTRAR) REGULATIONS SI NO. 71 OF 2016**  
**COMPLAINT IN REGARD TO THE MANAGEMENT OF AFFAIRS OF**  
**MAHASRASHATRA MANDAL KAMPALA UGANDA LIMITED**  
**APPLICATION CAUSE NO. 33081 OF 2025**

- |   |                    |
|---|--------------------|
| <b>1. SHARAD PANCHAPPA BIRAJDAR</b><br><b>2. ANKUSH VIJAYKUMAR SAWANT PATEL</b>   | <b>APPLICANTS</b>  |
| <b>VERSUS</b>   |                    |
| <b>1. BALSURE SUDHIR</b><br><b>2. TALHAN YOGESH</b><br><b>3. KATKAR HANUMANT</b><br><b>4. MAHARASHATRA MANDAL KAMPALA LIMITED :::::</b> | <b>RESPONDENTS</b> |

**RULING**

**Before: Daniel Nasasira – Assistant Registrar of Companies**

**A. Representation**

1. *M/S Verma & Partners represented the Applicants while M/S Greystone Advocates represented the Second and third Respondents.*

**B. Applicant's case**

2. The Applicants brought this matter contending that the affairs of Maharashtra Mandal Kampala Uganda Limited are being run in a manner that is prejudicial to the Company.
3. The Applicants discovered on the 27<sup>th</sup> May 2025 after a Company search at URSB that there were irregularities and illegalities on the file including;

4. An ordinary Resolution dated 02<sup>nd</sup> August 2024 registered on the 10<sup>th</sup> of October 2024 which removed Patel Ankush Vijayumar as a Director of a Company without his consent or knowledge. There was no general meeting called neither was there any resignation tendered in before his removal.
5. An ordinary Resolution dated 02<sup>nd</sup> August 2024 registered on 10<sup>th</sup> October 2024 removing Sagar Sawant and Patel Ankush Vijayumar as members of the Company without their consent, without resignation or a general meeting.
6. An undated Resolution, registered on 06<sup>th</sup> March, 2025 removing Sharad Panchappa Birajadar as Director and member of the company without his consent and knowledge.
7. The Applicants also complained about discrepancies with the income and expenditure of the Ganesh Festival of 2024, and that in violation of Articles 60, 61, 62, 63 and 64 of the Company's constitution, no proper books of accounts have been kept to give a fair view of the state of the Company's affairs and transactions and no auditor has been appointed by the Company. That the treasurer failed to submit an Audit report and maintain accountability and transparency with respect to the received Donations and organizational expenditures.
8. The Applicants also complained that the Secretary failed to submit minutes of meetings. Minutes, where recorded were either unsigned, unofficial and retroactively altered and disseminated through WhatsApp.
9. The Applicants further complained that the Secretary and Treasurer having frustrated the Vice President who is meant to Chair the meetings in absence of the President, called an Annual General Meeting to pass irregular resolutions to remove the Vice President.

#### **B. Respondents Case**

10. The Second and third Respondents filed Statutory Declarations arguing that the Applicants voluntarily resigned from their positions at Maharashtra

Mandal Kampala Uganda Limited. The second Respondent averred that the company respected their decision and duly removed them from its records. The resulting changes and filings were a lawful consequence of their resignations.

11. In response to the allegations concerning the Ganesh Festival income/expenditure report and absence of proper books of accounts, the Second Respondent argued that the said allegations are entirely unfounded and misleading. The complete income and expenditure report related to the 2024 Ganesh Festival was transparently prepared, presented and shared across the official Company Executive Committee forums including on Whatsapp and in physical executive committee meetings. According to the second respondent, these financial statements were discussed, reviewed and adopted without objection from anyone, including the Applicants.
12. According to the second Respondent, it was disingenuous and contradictory for the first Applicant to raise objections regarding discrepancies, having fully participated in the approval process and having endorsed the accounts during his tenure.
13. According to the second Respondent, a thorough audit of the Company's accounts was carried out and both hard and soft copies of the audited financial statements are readily available for review by any member or regulatory authority.
14. The second Respondent averred that all allegations touching financial matters appear to be an afterthought, devoid of factual support and motivated by personal animosity or political interests solely by the first Applicant rather than a genuine concern for financial transparency.
15. The second Respondent strongly denied the allegation of mismanagement of the Company by the third Respondent and himself. He argued that Sudhir Balsure continues to serve as the duly recognized Chairman of the Company and has consistently provided strategic direction and oversight to the Executive Committee. All major decisions and administrative actions were taken with his

knowledge, consent and under proper Executive Committee resolutions in accordance with the Company constitution.

16. According to the second Respondent, the allegation that he and the Secretary frustrated the functioning or role of the Vice Chairperson (VC), Mrs. Reena Kore is entirely false and legally baseless. On the contrary, the second Respondent argued that the Executive Committee always supported the Vice Chairperson, including accommodating her personal requests for rescheduling meetings and adjusting timelines on multiple occasions.
17. The Second Respondent contended that the Complaint filed by the Applicants was baseless and prayed that the same be dismissed.
18. The third Respondent averred that the first Applicant's signature was neither fabricated as alleged.
19. The third Respondent argued that due to these misunderstandings, there was an attempt by the parties to resolve the matter amicably in the interest of unity and continuity of the Company. A meeting between the parties was held on the 24<sup>th</sup> day of June 2025 in which the third Respondent was requested to resign, and in return, the complainants would withdraw any of the criminal proceeding claims that had been instituted. Unfortunately, the third Respondent contends his Police Bond was cancelled and he was arraigned in Court to answer charges instituted by the Complainants/Applicants that he deemed baseless.

#### **D. Schedules**

20. On receipt of all relevant pleadings, I instructed both counsel to present written submissions and issued schedules as below;
  - a) *Written submissions from the Applicant were to be filed and served by the 22<sup>nd</sup> day of July 2025*
  - b) *Written submissions from the Respondents were to be filed and served by the 28<sup>th</sup> day of July 2025.*

c) *Any submissions in rejoinder were to be filed and served by the 31<sup>st</sup> day of July 2025.*

21. I informed the parties that a ruling would be issued on notice.

### **E. Issues**

22. I find that only three issues are sufficient to address the concerns within the jurisdictional powers of the Registrar of Companies in this matter.

a) *Whether the impugned resolutions were validly passed?*

b) *Whether the affairs of the Company are being run in a manner that is unfairly oppressive to the Company members?*

c) *What remedies are available to the parties?*

### **F. Determination**

23. I carefully read the pleadings of both the Applicants and the Respondents and all submissions have been thoroughly evaluated in reaching my determination.

24. It is trite that jurisdiction is a creature of statute and no Court or tribunal can confer upon itself jurisdiction and where a court that has no jurisdiction entertains a matter any proceedings arising therefrom are a nullity. (*See Baku Raphael & Anor V AG SCCA No.1 of 2005 cited with approval in National Medical Stores V Penguins Ltd HCCS No. 29 of 2010*). The learned Justice Musa Ssekaana in Company Cause No.13 of 2020 **Bryan Xsabo Strategy Consultants (Uganda) Limited & 2 Ors V Great Lakes Energy Company N.V** found that, *'the exercise of power by the Registrar of Companies contemplates the adjudication of rival claims... they decide both questions of fact as well as of law and determine a variety of applications, claims, controversies and disputes.'* It follows from this authority that the Registrar of Companies possesses jurisdiction to entertain and adjudicate over questions of both fact and law.

25. The Registrar of Companies statutory jurisdiction relates to the exercise of two distinct powers, firstly is the power to hear and determine complaints by an oppressed member under Section 243 of the Companies Act Cap 106, and secondly is the power to rectify a company's register and expunge documents

that constitute an error, are misleading, inaccurate, issued in error, contain entries or endorsements made in error, contain an illegal endorsement, are illegally or wrongfully obtained or which a court has ordered the registrar to expunge from the register all pursuant to Regulation 8 of the *Companies (Powers of the Registrar) Regulations SI No 71 of 2016*. The dispute within the jurisdictional mandate of the Registrar of Companies revolves around filed documents allegedly leading to the irregular removal of directors/members without their knowledge or consent and allegations of financial mismanagement. All other claims outside the jurisdictional mandate of the Registrar of Companies will not be resolved by this forum.

***a) Issue One: Whether the impugned resolutions were validly passed?***

26. The Applicants argue that the Respondents passed numerous resolutions without the knowledge, consent and approval of the Applicants. The Applicants contend that these resolutions were signed and filed by the Respondents without convening any Company meetings as by law mandated. The second and third Respondents on the other hand swore Statutory Declarations contending that all resolutions filed were extracted from legally convened meetings and the Applicants voluntarily resigned from their respective positions as Directors. Below are the contested resolutions;

- a) An ordinary Resolution dated 02<sup>nd</sup> August 2024 registered on the 10<sup>th</sup> of October 2024 which removed Patel Ankush Vijaykumar as a Director of a Company without his consent or knowledge. There was no general meeting called neither was there any resignation tendered in before his removal.*
- b) An ordinary Resolution dated 02<sup>nd</sup> August 2024 registered on 10<sup>th</sup> October 2024 removing Sagar Sawant and Patel Ankush Vijaykumar as members of the Company without their consent, without resignation or a general meeting.*
- c) An undated Resolution, registered on 06<sup>th</sup> March, 2025 removing Sharad Panchappa Birajadar as Director and member of the company without his consent and knowledge.*

27. The Ordinary Resolution dated 02<sup>nd</sup> August 2024 registered on the 10<sup>th</sup> of October 2024 which removed Patel Ankush Vijaykumar as a Director of a Company is not signed by him. Additionally the resignation letter the Respondents referred to in their Statutory declarations is not attached rather they attach unauthenticated WhatsApp communications. The relevant provision for removal of directors is **Section 191 of the Companies Act Cap 106**, which stipulates that, *'a company may, by ordinary resolution, remove a director before the expiration of his or her period of office, notwithstanding anything in its articles or in any agreement between the company and the director, but this subsection shall not, in the case of a private company, authorise the removal of a director holding office for life at the commencement of this Act, whether or not subject to retirement under an age limited by virtue of the articles or otherwise.'*
28. The procedure for removal of a Company Director is provided for under Section 191 of the Companies Act Cap 106. Sub section one has been stated in the preceding paragraph above and while the Company passed an Ordinary Resolution to remove Patel Ankush Vijaykumar as Director, the Company did not issue the mandatory special notice or give the Director audience on whether he intended to resign. No resignation letter was attached to any of the Respondents pleadings. Section 191 (2) provides that a special notice shall be required of any resolution to remove a director under the section. Further S.191 (3) provides that on receipt of notice of an intended resolution to remove a director under this section, the company shall send a copy of the notice to the director concerned and the director, whether or not he or she is a member of the company, shall be entitled to be heard on the resolution at the meeting. This special notice was not adduced in evidence as ever having been served on the Applicant. In the instant case, I find that the resolution removing Patel Ankush Vijaykumar as a Director in the Company was illegally/wrongfully obtained within the meaning of *Regulation 8 (2) of the Companies (Powers of the Registrar) Regulations SI No. 71 of 2016*.

29. Secondly, is the undated Resolution, registered on 06<sup>th</sup> March, 2025 removing Sharad Panchappa Birajadar as Director and member of the company without his consent and knowledge. Firstly, the right resolution to remove a Company Director from the reading of Section 191 of the Companies Act is an Ordinary Resolution and not a Special Resolution. Justice Anna B. Mugenyi in *Kirima Ltd & 4 Ors Vs. Dr. Hamlet Kabushenga HCCS No.0018 of 2022* held that, '*as required by law, companies can only remove its directors through an ordinary resolution, it is also a requirement of the law that special notice shall be sent to the director purported to be removed and the director shall be entitled to be heard in the resolution. This requirement is mandatory.*'
30. Additionally, Sharad Birajdar contested the authenticity of his signature on this Resolution. A Police Forensic Analysis Report was attached which confirmed that the questioned signature of Sharad Birajdar on the Resolution registered on 06<sup>th</sup> March 2025 was fundamentally different from the sample signature availed. This report was not sufficiently contested by the Respondents. For this reason, I consequently find that the undated Resolution, registered on 06<sup>th</sup> March, 2025 removing Sharad Panchappa Birajadar as Director and member of the company was illegally/wrongfully obtained within the meaning of *Regulation 8 (2) of the Companies (Powers of the Registrar) Regulations SI. No. 71 of 2016*.
31. The third contested resolution in this case, is the Ordinary Resolution dated 02<sup>nd</sup> August 2024 registered on 10<sup>th</sup> October 2024 removing Sagar Sawant and Patel Ankush Vijaykumar as members of the Company without their consent, without resignation or a general meeting. Companies makes decisions through meetings. Members specifically make decisions through members meetings. It is at such meetings that resolutions are extracted from minutes and filed at the Company Registry. For a meeting to be said to be properly called, there must be a twenty one (21) days notice inviting the members to the meeting. All this is provided for under Table C Part II that was adopted by the fourth



Respondent Company. In this case, there was no notice, minutes or evidence presented that a meeting was properly convened to deliberate on the removal of Sagar Sawant and Patel Ankush Vijaykumar. The allegation that the two voluntarily resigned was also not supported by any compelling evidence save for the unauthenticated Whatsapp communications attached to the Second and third Respondents Statutory Declarations. I consequently find that the Ordinary Resolution dated 02<sup>nd</sup> August 2024 registered on 10<sup>th</sup> October 2024 removing Sagar Sawant and Patel Ankush Vijaykumar as members of the Company was illegally/wrongfully obtained within the meaning of *Regulation 8 (2) of the Companies (Powers of the Registrar) Regulations SI. No. 71 of 2016*.

b) ***Whether the affairs of the Company are being run in a manner that is unfairly oppressive to the Company members?***

32. The Applicant further asserts that the affairs of the company were being carried out in an oppressive manner. The Companies Act Cap 106 expressly provides that a company's member who is oppressed may petition the Registrar of Companies for reliefs under Section 243. Section 243 (1) of the Companies Act Cap 106 provides that, '*a member of a company who complains that the affairs of the company are being conducted in a manner oppressive to...the members, may make a complaint to the Registrar by petition for an order under this section.*' It follows from this provision that the Applicant's as members can petition the Registrar of Companies for reliefs under Section 243 of the Companies Act Cap 106.

33. The Supreme Court of Uganda, in the case of *Mathew Rukikaire v. Incafex (U) Ltd (Civil Appeal No. 03 of 2015)*, elaborated on what constitutes oppressive conduct. The Court held that for conduct to be deemed oppressive, it must affect a member in their capacity as a member of the company, not in any other role.

34. It is therefore imperative to construe the meaning of oppression in line with decided cases so as to decipher whether indeed the Applicants were oppressed by the actions of the Respondents. In *Elder vs Elder & Watson Ltd* [1952] SC

49 at 55] Lord Cooper, in defining oppression, stated that ‘the essence of the matter seems to be that the conduct complained of *should at the lowest involve a visible departure from the standards of fair dealing, and a violation of the conditions of fair play on which every shareholder who entrusts his money to the company is free to rely.*’ What can be gleaned from the foregoing excerpt is that oppression involves a departure from fair dealing in commercial practice.

35. Justice Ssekana Musa in *Cliff Masagazi v. Afriland First Bank Company Cause No.08 of 2020* advanced that oppressive conduct involves a course of conduct and not merely isolated events continuing up to the time of the petition involving an evasion of legal rights, displaying a lack of probity on the part of those conducting affairs of the company and affecting the petitioner in his capacity as a member . I shall therefore proceed to examine the evidence in light with the above decisions to determine whether indeed the Applicants were oppressed.

36. The actions involving the forgery of Sharad Panchappa Birajadar’s signature on a resolution dated 06 March 2025, which removed him as a member and director of the company, the filing of resolutions dismissing Patel Ankush Vijaykumar as a Director of the fourth Respondent Company without his consent or knowledge, and the passing of resolutions without convening meetings as required by the Companies Act and the Company’s Articles of Association collectively represent oppressive conduct towards the Applicants.

c) **Issue Two: What remedies are available to the Parties?**

37. Regulation 8 (1) of the Companies (Powers of the Registrar) Regulations SI No. 71 of 2016 gives powers to the Registrar of Companies to rectify and update the register to ensure that it is accurate. Regulation 8 (2) goes further to state that the registrar may expunge from the register, any information or document included in the register which;

- a) *Is misleading*
- b) *Is inaccurate*

- c) *Is issued in error*
- d) *Contains an entry or endorsement made in error*
- e) *Contains an illegal endorsement*
- f) *Is illegally or wrongfully obtained; or*
- g) *Which a court has ordered the registrar to expunge from the register*

38. ***Regulation 8 (1) of the Companies (Powers of the Registrar) Regulations 2016*** cited above provides that the registrar may rectify and update the register to ensure that the register is accurate. In light of the findings and resolutions in this case discussed above, pursuant to ***Regulation 32 of the Companies (Powers of the Registrar) Regulations, 2016***, I make the following orders;

1. *The Ordinary Resolution dated 02<sup>nd</sup> August 2024 and registered on the 10<sup>th</sup> of October 2024 which removed Patel Ankush Vijaykumar as a Director of a Company be expunged for being illegally/wrongfully obtained.*
2. *The Ordinary Resolution dated 02<sup>nd</sup> August 2024 and registered on 10<sup>th</sup> October 2024 removing Sagar Sawant and Patel Ankush Vijaykumar as members of the Company be expunged for being illegally/wrongfully obtained.*
3. *The Resolution, registered on 06<sup>th</sup> March, 2025 removing Sharad Panchappa Birajadar as Director and member of the company be expunged for being illegally/wrongfully obtained.*
4. *The Particulars of director and Secretary Forms (Form 20) registered on 10<sup>th</sup> October 2024, 06<sup>th</sup> March 2025 and 01<sup>st</sup> April 2025 be expunged for being illegally/wrongfully obtained. Only the Form 20 registered on the 22<sup>nd</sup> day of March 2024 shall be maintained on the register.*
5. *The Directors shall appoint an independent Auditor within sixty (60) days from delivery of this ruling to conduct a thorough comprehensive Audit of the Company. This complete Audited Report shall be shared with the members of the Company to ensure complete transparency regarding the management of the Company's finances and Assets.*

6. *I make no order as to costs.*

*I so order.*

*Given under my hand, this 16<sup>th</sup> day of September 2025.*

---

*DANIEL NASASIRA*

*Ass. Registrar of Companies*