

**IN THE SUPREME COURT OF BANGLADESH
HIGH COURT DIVISION
(STATUTORY ORIGINAL JURISDICTION)**

Present:

Mr. Justice Md. Toufiq Inam.

COMPANY MATTER NO. 1533 OF 2025.

With

CONTEMPT PETITION NO. 14 OF 2025.

IN THE MATTER OF:

An application under section 43 of the
Companies Act, 1994.

AND

IN THE MATTER OF:

A.M. Mahmudur Rahman,

----- Petitioner.

-VERSUS-

Uttara Club Limited and others.

----- Respondents.

Mr. Sheikh Awsafur Rahaman, Senior Advocate
with

Mr. Eeshith Monzul Shohiny, Advocate

----- For the Petitioner.

Mr. Ruhul Quddus, Senior Advocate with

Mr. Md. Akter Rasul,

Mr. Syful Islam, and

Mr. Md. Anwar Hossain, Advocates

----- For the Respondent No. 1.

Judgment Delivered On 15.06.2026.

Md. Toufiq Inam, J:

These applications under section 43 of the Companies Act, 1994,
seeking rectification of the register of members of Respondent No.
1, Uttara Club (hereinafter referred to as “the Club”), together with

the connected Contempt Petition, have been taken up analogously for hearing and disposal, as they arise out of the same set of facts and involve interrelated questions of law and fact.

The matters have been assigned to this Court for hearing and disposal by the Hon'ble Chief Justice.

The petitioner is a Permanent Member (Membership No. R-138) of Respondent No. 1 Club, having acquired such membership on 14.03.2006. He presently serves as a Director of the Club and had earlier been a member of its Executive Committee during the tenures 2015–2016 and 2018–2019. He was also elected Director for three consecutive terms, namely 2022–2023, 2023–2024 and 2024–2025.

The petitioner's case, in brief, is that although disciplinary proceedings were initiated against him under Article 54(a) of the Articles of Association, his subsequent removal from the Board of Directors and expulsion from the membership of the Club pursuant to a resolution adopted at the Extraordinary General Meeting (EGM) held on 03.05.2025 were unlawful and without legal effect.

According to the petitioner, the EGM was convened and conducted in violation of section 85(1)(a) of the Companies Act, 1994 and the relevant provisions of the Articles of Association. It is contended that the original EGM scheduled for 12.04.2025 stood postponed pursuant to an order of the High Court Division and, therefore, any meeting held thereafter constituted a fresh EGM requiring a fresh notice of at least twenty-one days specifying the business to be

transacted. Since no such notice was issued, the meeting held on 03.05.2025 was void ab initio.

The petitioner further contends that he was denied a reasonable opportunity to place his defence before the members at the EGM prior to the adoption of the impugned resolution. Consequently, the resolution removing him from membership and directorship is alleged to be illegal, void and of no legal effect. It is, therefore, asserted that the subsequent removal of his name from the register of members was effected without sufficient cause, entitling him to seek rectification of the register under section 43 of the Companies Act, 1994.

The respondents, on the other hand, contend that the disciplinary proceedings were initiated and concluded strictly in accordance with Article 54(a) of the Articles of Association. According to them, the petitioner was served with a detailed show-cause notice containing specific allegations, submitted his written explanation and was afforded repeated opportunities to appear before the Board of Directors. Despite such opportunities, he failed to effectively participate in the proceedings.

The respondents further state that an Extraordinary General Meeting was duly convened by notice dated 18.03.2025, providing more than the statutory twenty-one days' notice required under the Companies Act and the Articles of Association. Although the meeting scheduled for 12.04.2025 could not be held due to an interim order passed by the High Court Division, the same was subsequently rescheduled following the order of the Appellate Division staying the operation of the said interim order.

According to the respondents, the EGM held on 03.05.2025 was merely a continuation of the meeting convened under the original notice and did not require issuance of a fresh twenty-one days' notice. It is further contended that the petitioner suffered no prejudice whatsoever, was fully aware of the proceedings throughout, and in fact participated in the EGM.

The respondents also submit that the petitioner has already challenged the legality of the EGM and the disciplinary proceedings in separate proceedings pending before the High Court Division. Therefore, the removal of the petitioner's name from the register was merely a consequential act flowing from a valid resolution of the members, and no ground has been made out for invoking the rectificatory jurisdiction of this Court under section 43 of the Companies Act, 1994.

Mr. Sheikh Awsafur Rahaman, the learned Senior Advocate appearing for the petitioner, submits that the Extraordinary General Meeting (EGM) held on 03.05.2025 was illegal and void, as no fresh twenty-one days' notice, as required by section 85(1)(a) of the Companies Act, 1994 and Article 45 of the Articles of Association, was issued after the EGM scheduled for 12.04.2025 had been stayed and postponed pursuant to the order of the High Court Division. According to him, the meeting held on 03.05.2025 constituted a fresh EGM and could not lawfully proceed on the basis of the earlier notice dated 18.03.2025.

He further submits that neither the petitioner nor the members of the Club were served with a valid notice specifying the agenda of

the meeting and that the petitioner was denied the opportunity of defending himself before the members as contemplated by Article 54(a) of the Articles of Association. As such, the petitioner's removal from the Board of Directors and expulsion from membership were effected in violation of the Companies Act, the Articles of Association and the principles of natural justice. Consequently, the removal of his name from the register of members was without lawful authority and is liable to be rectified under section 43 of the Companies Act, 1994.

So far as the connected Contempt Petition is concerned, the learned Senior Advocate appearing for the petitioner submits that the contemnors-respondents acted in wilful disregard of the subsisting interim order dated 26.11.2025 passed by this Court, whereby the order staying the petitioner's removal from the membership of Respondent No. 1 Club was extended and remained operative. According to him, the respondents proceeded to implement the impugned resolution and gave effect to the petitioner's removal notwithstanding the continued operation of the said order. Since the interim order remained in force at the relevant time, the respondents were under a legal obligation to comply with the same. He, therefore, prays for appropriate action against the contemnors in accordance with law.

Mr. Ruhul Quddus Kazal, the learned Senior Advocate appearing with Mr. Syful Islam on behalf of Respondent No. 1, submits that the petitioner was afforded ample opportunity to defend himself during the disciplinary proceedings but repeatedly failed to appear before the Board of Directors despite obtaining adjournments on his own request. According to him, the EGM was validly convened by

notice dated 18.03.2025, providing more than twenty-one days' notice as required under section 85(1)(a) of the Companies Act, 1994 and Article 45 of the Articles of Association. Although the meeting scheduled for 12.04.2025 could not be held due to the interference/ interim order of this Division, the operation of that order was subsequently stayed by the Appellate Division. Consequently, the original notice remained operative and the EGM held on 03.05.2025 was merely a continuation thereof, requiring no fresh notice.

He contends that the petitioner, having actively and voluntarily participated in the proceedings of the EGM, is now precluded by the doctrine of estoppel from challenging its validity simply because an adverse decision was rendered against him. It is submitted that the mere rescheduling of the meeting caused no substantive prejudice either to the petitioner or to any other member of the Club, and that a purely technical or procedural objection cannot be weaponized to invalidate the collective, democratic decision of the general body of members. The petitioner, having taken his chances at the meeting, cannot now be permitted to disown or resile from the corporate resolutions adopted therein solely on the ground that the outcome is no longer suitable to his personal interests. Accordingly, the present application under section 43 of the Companies Act, 1994 is misconceived and not maintainable.

In reply, Mr. Ruhul Quddus Kazal submits that there has been no wilful, contumacious, or deliberate violation of any order passed by this Court. He submits that the respondents, acting bona fide and in due process of law, challenged the ad-interim order dated

26.11.2025 before the Appellate Division by preferring Civil Petition for Leave to Appeal No. 4565 of 2025. He argues that since the respondents were pursuing their lawful remedy before the apex Court under a bona fide belief, the essential ingredient of *mens rea* or intentional disobedience is entirely absent, and consequently, the Contempt Petition is devoid of merit and liable to be dismissed.

Having heard the learned Senior Advocates appearing for the respective parties, perused the pleadings, the Articles of Association of Respondent No. 1 Club and the materials on record, this Court finds that the principal question for determination is whether the petitioner is entitled to rectification of the register of members under section 43 of the Companies Act, 1994.

At the outset, it is necessary to appreciate the nature and scope of the jurisdiction conferred by section 43 of the Companies Act, 1994. The provision creates a summary and corrective remedy in cases where the name of a person has, without sufficient cause, been entered in or omitted from the register of members, or where default or unnecessary delay has occurred in making an appropriate entry therein.

It is undisputed that the petitioner was a member of the Club and that his name was duly recorded in the register of members. Following his removal pursuant to a resolution adopted at the Extraordinary General Meeting (EGM) held on 03.05.2025, his name was struck off the register. Consequently, restoration of his membership through rectification of the register can arise only if the decision by which he was removed is found to be legally

unsustainable. The petitioner does not principally assail the merits of the decision itself; rather, his challenge is directed against the process leading to its adoption, particularly the alleged non-compliance with the notice requirements prescribed by section 85(1)(a) of the Companies Act, 1994 and Article 45 of the Articles of Association. The principal question, therefore, is whether the EGM held on 03.05.2025 was vitiated by reason of any legal infirmity in the notice convening the meeting and, consequently, whether the resolution adopted therein is liable to be treated as invalid.

In the present case, it is undisputed that the petitioner's name was removed from the register of members pursuant to a resolution passed at the EGM held on 03.05.2025. The removal was not an independent ministerial act on the part of the Club authorities; rather, it was the direct consequence of a corporate decision taken by the members of the Club in a duly convened meeting. The challenge advanced by the petitioner necessarily requires an examination of the sufficiency of notice required for that EGM, the alleged breaches of the Articles of Association, and the ultimate propriety of the resolution itself.

A fresh twenty-one days' notice was not issued after the order passed by the Appellate Division. Admittedly, the original notice dated 18.03.2025 convening the EGM on 12.04.2025 was issued in conformity with section 85(1)(a) of the Companies Act, 1994 and Article 45 of the Articles of Association. The meeting could not be held on the scheduled date solely because of an interim order passed by this Court. Subsequently, the operation of that order was stayed by the Appellate Division. On merits, this Court finds no

substance in the contention that the EGM held on 03.05.2025 became invalid merely because a fresh twenty-one days' notice was not issued after the order passed by the Appellate Division. The meeting ultimately held on 03.05.2025 was, therefore, merely a continuation and culmination of the process initiated pursuant to the original notice, and not the convening of an altogether fresh meeting requiring issuance of a new statutory notice.

A notice validly issued under the Companies Act and the Articles of Association does not lose its legal efficacy merely because the meeting contemplated therein is temporarily postponed or kept in abeyance by reason of a judicial order. A stay order suspends the implementation of the notice during the subsistence of the stay; it does not annul, invalidate, or extinguish the notice itself unless the notice is specifically set aside by a competent Court. Consequently, upon the stay being vacated, suspended, or otherwise ceasing to operate, the original notice revives and continues to remain effective according to law. In such circumstances, the meeting subsequently held pursuant to that notice cannot be regarded as invalid solely on the ground that a fresh twenty-one days' notice was not issued.

To hold that a fresh statutory notice must invariably be issued whenever a meeting is temporarily interrupted by judicial intervention would elevate form over substance and unnecessarily impede the functioning of corporate bodies. The real test is whether the members had adequate notice of the business proposed to be transacted and whether any material prejudice was occasioned by the postponement or rescheduling of the meeting. Where the original notice was validly issued, the agenda remained unchanged

and the members were informed of the revised date following cessation of the stay, the subsequent meeting is properly regarded as a continuation of the meeting convened under the original notice.

The petitioner has failed to demonstrate any prejudice arising from the alleged defect in notice. The materials on record reveal that he was fully aware of the disciplinary proceedings from their inception. He submitted explanations, sought adjournments, challenged the EGM notice before this Court and remained fully conscious of the consequences that might follow from the proposed resolution. The record further indicates that he participated in the EGM with full knowledge of the circumstances. Having elected to participate in the proceedings, he cannot subsequently challenge the validity of the very meeting after the outcome has gone against him. Such conduct attracts the equitable principles of acquiescence and estoppel. In these circumstances, it cannot reasonably be contended that he was taken by surprise or deprived of an effective opportunity to protect his interests. No material has been placed before this Court to show that any member, including the petitioner, was prevented from attending the meeting, was unaware of its purpose, or suffered any prejudice by reason of the rescheduling of the EGM.

This court, therefore, holds that an injunction or stay order restraining a duly convened company meeting merely pauses the operation of the original notice and the meeting process. Once the restraint is lifted, the meeting may lawfully proceed as a continuation of the original meeting without issuance of a fresh statutory notice, since the shareholders had already received valid notice and the corporate process had already been set in motion.

The lifting of the restraint revives and permits completion of the remaining process; it does not create a requirement for initiating a new one. The reconvened meeting is treated simply as a culmination of that initiated process, rather than a brand-new meeting.

The petitioner does not, in substance, challenge the merits of the decision of removal; His grievance is directed principally against the process by which the decision was adopted, particularly the alleged non-compliance with the notice requirements stipulated in section 85(1)(a) of the Companies Act, 1994 and Article 45 of the Articles of Association. Since this Court has found that the Extraordinary General Meeting (EGM) held on 03.05.2025 was not vitiated by any legal infirmity relating to the notice convening the meeting, the resolution adopted therein must be regarded as valid and effective in law. Consequently, the removal of the petitioner having been lawfully effected, no occasion arises for rectification of the register of members under section 43 of the Companies Act, 1994. Accordingly, this Court finds no merit in the application.

So far as the connected Contempt Petition is concerned, it arises out of the alleged violation of the interim order passed by this Court during the period in which the said order remained operative.

It is trite law that an order of a competent Court, so long as it remains in force, must be obeyed in letter and spirit by all persons bound thereby. Mere pendency of a Civil Petition for Leave to Appeal or Appeal, in the absence of any order staying the operation of the impugned order, does not absolve a party from its obligation to comply therewith. Respect for judicial orders is indispensable to

the maintenance of the rule of law and the orderly administration of justice.

In the present case, although the respondents sought to justify their conduct, this Court is of the view that such subsequent developments cannot, by themselves, retrospectively validate acts done in disregard of a subsisting order of this Court. Nevertheless, the jurisdiction in contempt is exercised not for vindication of the personal dignity of a Judge, but for upholding the majesty of law and ensuring the due administration of justice.

Having considered the facts and circumstances of the case as a whole, including the subsequent proceedings before the Appellate Division, and the ultimate dismissal of the substantive application under section 43 of the Companies Act 1994, this Court is inclined, in the interest of justice, to refrain from proceeding further against the alleged contemnors. Although the conduct complained of is not wholly free from criticism, the ends of justice would, in the facts of the present case, be sufficiently met by disposing of the Contempt Petition without imposing any sanction.

The alleged contemnors are, however, cautioned that any future disregard of, or failure to comply with, any order or direction of a Court of law shall be viewed with utmost seriousness and may invite appropriate proceedings and punitive action in accordance with law.

Accordingly, the instant application under Section 43 of the Companies Act, 1994, being devoid of merit, is hereby dismissed. The ad-interim order passed earlier by this Court stands recalled

and vacated. Consequently, the connected Contempt Petition, having lost its substratum, is disposed of without any order as to costs.

(Justice Md. Toufiq Inam)