

**IN THE COURT OF APPEAL OF NEW ZEALAND**

**I TE KŌTI PĪRA O AOTEAROA**

**CA355/2025  
[2026] NZCA 61**

BETWEEN                      GAUTAM JINDAL  
   Applicant

AND                                LIQUIDATION MANAGEMENT LIMITED  
   First Respondent

   IMRAN MOHAMMED KAMAL  
   Second Respondent

Court:                            Katz and Thomas JJ

Counsel:                        Applicant in person  
   A Ho for Respondents

Judgment:                      6 March 2026 at 2.30 pm  
(On the papers)

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**JUDGMENT OF THE COURT**

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- A   The application for leave to appeal is declined.**
- B   The applicant must pay the respondents' costs for a standard application on a band A basis together with usual disbursements.**
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**REASONS OF THE COURT**

(Given by Katz J)

## Introduction

[1] Mr Jindal applies for leave to appeal against a decision of Associate Judge Brittain in the High Court that:

- (a) declined his application for orders to join three other parties as plaintiffs to his proceeding;<sup>1</sup>
- (b) declined his application for an order that the amount he had paid as security for costs be rescinded and returned to him;<sup>2</sup> and
- (c) granted the respondents' cross-application for further security for costs against him.<sup>3</sup>

[2] The High Court declined leave to appeal.<sup>4</sup>

## Background

[3] Mr Jindal alleges that Mr Kamal (the director of Liquidation Management Ltd) charged excessive fees (as liquidator) in the liquidations of 133 companies. He seeks a review of the remuneration charged by Mr Kamal in the course of those liquidations, pursuant to s 284 of the Companies Act 1993.

[4] The proceedings to date have traversed a range of interlocutory matters, including an unsuccessful application for leave to appeal to this Court against the original High Court order that he provide security for costs.<sup>5</sup>

[5] Initially, Mr Jindal claimed to have no financial interest in the proceedings (instead saying he was acting in a “watch-dog” capacity).<sup>6</sup> This raised issues as to

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<sup>1</sup> *Jindal v Liquidation Management Ltd* [2024] NZHC 2969 [High Court decision] at [46] and [58].

<sup>2</sup> At [6] and [50].

<sup>3</sup> At [56] and [59].

<sup>4</sup> *Jindal v Liquidation Management Ltd* [2025] NZHC 1173 [leave decision] at [53].

<sup>5</sup> See, for example, *Jindal v Registrar of Companies* [2021] NZHC 3268; *Jindal v Liquidation Management Ltd* [2022] NZHC 2292; *Jindal v Liquidation Management Ltd* [2023] NZHC 183; and *Jindal v Liquidation Management Ltd* [2023] NZCA 413.

<sup>6</sup> High Court decision, above n 1, at [3].

Mr Jindal’s standing under s 284(1) of the Companies Act.<sup>7</sup> He subsequently asserted that he had become a creditor of two of the 133 companies, based on deeds of assignment of debt taken after security for costs was awarded, but prior to his unsuccessful application to this Court for leave to appeal that decision.<sup>8</sup> In addition, after this Court declined his application for leave to appeal the security for costs decision, Mr Jindal filed an application in the High Court seeking leave to bring a representative proceeding (on behalf of all creditors and shareholders of the 133 companies on an “opt-in” basis) under r 4.24 of the High Court Rules 2016 (HCR).<sup>9</sup> That application has yet to be determined.

[6] The respondents assert that the High Court proceeding is an abuse of process and that Mr Jindal’s conduct is retaliatory and in response to the respondents’ successful proceeding against him in a separate matter.

### **The High Court decision**

[7] The High Court decision that Mr Jindal seeks leave to appeal determined two matters:<sup>10</sup>

- (a) Joinder: Mr Jindal applied to add three new plaintiffs — Jujhar Singh, Matt Burns, and Andrew Potter (directors or shareholders of three of the 133 liquidated companies) — to the proceeding to cure his lack of standing.
- (b) Security for costs: the respondents applied to increase the security for costs previously ordered against Mr Jindal, while Mr Jindal applied to have the existing security rescinded (on the basis that two of the new proposed plaintiffs were solvent).

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<sup>7</sup> At [11]–[13] and [16]–[17].

<sup>8</sup> Leave decision, above n 4, at [7] and [13].

<sup>9</sup> At [14].

<sup>10</sup> High Court decision, above n 1, at [58]–[60].

*Joinder*

[8] Mr Jindal's application for joinder was under r 4.56 of the HCR, which relevantly provides:

**4.56 Striking out and adding parties**

(1) A Judge may, at any stage of a proceeding, order that—

...

(b) the name of a person be added as a plaintiff or defendant because—

(i) the person ought to have been joined; or

(ii) the person's presence before the court may be necessary to adjudicate on and settle all questions involved in the proceeding.

...

[9] The Judge found that neither of these criteria were met and dismissed the joinder application. His reasons included that:

(a) While the proposed plaintiffs may have standing regarding their own specific companies, they do not have standing regarding the other 132 companies.<sup>11</sup>

(b) The factors relevant to each specific company or proposed plaintiff will differ, including the reasons for delay in bringing an application under s 284 of the Companies Act; the circumstances of the liquidation and the steps undertaken by Mr Kamal in the liquidation; an assessment of what is a reasonable fee for Mr Kamal's work; the composition and value of the creditors' pool and priorities under the Companies Act; and the likely cost of reinstating the company to the Register and placing the company back into liquidation, which will impact on whether there is any point to a proceeding under s 284 of the Companies Act.<sup>12</sup>

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<sup>11</sup> At [33]–[34].

<sup>12</sup> At [39].

- (c) Evidence suggested that even if the liquidator's fees were challenged, the proposed plaintiffs were unlikely to receive any funds due to the priority of other creditors (such as the Inland Revenue Department or secured creditors) or insufficient evidence of their creditor status.<sup>13</sup>

[10] In such circumstances, the Judge found that there was no reason to depart from the usual procedure, namely that each of Mr Singh, Mr Burns and Mr Potter should bring a discrete application for leave under s 284(1) of the Companies Act in respect of the specific company that they were associated with.<sup>14</sup>

#### *Security for costs*

[11] On the issue of security for costs, the Judge granted the respondents' application for further security for costs.<sup>15</sup> He noted that the complexity of the proceedings had increased due to Mr Jindal's filing of various amended applications and his attempt to turn the case into a representative proceeding. This conduct had generated additional costs for the respondents that were not contemplated when security was originally fixed. The Judge further ordered that the proceeding be stayed until Mr Jindal paid the additional security of \$2,500 and settled outstanding cost orders from his previous unsuccessful appeals.<sup>16</sup>

#### **Relevant leave provision**

[12] An application for joinder under r 4.56 of the HCR is an interlocutory application.<sup>17</sup> The applications in relation to security for costs are also interlocutory. Leave to appeal is therefore required, pursuant to s 56(3) of the Senior Courts Act 2016. Mr Jindal's application is made under s 56(5). The High Court has previously declined leave to appeal.<sup>18</sup>

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<sup>13</sup> At [41]–[43].

<sup>14</sup> At [45].

<sup>15</sup> At [59].

<sup>16</sup> At [56]–[57] and [60].

<sup>17</sup> *Ressels v Southern Response Earthquake Services Ltd* [2023] NZCA 614 at [15]. This Court held that refusal of an application for joinder does not fall within s 56(4) of the Senior Courts Act 2016 because the proceeding still exists: at [14].

<sup>18</sup> Leave decision, above n 4, at [53].

[13] The relevant principles in relation to an application for leave to appeal an interlocutory decision are set out in *Greendrake v District Court of New Zealand*:<sup>19</sup>

- (a) a high threshold exists;
- (b) the applicant must identify an arguable error of law or fact;
- (c) the alleged error should be of general or public importance warranting determination or otherwise of sufficient importance to the applicant to outweigh the lack of general or precedential value;
- (d) the significance or implications of such error either for the particular case or for the applicant or as a matter of precedent must warrant incurring further delay; and
- (e) the ultimate question is whether the interests of justice are served by granting leave.

### **Discussion**

[14] Mr Jindal says there are four errors of law warranting review:

- (a) a misapplication of the legal threshold under r 4.56(1)(b) of the HCR;
- (b) a wrongful consideration of prospects of distribution when determining whether directors or shareholders can invoke s 284 of the Companies Act;
- (c) a failure to interpret joinder rules in light of the objectives set out in r 1.2 of the HCR; and
- (d) a breach of natural justice.

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<sup>19</sup> *Greendrake v District Court of New Zealand* [2020] NZCA 122 at [6].

[15] In our view there is no merit in any of these grounds.

[16] The Judge correctly set out and applied the r 4.56 criteria. It is not seriously arguable that Messrs Potter and Singh *ought* to have been joined to Mr Jindal's proceeding,<sup>20</sup> or that their presence before the court may be necessary to adjudicate on and settle all questions involved in the proceeding. We reject Mr Jindal's submission that the mere fact that the proposed plaintiffs may have standing to bring their own separate proceedings under s 284(1) of the Companies Act (as do potentially hundreds of other people) necessarily means that they ought to have been joined, or that their presence before the Court is necessary.

[17] As for distribution prospects, as the Judge stated, the purpose of these comments was simply to illustrate that the circumstances relevant to each application differ (and hence the appropriate course was for the proposed plaintiffs to bring their own discrete applications under s 284(1) of the Companies Act).<sup>21</sup>

[18] On the issue of natural justice, Mr Jindal submits that the order staying the proceeding until the further security and previous costs orders are paid was not sought by the respondents and that he did not have a chance to be heard on the issue. The respondents point out, however, that the request for an order to stay the proceedings was made in the respondents' written submissions and was responded to by Mr Jindal. Further, the order was also sought orally at the hearing on 8 October 2024 where Mr Jindal had the opportunity to make further submissions on the topic. Accordingly, this ground of appeal also appears to be untenable.

[19] In conclusion, the proposed appeal does not meet the high threshold for granting leave to appeal an interlocutory decision. The proposed grounds of appeal are not seriously arguable and, further, do not raise any matters of general or public importance.

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<sup>20</sup> The application in respect of Mr Burns is no longer pursued.

<sup>21</sup> High Court decision, above n 1, at [44].

## **Result**

[20] The application for leave to appeal is declined.

[21] The applicant must pay the respondents' costs for a standard application on a band A basis together with usual disbursements.

Solicitors:  
Crimson Legal, Auckland for Respondents