

**IN THE HIGH COURT OF JUSTICE**  
**BUSINESS AND PROPERTY COURTS IN BIRMINGHAM**  
**Business List (ChD)**

Birmingham Civil Justice Centre  
Bull Street, Birmingham B4 6DS

Date: 9 July 2020

**Before :**

**HHJ DAVID COOKE**

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**Between :**

**Joga Singh Basra (1)**  
**UK Finance and Business Solutions Ltd (2)**  
**WM Property Associates Ltd (3)**  
**ASB (Services) Ltd (4)**  
**I Partner Global Ltd (5)**  
**Gateway Legal & Professional Services (UK) Ltd (6)**  
**Harrison Property Associates (UK) Ltd (7)**  
**JNB Managerial Associates Ltd (8)**  
**- and -**  
**Narash Kumari Badhan**  
**- and -**  
**Palwana Holdings Ltd (1)**  
**Hakimpur Holdings Ltd (2)**  
**The Chief Land Registrar (3)**

**Claimants**

**Defendant**

**Additional Respondents**

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**The First Claimant** appeared in person, representing all the claimants and the First and Second Additional Respondents  
**Trevor Berriman** (directly instructed) for the **Defendant**  
**The Third Additional Respondent** did not appear and was not represented

Hearing dates: 10-13, 16-18 March 2020  
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**Approved Judgment**

I direct that pursuant to CPR PD 39A para 6.1 no official shorthand note shall be taken of this Judgment and that copies of this version as handed down may be treated as authentic.

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HHJ DAVID COOKE

## **HHJ David Cooke:**

### **Introduction**

1. This claim is in essence a dispute between the first claimant, Mr Basra, and the Defendant, Ms Badhan. At times during a period since 1998 they have been a personal relationship. Much of the factual background is hotly contested, and there are very few reliable contemporary documents to assist in untangling it. If I refer to "the parties" without elaboration it is to those two individuals.
2. The second to eighth claimants are limited companies. So far as can be ascertained from records at Companies House Mr Basra is the only shareholder and director of all of them. Two (the Fourth Claimant "ASB" and the fifth claimant "I Partner") owned property themselves. The others were engaged in the management of residential properties, some but not all of which were registered in Mr Basra's name. A large part of their business was in providing accommodation in the Midlands to house asylum seekers and homeless people referred by London local authorities. Most of the properties they used appear to have been owned by third parties, for whom the companies acted as agent to arrange occupation by individuals referred by the various councils and to manage that occupation, dealing for instance with repairs and decoration.
3. Ms Badhan claims that the companies were formed and run in effect as a partnership business between her and Mr Basra, and that as a result of that arrangement and promises that she says were made to her by Mr Basra, she was from the beginning entitled to an equal share in the ownership of all the companies, and also to an equal share in various properties that were bought in Mr Basra's name using, she says, funds generated by those companies. She claims a half share in other properties bought in Mr Basra's name, on the basis of promises she says were made as a result of allowing them to be renovated using company funds. These arrangements she claims were recognised in a Joint Venture Agreement (JVA) signed by them both in 2013.
4. Later in their relationship in 2014 or 2015, at a time when Mr Basra was suffering serious health problems, Ms Badhan pleads that in recognition of her increased role in managing the joint business, he promised her that her share in the companies would be increased to 80%. That claim however was abandoned by Mr Berriman on her behalf at the conclusion of the hearing, conceding that there was insufficient evidence to support it.
5. The first two additional respondents are companies established in the names of Mr Basra's former wife and their daughter, to which all the properties owned by Harrison and ASB respectively were transferred during these proceedings, in what Ms Badhan claims was an attempt to frustrate her claims. They were joined for the purposes of a freezing injunction to preserve those assets.
6. Mr Basra's case is that Ms Badhan was never more than an assistant to him in managing his businesses and properties. He accepts she was paid by the companies, initially as a consultant and later as an employee. There was no agreement she would have any share in the companies and she was never appointed a director of any of them, though there were periods in which she had misused access to the Companies House online filing system to record that she had been a director. The JVA is, he says, a forgery.

7. Mr Basra seeks an order for delivery up (or damages in lieu, estimated at approximately £19,400) of various items of jewellery that he claims was removed by Ms Badhan from a house at 175 Tettenhall Road Wolverhampton which is registered in Mr Basra's name. There is a dispute as to whether he and Ms Badhan occupied this as their joint residence. Ms Badhan claims that they did, and that she is entitled to an equal share in it by virtue of promises made when it was acquired and a contribution of £10,000 made to its purchase. She denies having taken the items Mr Basra claims, and makes her own claim for jewellery she says was stolen from 175 Tettenhall Rd as a result of his negligence in leaving the property open and giving third parties access to the safe, and for the return of an antique table removed by Mr Basra.
8. The corporate claimants bring claims for unauthorised withdrawal of money from their bank accounts totalling over £200,000, an account of income allegedly retained by the defendant and delivery up of their documentation. All of these are denied; Ms Badhan maintains she was authorised to draw on the companies' bank accounts and did so only for monies due to her for salary or otherwise, or for expenses in the course of their businesses. She denies any retention of income and says that the absence of company documentation is because Mr Basra has removed or destroyed it.
9. Ms Badhan claims she is entitled to unpaid consultancy fees payable by the sixth defendant ("Gateway"). She makes her own claim for missing jewellery and furniture. She claims that the JVA was entered into in July 2013, and that Mr Basra is in breach of it by bringing these claims or causing them to be brought, and in other respects. Mr Basra pleads that it is a forgery, but alternatively that if it is found to be valid, Ms Badhan is in breach of it in multiple respects.
10. The above summary gives a flavour of the allegations and counter allegations between the two principal protagonists. Their dispute goes further however; each accuses the other of interfering with tenants of commercial properties owned by the companies; Mr Basra says that Ms Badhan has wrongfully collected rents due to the companies and failed to account for them. Ms Badhan in turn accuses Mr Basra of illegally evicting tenants with a view to diverting rent receipts away from the companies to himself. Each has complained to the police about the behaviour of the other, and there have been cross applications in the family courts in respect of alleged harassment and domestic violence. Ms Badhan alleges that Mr Basra has made false accusations to a London council that she has committed fraud in relation to benefit payments. Mr Basra accuses Ms Badhan of having made false allegations about his former wife to her employer.
11. These proceedings have been characterised, particularly during periods in which the parties were not represented, by streams of applications making or seeking to make collateral allegations that if allowed would have caused the already unwieldy proceedings to become unmanageable.
12. It is fair to characterise the state of affairs between Mr Basra and Ms Badhan as one of total warfare. The conflict is correspondingly destructive. As in other kinds of war, the truth has been among the casualties.

### **The Witnesses**

13. The claimant gave evidence, and called his former wife, Amandeep Kaur, from whom he was divorced in 2006 but who now, it was evident, supports him in all respects in this case. I will refer to her as Mrs Basra, which is how she asked to be addressed.

14. The claimant himself was not a good witness. He continually interrupted questions and gave answers that were discursive and frequently irrelevant or evasive. He made sweeping assertions, with hardly any supporting documentary or other independent corroborative evidence. There were numerous instances in which his evidence contradicted such contemporary documents as were available, and others in which his evidence was contradicted by third party witnesses who, in my judgment, were giving honest evidence. This was particularly so in relation to allegations made by a commercial tenant, Mr Bashir. Mr Basra alleged that Ms Badhan had improperly allowed Mr Bashir into occupation and then collected all rent from him. Mr Bashir however gave a convincing account that he had agreed his occupancy with both Mr Basra and Ms Badhan, that both had from time to time collected rent from him, though Mr Basra was often drunk and attempted to collect amounts he had already paid Ms Badhan, and that he had been illegally evicted by Mrs Basra and people she brought with her when he refused to pay again amounts he had already paid to Ms Badhan, and that both Mr and Mrs Basra had demanded a cash payment of £4,000 from him in order to let him back in again. In my judgment, Mr Bashir was telling the truth and Mr & Mrs Basra who denied all these allegations were not.
15. Mr Basra had a tendency to assert that inconvenient documents must be forgeries. In addition to the JVA, he made allegations during the hearing, which he had not made previously, that a consultancy agreement produced by Ms Badhan and apparently signed by him was a forgery and that his signature had been forged on an application to register a charge on land. One of the defendant's witnesses confirmed that she had been present when the latter document was taken by both parties to a solicitor's office in order that the solicitor could verify the identity of Mr Basra as the person signing it, so that allegation of forgery is particularly incredible.
16. In my judgment, Mr Basra was such an unreliable witness that I would be reluctant to place any weight on his evidence in any matter in dispute where not supported by independent reliable corroboration.
17. I regret to say I formed a similar opinion of Mrs Basra. Unlike her husband, her answers tended to be very brief, to the point that she often gave the impression she was anxious to say as little as possible in case she might be tripped up. There were a number of respects in which I concluded she was prepared to lie to support her husband's claim. One example relates to Mr Bashir as referred to above. Another instance concerned her evidence that she believed Ms Badhan to be behind texts sent to her employer making false allegations about her. She maintained this despite being shown contemporary messages from herself to Mr Basra in which she said in clear terms that she believed these messages came from Mr Basra.
18. Mrs Basra also maintained she had never suffered violence from Mr Basra and had always been on amicable terms with him since their divorce, despite other contemporary messages from her accusing Mr Basra of domestic violence and stating that both she and Ms Badhan had suffered violence at his hands. A letter dated 7 July 2006 from her divorce solicitor is in the bundle (vol 7 /p 2365) stating that she had instructed them that Mr Basra had "on numerous occasions assaulted her throughout the marriage" and that he was due to appear in court charged in relation to one such assault. Mrs Basra sought unconvincingly to distance herself from these messages, variously accepting that she had sent them, but then denying she had done so, or maintaining that she could not remember, or that she did not understand the contents. She sought to pass off the solicitors' letter as exaggeration- she said she had only told

the solicitor that she and her husband had argued and that he "was not nice". She accepted she had complained to the police and he had been charged with assault but this was only because they had "had an argument". I did not believe her evidence in these respects or others in which in my view she sought to re-cast the facts to suit what Mr Basra now says. Mrs Basra could not in my judgment be relied on to give honest evidence if she considered it might be against Mr Basra's interests.

19. Mr Basra also called Mr Ian Bond, a solicitor who had acted for him in a period beginning in about August 2018, when it appears the relationship between Mr Basra and Ms Badhan broke down badly and he was admitted to hospital severely ill from his alcoholism, so seriously that he was advised he would be unlikely to survive. At that time he appointed Mr Bond as his attorney and, Mr Bond said, gave him instructions to ensure that Ms Badhan did not as he put it take away his companies and his business. Mr Bond and his colleagues took various steps to try to exclude Ms Badhan from dealing with the funds, assets and business of the companies. I accept he sought to assist the court, but he was hampered because all his knowledge of the underlying facts came from his instructions given by Mr Basra.
20. Mr Basra also relied on a witness statement from his daughter Jasleen, but she was said not to be well enough to attend the trial.
21. Ms Badhan gave evidence herself. She gave detailed answers in relation to questions about her personal relationship with Mr Basra and the general nature of the business arrangements they had set up. She called a number of other witnesses, and provided statements from others, (although some were unable to attend the trial) who supported her on these matters. She produced copies of various text and similar messages that were also supportive of her account, and I consider that on these issues, as between the two, she is in general a more reliable historian than Mr Basra on these issues.
22. However Ms Badhan was not nearly so forthcoming on the key questions of the specific promises that she relies on to establish her claim and how and when they came to be made, nor did she produce supporting evidence for most of the assertions she made about financial contributions by her or use of company funds. A critical issue was the authenticity of the JVA document she produced. She well knew it was alleged to be a forgery but she gave very little information in her pleaded case or written evidence about how and why it came into existence and why she had only a photocopy of it. Her answers to requests for further information before trial were terse. She elaborated to some extent in the witness box, but not in my view very convincingly.
23. Nor did Ms Badhan have any good explanation, it seemed to me, of why it was that her claim had expanded since originally put forward, so as to include a number of additional properties in which, on her case, she had been given promises of an interest, and a claim that in addition to the agreement for an equal interest in the companies that she had first claimed, Mr Basra had later volunteered to increase that to 80%. She was very unspecific about how and when that assurance was given.
24. I bear in mind also that it is apparent from the evidence at trial in support of earlier applications that Ms Badhan has not complied with her undertakings and court orders in relation to accounting for monies collected by her that were due to the company claimants. She asserted a need for her to collect monies that would otherwise be uncollected and to use those funds to maintain the companies' businesses but failed to comply in any meaningful respect with orders that she should provide an account of

what monies she had collected and what she had done with them. The information she offered in these respects was vague and evasive and I was compelled to vary orders made earlier in the proceedings on the basis of her undertaking or being obliged to provide an account so as to prohibit her from acting or holding herself out as able to act on behalf of the companies to collect moneys or in any other manner.

25. I concluded that Ms Badhan was not above embellishing or adding to the facts where she thought she could do so in order to make greater claims against Mr Basra, and that she was as willing as he was to take illegitimate action on the ground to secure for herself the benefits and fruits of the business she contended was a joint enterprise.
26. Ms Badhan served witness statements from a considerable number of witnesses that she wished to rely on. Those that attended trial were Mr Farakh Bashir (tenant or licensee of commercial premises owned by I Partner), Manjeet Kaur (a friend of Mr Basra so close that he and others referred to her as his sister) and Mr Raj Bansal (formerly employed as a manager of Gateway). All of them gave evidence of their personal knowledge of the private and business relationship between Mr Basra and Ms Badhan. They were evidently telling the truth as best they could and I accept their evidence.
27. Mr Basra indicated that he did not require five further witnesses to attend (having been advised that this would mean he would be taken to accept their evidence). They were Priya Bansal (former employee of the Third Defendant) Susheel Dhiman (friend of both parties) Rashima Toora-Sippel (friend of Ms Badhan), Joselyn Barton (former licensee and manager of the Royal Victoria pub, owned by I Partner) and Jose Fernandez (former lodger at the house of Manjeet Kaur). Their evidence also concerns the general personal and business relationship between Mr Basra and Ms Badhan rather than the specific promises and other issues raised in these proceedings.
28. The other makers of statements did not attend, for various reasons. I admitted their witness statements as hearsay, subject to appropriate caveats as to credibility in the absence of cross examination. In the event I have not relied on them to any material extent.

### **Factual background in more detail**

29. It is convenient to go through the relevant factual history in some more detail, referring to the issues raised and some of the evidence of the parties and other witnesses in order to evaluate the credibility of the rival accounts of the parties.
30. The parties accept that they met in 1998 when both were working as advisers at the All Saints Haque Centre in Wolverhampton. Ms Badhan was married at the time (she divorced in 2004). Mr Basra married Mrs Basra shortly thereafter, though they divorced in 2006. Ms Badhan went to work for a London council in 2001.
31. According to Mr Basra, he and Ms Badhan commenced a personal relationship soon after they met, which continued before and during his marriage to Mrs Basra and was a principal factor in their subsequent divorce. According to Ms Badhan, there was no affair between them until they were reintroduced by a mutual friend in late 2006, by which time both were divorced. It is not necessary for me to determine which of these versions is correct.

32. By 2009 both parties were working for the same London council. It is accepted that Mr Basra by then already owned five houses in the Wolverhampton area that were let to tenants. According to Ms Badhan, Mr Basra was dissatisfied with the agents managing these properties, and they agreed to set up a company to do this and manage other properties.
33. The second claimant (UKFBS) was incorporated on 22 October 2009. According to Mr Basra this was his decision and his company, of which he was the sole director and shareholder at all times, Ms Badhan never being more than an employee. According to Ms Badhan it was agreed to be a jointly owned company of which both were directors, and they each put up £5000 to finance initial working capital, arrangements that were later recorded in the JVA (bundle vol 1/p137).
34. The incorporation documents are not in the bundle, but Mr Basra accepts that incorporation was arranged by Swain & Co, accountants who had previously acted for him, and that on incorporation he and Ms Badhan were both shown as directors. On 24 May 2019 Mr Meredith, a director of Swain & Co, wrote to solicitors then acting for Ms Badhan (vol 4/p1431) saying:
  - i) He had known both parties since October 2009 when UKFBS was formed, that "initially both were directors" and he was aware of business and personal relationships between them.
  - ii) Ms Badhan was a director of UKFBS from 22 October 2009 to 27 June 2012, and of the third to seventh claimants (and one other company) at various dates he set out in a schedule.
  - iii) That initially from 2009 both parties would attend his office to give instructions in relation to all these companies "which she managed and ran". From about 2011 it had been Ms Badhan he had liaised with in relation to the accounts of these companies and queries on them.
  - iv) On 8 August 2018 Mr Basra had attended his office and signed a letter authorising him to continue to liaise with Ms Badhan in relation to all these companies.
35. I do not have a witness statement from Mr Meredith and he was not called to give evidence. The letter accordingly only has the status of hearsay. But I see no reason to doubt its accuracy as to matters of which Mr Meredith was aware, and accordingly given that his firm was previously instructed by Mr Basra it must have been Mr Basra who introduced him to Ms Badhan, and Mr Basra must have given or confirmed the instruction that he should name them both as directors in the incorporation documents for UKFBS. Mr Meredith seems to have dealt principally with Ms Badhan from about 2011 and he clearly regarded her as running the management of all the companies. He also plainly implies that Mr Basra knew and approved of this; he personally signed a letter authorising Mr Meredith to continue to liaise with Ms Badhan in August 2018; this was at a time when Mr Basra was giving contradictory and changeable instructions about dealing with Ms Badhan, but the implication of such a letter must be, at least, that Mr Meredith was to resume or continue acting as he had been in the past in relation to the affairs of the companies (save that it said he could not deal with Ms Badhan on matters of directorship or shareholding).

36. I do not rely on what Mr Meredith's letter and the schedule referred to say about later periods in which Ms Badhan was a director of the various companies, as there is no indication of the source of the information. It may be no more than examination of online Companies House records and given the dispute about who made those entries and the notorious ease with which such records can be created and manipulated it would not be safe to assume they reflected the actual position.
37. Mr Basra's first response to this letter in cross examination was that Mr Meredith was mistaken when he said Ms Badhan had been a director of UKFBS on incorporation, and that he had later discovered the mistake and "corrected" it by notifying her resignation. Mr Meredith however evidently considers that Ms Badhan was a director, not that he mistakenly registered her as such.
38. Later Mr Basra said that Mr Meredith must have been "blackmailed" to provide evidence in support of Ms Badhan. He could not produce the slightest evidence in support of that accusation, which I dismiss entirely.
39. It was pointed out that in his own statement of case Mr Basra had pleaded that Ms Badhan had initially been appointed a director of UKFBS (Particulars of Claim para 10) but had resigned because of a conflict and because she did not wish to sign a personal guarantee. He dissembled as to how this came to be included, saying his solicitor must have misunderstood his instructions. He had never asked Ms Badhan to sign a guarantee as there would be no reason to since she was never a director or shareholder.
40. Mr Basra had, I concluded, changed his story to try and distance Ms Badhan further from the operation of UKFBS and its business, and was desperately lying to avoid the inconsistencies with his previous account.
41. The next company to be incorporated was the seventh claimant (Harrison), in March 2010. Mr Basra was named as the sole shareholder and director. He said this company had been incorporated by a firm of company agents rather than Swain & Co because by then he had lost faith in the accountants. That does not fit well with his having continued to use their services for many years afterwards. Mr Basra accepted that Harrison was formed to let houses to London local authorities, and that its startup capital had been provided by UKFBS, which he maintained was his sole business. The next was Gateway, which was incorporated in May 2010 with a similar business model. Mr Basra said he could not remember how it was funded but that if it had been from UKFBS "I have a right to expand my own business".
42. According to Ms Badhan, these companies were established by agreement between her and Mr Basra, and although it was agreed she would not be registered as a director or shareholder they were regarded as "our" companies and spoken of between her and Mr Basra as being equally owned.
43. During 2012 Mr Basra ceased to be employed in London. According to him, he left to run his business based in Wolverhampton. According to Ms Badhan he resigned to pre-empt dismissal for gross misconduct having attended work drunk on multiple occasions. In July 2012 Ms Badhan resigned as a director of UKFBS; according to Mr Basra this was because of a conflict of interest and (as pleaded) because she would not sign a personal guarantee when asked. Ms Badhan denies any actual conflict, as her employing council was not a client of UKFBS, but says she wished to avoid any appearance of conflict, since it did work for another London authority. She says she



was willing to sign a guarantee but it was not necessary. There are no documents or other evidence that might shed light on these differences.

44. Mr Basra accepted that in 2013 he had taken advice from a firm of tax advisers called AML and that he and Ms Badhan attended a meeting with AML. Ms Badhan has produced an email from AML, sent to Mr Basra on 2 April 2013 (7/2096) which she said Mr Basra had forwarded to her. It is addressed to "Dear Jo/Nilesh" and refers to attached "information on the Split Contract we discussed" and "list of our tax services in full". It proposed a further discussion about "our profit extraction schemes...see attached list". Mr Basra said a "split contract" was an arrangement to take part profits by way of dividend and part as salary.
45. Ms Badhan has produced a written agreement between a company she established called NKB & Associates Ltd and Gateway, dated 1 August 2013 (7/2097) which she emailed to AML in December 2013 (7/2100). The agreement is apparently signed by Mr Basra for Gateway and provides for a daily fee for consultancy services that are somewhat nebulously defined. The email is addressed to a Georgia Sheeran, presumably at AML, and says that Ms Badhan "usually [speaks] to Clair" but she does not have an email address for Clair and that "Jo" [ie Mr Basra] has asked her to send the document to Ms Sheeran to be forwarded to Clair.
46. Mr Basra denies that the email from AML is addressed to Ms Badhan. He points out that her name is not "Nilesh" but "Narash". Nilesh, he said, was another person, an employee of AML. But the email is in my view one sent by an adviser to prospective clients after a first meeting, providing information about services available and soliciting further discussion with a view to providing those services. The nature of the "Split Contract" mentioned and the consultancy agreement entered into suggest these are services to owners of a business to help them extract cash and/ or profit generated by that business in a tax efficient manner.
47. The suggestion that the email was intended to be addressed to one of AML's own employees was incredible. It is much more likely that "Nilesh" was a misspelling or mishearing of Ms Badhan's name by someone who had recently met her for the first time. The fact that she was involved in such a meeting suggests she was introduced to the advisers as an owner to whom they could propose their services.
48. When Mr Basra was referred to the consultancy agreement he asserted that it was an obvious forgery, because he would never have agreed to payment of a fee of £600 per day to Ms Badhan. But he clearly knew some time ago that she was asserting an entitlement to £600 per day. His own skeleton argument produced for the trial asserted that he had been generous to Ms Badhan in the past by paying her consultancy fees for work done for him at the rate of £600 per day. He has not previously, so far as I am aware, claimed that the agreement she relied on was a forgery, and did not, for instance, have it referred to the handwriting expert as the JVA was.
49. I conclude that it is more likely that such an agreement was entered into, that it was as a result of advice given by AML and that the fact that Ms Badhan was involved in taking advice of this nature and making arrangements such as this in consequence of it strongly supports her contention that she was regarded as a de facto owner of the business, with a similar status to that of Mr Basra. Mr Basra I am sure appreciated these implications, hence his sudden wish to denounce the agreement as a forgery.

50. By her Defence and Counterclaim (1/36) Ms Badhan pleads that "In or around July 2013 Mr Basra, Ms Badhan, UKFBS, Gateway, Harrison and WM Property entered into a written joint venture agreement (the 'JVA') a copy of which is appended to this Defence and Counterclaim". Nothing more is pleaded as to the circumstances in which this came about. The document appended (1/61) is apparently signed by Mr Basra and Ms Badhan in two places (1/79 and 1/85). Since this is such a key document I will deal with it more fully in a separate section below, but for the moment I note only that as stated above Mr Basra denies ever having seen such a document and says his signature has been forged.
51. In December 2013 the fourth claimant ("ASB") was incorporated, with the intention of purchasing property to be let without charging VAT. In November 2014 the eighth claimant, ("JNB") was incorporated. In both cases Mr Basra was the sole registered shareholder and director, but according to Ms Badhan these companies were established by agreement between her and Mr Basra on the understanding that they would be equal shareholders. She says the initials JNB were an amalgam of her initials and Mr Basra's.
52. It is accepted that, at various times, Ms Badhan was an authorised signatory on bank accounts of all of the corporate claimants. Mr Basra's case is that she was authorised by him for the purposes of her role as employee, and he was entitled to terminate her authority to draw on those accounts at any time.
53. At para 24 of her Defence and Counterclaim Ms Badhan pleaded that:

"In or around 2014 or 2015, having previously attributed 80% of the Companies' success to Ms Badhan's efforts, Mr Basra said to Ms Badhan words to [this effect] (as best recollected by Ms Badhan): 'Narash, 80% is what your share is and I am a man of my word. I will sort this out when you leave local authority work.'"
54. The pleading goes on to say that further to this agreement "shares of certain of the companies were allocated to Ms Badhan and she was appointed director of some of them". It does not specify which companies are referred to, what is meant by shares being "allocated" or when any of these things happened.
55. Ms Badhan did not give any further particulars of the alleged 80% promise in her witness evidence, or produce any documents that were said to corroborate it, in particular to anything said to show an "allocation" of shares to her in any of the companies, whether of 80% or any other amount. Ms Badhan now accepts that no shares in any of the companies were ever issued or transferred to her. As noted above, at the end of the hearing Mr Berriman stated on instructions that Ms Badhan would not pursue this part of her counterclaim. Given the vagueness of the assertions and the lack of any supporting material I do not believe there was ever any substance in it and I conclude it was made up to expand her claim.
56. At paras 27.4 and 86 of her Defence and Counterclaim Ms Badhan pleads that when she left her London employment she (personally) was by agreement not employed by any of the claimant companies but would be paid as a consultant by Gateway, but she was not so paid. She puts forward a claim for an estimated £112,500 for such fees between June 2015 and November 2016. Strangely, the Reply does not address either of these paragraphs. I made the point to Mr Berriman at the hearing that the

agreement she relied on to evidence this entitlement was stated to have been made not by her by her service company (which is not a party to the proceedings), so that she had no standing to sue for any fees under it, which he accepted.

57. In August 2015 a house at 175 Tettenhall Rd Wolverhampton was bought and registered in the sole name of Mr Basra. At para 72ff of her Defence Ms Badhan pleads that the purchase prices was paid (apart from mortgage borrowings):
- i) Using dividends from the Companies or other "profits from their business" including dividends or profits that she pleads were held on trust for her, and
  - ii) "using a direct financial contribution from Ms Badhan". Her pleading does not say how much this was, but in her later evidence she said she had paid £10,000 to him and provided an extract from a bank statement showing £10,000 transferred out of her account on 24 August 2015 "via faster payment to J Basra". There is no documentary evidence to link this to the purchase of the house.
58. Ms Badhan pleads that the purchase was made on their joint agreement to provide a home they would share, that she would be an equal owner of it and would be registered as a legal owner when the property was remortgaged in 2017. Thereafter, she says, approximately £70,000 was spent renovating the property from the funds of the Companies. She pleads that she allowed those funds to be used on the understanding the property was half hers. There is no documentary evidence of what if any money was spent by any of the Companies, either for the purchase or improvement of this property.
59. Mr Basra says that 175 Tettenhall Rd was his sole asset, bought on a buy-to-let mortgage and mainly used for commercial purposes. He denies that he and Ms Badhan ever lived together there, though he accepted that both had from time to time stayed there and he had, he said, left some spare clothes there.
60. Mr Basra did accept in cross examination that sums of the order of £75,000 had been spent on renovating 175 Tettenhall Rd, and that they had come from the funds of the companies, though he maintained they were his companies and the money was paid so that the companies could make use of the property.
61. Mr Basra in cross examination denied that the £10,000 payment was to do with the purchase, saying that if it had been it would have been paid straight to the solicitors acting. Instead he said it was reimbursement for monies he had spent renovating Ms Badhan's properties held in her own name. He does not appear to have put forward that explanation previously, and there is no documentary evidence to support it.
62. Ms Badhan produced a considerable number of photographs, accepted to have been taken in 175 Tettenhall Rd and showing it to have been furnished and decorated in a manner consistent with domestic use, including a double bed and two wardrobes, one containing a large amount of men's clothing in what she said was the parties' bedroom.
63. There was much other evidence that the parties did in fact live together for various periods at 175 Tettenhall Rd. The tempestuous nature of their relationship is evident from the fact these periods were punctuated by periods of living apart when one of them had obtained orders from the family court to exclude the other on account of

alleged violence, or bail conditions imposed by the criminal court as a result of charges brought in relation to such allegations. Mr Basra accepted that he himself had obtained an order excluding Ms Badhan from 175 Tettenhall Rd in about February 2017, and that in order to do so he must have told the family court that they had both been living there as their home.

64. It was put to Mr Basra in cross examination that he had made a will in April 2016 (7/2145) in which he made bequests including half his residual estate to Ms Badhan describing her as "my partner" and giving her address as 175 Tettenhall Rd. He had no good explanation how this was consistent with what he now says.
65. So far as the witness evidence bearing on these domestic arrangements is concerned, I will for the moment mention only that of Manjeet Kaur, who clearly knew both parties very well over a long period and as I have said was referred to by Mr Basra and others as his sister. She was clear that both parties had lived together at 175 Tettenhall Rd, and said she lived there with them, at Mr Basra's request, in March and April 2018. She said they both came to stay with her at her own property in Cartwright Rd Wolverhampton, on or about 17 June 2018, again at Mr Basra's request but this time because he had been arrested the previous day following allegations of violence by Mrs Basra. In her oral evidence Manjeet Kaur described how during this period Ms Badhan and Mr Basra were seeking to reconcile after one of their periods apart. That was supported by the written evidence of Mr Fernandes, a lodger at Manjeet Kaur's house at the time, who described them as a couple seeking to get back together. Mr Fernandes' evidence was not challenged.
66. I am satisfied that the parties did live together at 175 Tettenhall Rd for substantial periods after it was bought, and that although it was partially used for commercial purposes its main function was as the parties' home. It is therefore more likely than not that it was bought for that purpose, notwithstanding that funds were raised on the basis of it being said to be a buy-to-let purchase.
67. According to Ms Badhan, the parties have agreed to marry on a number of occasions, though the tempestuous nature of their relationship has meant that it has never happened. She states (and other witnesses confirm) that they agreed to marry in 2015, and fixed a date for the wedding in February 2017. However Mr Basra was arrested after what she says was an incident of serious violence towards her in January 2017, following which he was given bail conditions requiring him to stay away from 175 Tettenhall Rd until March 2017. If that is right it would appear Mr Basra must have reacted by making his own counter-allegations to the family court in order to secure the exclusion order he did against Ms Badhan. She says that Mr Basra was tried on the allegations of assault in August 2017 and acquitted; an outcome she puts down to inadequacies of the CPS in failing to put in evidence recordings she had made of the assaults.
68. Ms Badhan then sought her own non-molestation order against Mr Basra, which was made final in November 2017 when he withdrew his opposition just before a final hearing. It provided that they could meet to discuss business matters in the presence of a third party. According to Ms Badhan, Manjeet Kaur acted as that third party, and from January 2018 Mr Basra sought to reconcile with her, initially during meetings at Manjeet Kaur's house.
69. From at least November 2017 there has been correspondence between solicitors acting for the parties. On 29 November 2017 solicitors for Ms Badhan wrote (6/1800)

referring to her "interest in various companies" and saying that she had "invested personally in property at 175 Tettenhall Rd which is currently in your sole name. That property was to have been transferred into joint names however to date this has not been done". They asserted the businesses were to be a joint enterprise in which profits would be shared equally and "the same applies to your residential property (purchased with the aid of personal monies belonging to Ms Badhan and dividends from the companies". There was no mention of any claim to other properties in Mr Basra's name, or of the JVA, or of any outstanding consultancy fees. The solicitors sought an agreement for Mr Basra to "purchase the shares" and for Ms Badhan to "relinquish her directorships and any other claims she has in relation to all the assets held".

70. The correspondence in the bundle is fragmented and incomplete, but it shows that on 2 December 2017 Mr Basra wrote to Ms Badhan's solicitor (6/1803) asking them not to contact him personally but his accountant Mr Hitchen or solicitor Ms Bains who were his "agents" and those of "all companies for which I am sole director and shareholder". Both the solicitors and accountant appear to have written asking how it came to be that Ms Badhan had been recorded at Companies House as being appointed a director of various companies when she had not been, and how the records of those companies at Companies House had been amended to show her as a shareholder when there had been no share transfer. They do not appear ever to have had a satisfactory response. Some at least of these changes appear to have occurred when Mr Basra was in hospital. No doubt this is what underlays Mr Basra's allegations that Ms Badhan has misused her access to Companies House authorisation codes to make entries in her favour.
71. Ms Badhan was accused in January 2018 of having removed 6 filing cabinets of company documentation from 175 Tettenhall Rd (6/1811). She does not appear to have denied that specific allegation; her solicitor said on 28 February 2018 that "the files... have been delivered up to my offices". She now says that she never removed any filing cabinets and the documents returned via her solicitor were the only ones she had.
72. Each party through their solicitor accused the other of interfering with rent payments from tenants of the companies and causing moneys to be diverted by cash payments to themselves.
73. On 27 March 2018 Mr Basra signed a Lasting Power of Attorney appointing Mr Bond, a partner at his solicitors, as his attorney (see 6/1856). Mr Bond's evidence was that his instructions were to make sure that Ms Badhan did not get control of his companies or his properties. Despite this the non-molestation order in force was relaxed to allow the parties to meet at 175 Tettenhall Rd to discuss business matters in the presence of a third party, and they agreed that Manjeet Kaur would fulfil that role. At about that time they resumed living together at no 175, and Manjeet Kaur moved in with them. In June 2018 at Mr Basra's request the parties moved in to Manjeet Kaur's home. In both these periods, Manjit Kaur's evidence is that she was acting as a friend and broke to help the parties reconcile as a couple.
74. Ms Badhan alleges that in April 2018 Mr Basra sought to borrow money from her in order to avoid repossession of some property owned in his name. She eventually agreed to lend him £9,100 provided he gave her security by way of a charge over a house at 27a Parkfield Grove Wolverhampton. On her account Mr Basra himself downloaded the forms CH1 and AP1 to create this charge and filled them in. They

then went to a solicitor's office so that he could countersign the documents and the charge was registered.

75. Asked about this in cross examination Mr Basra said that the signature on the charge form was not his, and that Ms Badhan was "a liar a fraudster and a thief". He denied he had agreed any charge and denied he had downloaded and completed the charge form. It was put to him that he had said he would accept Manjeet Kaur's witness statement which confirmed Ms Badhan's account, to which he replied that she had made a second statement withdrawing the first, and she should be called to testify. He was shown an ID1 form (9/16), apparently completed and signed by him in section A stating that it was in connection with an application to register a charge against 27a Parkfield Grove. Section B of the form is apparently completed and signed by a solicitor at VKM Solicitors confirming he had known the person named in section A for at least two years and that he had inspected the passport of which a copy is attached (which is Mr Basra's) and that it contained a true likeness of the person providing it.
76. Mr Basra dissembled, saying that certain of the writing on the form was not his, he could not confirm that the solicitor had verified the passport photograph as him (though that was plainly what the form said) and (irrelevantly) that it was a bad photograph anyway. He did accept that he had been to see the solicitor named on the date stated, and that he had previously instructed that solicitor.
77. Manjeet Kaur confirmed in her oral evidence that she had been present when Mr Basra had asked Ms Badhan for a loan and that she knew he had been paid the money. He had signed the charge form (7/2114) which states that it is to secure a loan of £9,100 and which Mrs Kaur had signed as a witness, and she had gone with him and Ms Badhan to the solicitor's office when they took the charge form there. Mrs Kaur did not understand what had been said at the office because it was in English.
78. Although Mrs Kaur was vague in some of her answers, I consider that was mainly due to lack of clarity in what she was being asked. She was confident and answered in her own words when confirming Mr Basra had asked for and received a loan, and that he had signed the charge form and taken it to the solicitor. There is no suggestion the solicitor's signature on the ID1 form is not genuine, and it is not possible to believe that he signed that certificate without having in fact satisfied himself that Mr Basra had signed the first part of the form and was the person in the passport photograph. Since the ID1 form is expressly stated to be in connection with a charge over 27a Parkfield Grove, it is not realistic to suggest the solicitor did not also satisfy himself that Mr Basra had signed that charge document.
79. Mrs Kaur agreed she had also signed a second document, denying the contents of the witness statement she had given to Ms Badhan. Asked about this by Mr Berriman she said she had done so at Mr Basra's request, and because he had told her that Ms Badhan had denounced her to the immigration authorities. She had been angry with Ms Badhan when told this and was prepared to sign the statement Mr Basra had written for her in order to help him against Ms Badhan. What she had said in that document was not true however, whereas her first statement was true.
80. I conclude therefore that Mr Basra did ask for and receive a loan of £9,100 from Ms Badhan, and that agreed to and did execute a charge in her favour for that amount. His denials on both counts were lies, and his allegation of forgery of the charge document

and ID1 form were also lies made in a desperate attempt to escape from documents that disproved his case.

81. Further, I accept Mrs Kaur's evidence as to the circumstances in which she signed her second statement and I am satisfied accordingly that Mr Basra attempted to suborn her as a witness by presenting to her and persuading her to sign a statement that he knew to be false, in order to seek to neutralise her damaging testimony against him.
82. Ms Badhan's evidence was that in May 2018 the parties were reconciled to the extent that they again agreed to get married, and set a date for 18<sup>th</sup> August of that year. She produced photographs of what she said were the wedding clothes they had bought, and a copy of an invitation card prepared for the wedding. She had disclosed a notice of intention to marry, addressed to the Wolverhampton Registrar, signed by her and dated 2 July 2018 and documents for a booking of the Civic Hall for a reception on 18 August. That notice includes statements as to the identity and other documents to be produced by both parties to the intended marriage at an appointment with the Registrar on 11 July 2018.
83. Mr Basra denied they had agreed to marry and denied any booking had been made for a reception or any clothes purchased for the occasion. He agreed he had bought her a ring, though he said it was not an engagement ring but a "friendship ring" as she was helping him with his health problems at the time. The wedding invitation was "not genuine". All this was undermined by his acceptance that he had gone with Ms Badhan to the Registrar when she gave the notice of intention to marry, going on to say that at that time he was ill and close to the point when he in fact went in to hospital, such that at that time he did not care what he agreed to.
84. Sabrina Dhiman gave a witness statement. Mr Basra did not require her to be called, having been warned this meant he accepted her evidence. She said that she was told of the wedding arrangements by Mr Basra and asked by him to design a wedding invitation. I am satisfied that the parties did agree to marry on 18 August 2018. It has not been explained how or why they came to call it off, though it appears they must have done so only a few days before the intended date.
85. On 11 September 2018 Ms Badhan's solicitors wrote (6/1846) saying "we are becoming more and more perturbed as to what is going on in the background in this case" and including a number of documents plainly intended to show that Mr Basra was representing to Ms Badhan that, contrary to the correspondence from his solicitors, they were reconciled and he regarded her as his partner and did not wish to pursue his legal claims against her. These included:
  - i) The notice of intention to marry form, saying that Mr Basra himself had booked the ceremony for 18 August and asked Ms Badhan to drive him to the appointment with the Registrar.
  - ii) A Transfer of Equity form requesting The Mortgage Works, who had provided the mortgage loan on 175 Tettenhall Rd to add Ms Badhan as a party to the mortgage. The reason stated is "My Partner joining" and the explanation for the fact no pyt is being made was "Previously contributed". This is apparently signed by both parties and dated 24 July 2018 (6/1853) and said to have been completed by Mr Basra.

- iii) A letter apparently signed by Mr Basra and addressed to his solicitors, dated 23 July 2018 saying "Further to my calls to your officers last week I am writing to confirm in writing that I do not wish to pursue any matters between myself and [Ms Badhan]"
  - iv) A deed of revocation addressed to the Office of the Public Guardian, dated 3 August 2018 and apparently signed by Mr Basra and witnessed by Manjeet Kaur stating that he revoked the lasting power of attorney given to Mr Bond (6/1856).
  - v) A letter dated 20 July 2017 (6/1857) apparently signed by Mr Basra and addressed to his GP stating that he was confirming in writing instructions given on his last visit to the surgery that "My next of kin/common law wife is [Ms Badhan]...She has been my common law wife of 12 years... you can liaise with her regarding all my matters..."
86. There is evidence of correspondence and a meeting between Mr Basra and his solicitors at the end of July 2018 in which he apparently gave them instructions that he had reconciled with Ms Badhan.
- i) On 31 July 2018 an email was sent to Mrs Bains at Mr Basra's solicitors (6/1860) apparently from Mr Basra's account and over his name, referring to "my earlier call" and an agreement to telephone her at 4pm that day and saying that he wished "forthwith... to withdraw my power of attorney from Talbots Solicitors" and that he wished to change his will "to nominate 4 primary beneficiaries" ie Ms Badhan and his 3 children. He also said "Furthermore my children and my partner [Ms Badhan] are entitled to equal shares in all companies that I own... also please register [Ms Badhan] as an equal shareholder in all my companies... please action the above as soon as possible."
  - ii) Mrs Bains replied that she was available to meet Mr Basra at 4 pm that day (6/1859) saying "I will need to meet you alone to discuss [these] issues".
  - iii) It appears they did meet. The next day another email was sent, apparently from Mr Basra saying "Further to our meeting today (sic) I would like you to confirm via letter and email what was discussed and agreed... I would like you to action my email 31.7.18 and our telephone discussion within 5 working days... as stated [Ms Badhan] is my partner/common law wife for the last 12 years..."
87. I have no evidence of any response to that email. Although Mrs Bains did file a witness statement in connection with the application for a freezing order, she did not refer to this correspondence or meeting and was not called at trial. None of the subsequent correspondence between solicitors refers to it.
88. Mr Bond's evidence was that his firm had been sent various emails purporting to come from Mr Basra's address and contradicting his previous instructions in relation to Ms Badhan. When asked Mr Basra denied sending these. Mr Bond said that he had been told by Mr Basra that when he gave instructions Mr Bond should always check them a few days later "as I may change my mind".



89. No doubt this suspicion about whether emails apparently sent by Mr Basra and inconsistent with his previous instructions were really from him lay behind Mrs Bains' requirement that she wished to see Mr Basra in person and alone to confirm his instructions in the email of 31 July. However, it would appear that he must have given Mrs Bains that confirmation when they did meet, since otherwise his email the next day referring to that confirmation would have been immediately apparent as not genuine, and it could be expected that Mrs Bains would have made that plain in subsequent correspondence, but she did not do so.
90. However, it does not appear that Mrs Bains in fact took any steps to implement those instructions, so it must be inferred Mr Basra countermanded them not long afterwards.
91. On 27 September 2018 Mr Basra's solicitors wrote replying to the letter of 11 September and the documents sent with it. They said:

“It is our client's position that the documents you seek to rely on were not signed by him. Our client has no recollection of signing the documentation. We had a meeting with our client last month and Manjeet Kaur being an acquaintance of your client insisted on attending the meeting and aggressively told our client to revoke a Lasting Power of Attorney and further change his will. We were instructed by our client that he was being unduly influenced.

Your client presented herself to our office and purported to be our client's secretary and further signed a document purporting to be someone else... she attempted to attend a second meeting with our client but fortunately Mrs Bains... objected to your client being present which was welcomed by our client.

We received emails from our client's email address attempting to revoke his LPA... our client... instructed us not to act upon any emails that were sent from his address as he had not sent any emails.”

92. In relation to this letter I observe that:
- i) It does not appear that any of the meetings it refers to was the one on 31 July referred to above. It does not appear that Mr Basra can have told Mrs Bains at that meeting that he was under duress, or she would have said so, particularly when he wrote the next day confirming instructions he said he had given her. There is evidence of other meetings attended by Manjeet Kaur or Ms Badhan, which I refer to below.
  - ii) I have not seen any emails from Mr Basra to his solicitor referring to revocation of the power of attorney, other than the one dated 31 July. However given that Mr Basra attended a meeting with Mrs Bains the same day and appears to have confirmed those instructions, it does not appear that he can have told Mrs Bains (or at least not on that occasion) that he had not sent that email.
  - iii) There was no denial that Mr Basra's solicitor had received the email of 23 July sent to them, and there had not been any earlier protest that Mr Basra had

alleged he had not sent it. He must have been asked about it as it apparently reversed his previous instructions, and presumably he told his solicitor not in fact to discontinue hostilities, but given the tenor of the correspondence it would be surprising if he had at the time denied that he had sent that email and his solicitors did not immediately include an allegation of forgery in their subsequent complaints about Ms Badhan's behaviour.

- iv) There was no denial that the letter to the doctor had been received by him, and there is no evidence that the doctor has ever been told it was a forgery.
  - v) It was seriously misleading to refer to Manjeet Kaur as "an acquaintance of" Ms Badhan. She was Mr Basra's own long term close friend and cultural "sister" and it was he who had asked Manjeet to be present to mediate when the parties met to discuss business matters notwithstanding the non-molestation order in force, and later to move in with them and subsequently allow them to live at her house when they were seeking to reconcile in 2018.
93. Manjeet Kaur said in her evidence that she had been with Mr Basra to a number of meetings at solicitors' offices (in addition to the occasion when the charge over 27a Parkfield Drive had been discussed), and that she had gone for or five times "whenever [Mr Basra] asked me to" but she did not know what had been discussed because she sat outside while he saw the solicitor. She denied putting any pressure on Mr Basra or "aggressively asking him to revoke" the power of attorney, though she did say she had "initiated the process of asking them to sit down together and take back this power of attorney and resolve this" and that Mr Basra had told her he was going to the solicitor "to have it cancelled".
94. Mr Bond in his evidence said that he had had a meeting with Mr Basra (he did not give a date) that had been attended by Ms Badhan, who he said had been "brought by" Mr Basra and described by him as his secretary. Mr Bond said it was to discuss a power of attorney to act in relation to the companies. He had thought it strange that Mr Basra did not seem to know how to describe Ms Badhan to him, and that when she signed to witness the document she had asked Mr Basra "what name shall I put" and did not seem able to give her name and address. Mr Bond said "there was a dynamic between them I could not get to the bottom of". He does not appear to have realised who Ms Badhan was at the time; he said she later attended another meeting with Mrs Bains and was recognised by her. He also said that Mr Basra had told him "many times" that if he gave instructions Mr Bond should check with him a few days later to confirm them "as I may change my mind".
95. From this evidence it does not appear that at the time Mr Bond was under the impression Ms Badhan was "insisting on" being present at a meeting, or was herself misrepresenting who she was; rather it was Mr Basra who gave her an alias that she was not sure how to maintain. Further, she does not appear to have sought to persuade, still less force, Mr Basra not to sign the corporate power of attorney, which was presumably designed to enable the attorney to act in the company's affairs to her exclusion, but instead she cooperated by witnessing it. The circumstances suggest that Ms Badhan went with Mr Basra because he asked her to, and the most likely explanation for Mr Basra describing her as someone else was that Mr Basra knew it would seem very odd to Mr Bond that he was on apparently cordial terms with the very person he was instructing Mr Bond and his firm to pursue hostile claims against.

96. Drawing all this together, I conclude that Mr Basra has blown hot and cold in his relationship with Ms Badhan over a long period, and particularly during 2018 when he was simultaneously pursuing hostile correspondence through his solicitors while resuming living with Ms Badhan and attempting to reconcile with her through the mediation of his close friend Manjeet Kaur. I have no doubt Manjeet urged him as part of that process to cease pursuing his legal allegations and call off the measures being pursued through the attorney, and it is consistent with that and his general erratic behaviour that Mr Basra would have assured Manjeet and Ms Badhan that he would do so, and would give instructions to that effect to his solicitors, but that he would later revoke those instructions and either deny he had ever given them or invent allegations of duress to explain them away.
97. I reject therefore the allegations that Ms Badhan or Manjeet Kaur exerted duress or undue influence over Mr Basra. When Mr Basra gave instructions to Mrs Bains on 31 July, for instance, it was because they represented, at that point, what he wanted to do. He subsequently changed his mind, as he told Mr Bond "many times" he was wont to do. When Mr Basra made the allegations of forgery and undue influence to his solicitors that resulted in their letter of 27 September, they were untrue and were made because he had by then changed his mind in relation to the documents he had signed and the instructions he had given and wished to resile from them.
98. Before leaving this review of the facts, there are two matters relating to credibility of the parties as witnesses that I should refer to. The first relates to the statements of Manjeet Kaur. I noted above that she had given a witness statement in support of Ms Badhan, but had been persuaded by Mr Basra to make a statement retracting the first one, and I found that what she said in the second statement was untrue, and that it had been obtained by Mr Basra in the knowledge that he was asking Manjeet to make a false denial of her earlier evidence.
99. Mr Basra obtained this false statement for use in proceedings before the Tribunal in which he objected to registration of the charge over 27A Parkfield Grove on the basis that it was forged. In resolving this objection, the Tribunal judge made no findings of fact as to whether the charge had been executed by Mr Basra, but declined to order registration on the basis that on Ms Badhan's own evidence it had been satisfied by monies she took from the account of one of the companies (see the written decision at 1/230). However, I have found that Mr Basra did execute that charge, and it follows that I am satisfied firstly that he knowingly maintained an objection to its registration that he knew to be false and secondly that he was prepared to procure false evidence from Manjeet Kaur in support of that objection and to present that evidence to the Tribunal knowing it to be false.
100. Secondly, during his cross examination, Mr Basra made an allegation, intended to discredit Ms Badhan, that she was the subject of an investigation into allegations of benefit fraud in relation to a property owned by her and occupied by a relative. Mr Berriman put it to Mr Basra that this was the product of a false allegation that had been made by Mr Basra himself in order to cause trouble for Ms Badhan. Mr Basra denied that he had been behind the allegation, saying he was only aware of it because he had been contacted out of the blue by the fraud investigator. He had no idea why he had been contacted, but said he presumed it was because the investigator had found some documentation at the property in question bearing his name or that of one of the companies. He said he had documents that would prove this was the case. Since they

had not been disclosed, I offered him the opportunity to produce those documents the next day at court.

101. Mr Basra produced only one document, saying he had not been able to locate the others. It was an email from a council Tenancy Fraud Investigator sent on 14 October 2019, in which the investigator said:

“Dear Joga

I just wanted to touch base with you and advise that I interviewed Ms Badhan today. She advised me she thinks she knows where this complaint has come from and proceeded to tell me about an ongoing dispute between you both- I advised her that I did not know what she was talking about and this investigation started due to other reasons. She kept referring to you... but I advised her I have no idea what she is talking about and this matter does not concern you...Just wanted you to know, in case she contacts you to enquire about it- you are safe to say you do not know what she is talking about as you were not mentioned by me.”

102. In context, it is in my view quite apparent that this message is not to someone peripherally caught up in an investigation through accidental discovery of his name. If the investigation "did not concern" Mr Basra the investigator would never have contacted him and would not be doing so now on first name terms. It is a warning to the person who has been the source of the allegation under investigation, designed to say that the investigator has sought to protect him by falsely denying his involvement, so that if asked he can take the same line.
103. I do not know what the allegation against Ms Badhan is, or whether it has any foundation. Mr Berriman told me, on instructions, that Ms Badhan had spoken to the investigator but it had not resulted in any charge or further action against her. I can take nothing adverse to Ms Badhan from the mere fact that an allegation has been made. But it is damaging to Mr Basra's credibility that he was prepared to bring up that allegation in order to seek to damage Ms Badhan, plainly intending that I should assume it was true, while falsely claiming not to have been behind it.

### **Transfer of Company Properties**

104. On 3 July 2019 I made a freezing order on the application of Ms Badhan alleging transactions by Mr Basra designed to dissipate assets and frustrate her claims. The circumstances of those transactions are relevant to my assessment of the witnesses, particularly Mr Basra and his wife.
105. Shortly after these proceedings commenced Ms Badhan through her solicitors sought undertakings against dissipation of assets, saying she had heard rumours Mr Basra intended to transfer all his assets to his son. No such undertakings were offered. Ms Badhan then applied to register restrictions against dealings in various properties registered in Mr Basra's name, and in the names of the two property owning companies, ASB and I Partner. In relation to those companies' properties, she had no good reason to do so since even if she was successful in establishing an interest in the shares of the companies, she would not be entitled personally to any interest in the

assets they held. On 18 and 24 April 2019 the Land Registry cancelled those applications (affidavit of Ms Badhan at 2/339).

106. Very shortly thereafter, on 28 April, documents registered at Companies House show that all the properties owned by ASB were transferred to Palwana Holdings Ltd, and all the properties owned by I Partner were transferred to Hakimpur Holdings Ltd, respectively the first and second additional respondents. Each of those companies had been incorporated on 9 April 2019, and their only directors and registered shareholders are Mrs Basa and Jasleen, daughter of Mr and Mrs Basra.
107. A combination of the registered documents and the evidence filed in response to that application shows that the transfer price was in all cases stated to be the same as that which had been originally paid for the properties some years ago, but that no part of it had been paid on the transfer. Instead, in the case of Palwana, the terms of sale provided that nothing was payable at all until 2027, and thereafter the price was payable in instalments over 50 years at a fixed interest rate of 0.25% above the Bank of England base rate. In the case of Hakimpur, the terms were similar except that the period of payment was 46 years beginning in 2027.
108. Insofar as an explanation of these transactions has been given, Jasleen said (2/404) that she believed the price represented market value given the state of the property market and the independent valuations obtained. No such valuations have been disclosed. She considered the properties would otherwise have been sold quickly for cash and would have realised less, without saying why they would have had to be sold, or why it was better that they should realise no cash at all.
109. Mrs Basra said the properties "would otherwise have been sold at an undervalue to pay for my husband's medical treatment" and in order that she could raise mortgage funds against them, presumably for that purpose. She believed the terms of sale were "not unusual in the lending market", which is plainly not the case.
110. None of these explanations carries any plausibility, in my judgment. Insofar as they reveal any intention at all it is to prevent the properties being sold either to meet liabilities of the companies or as a result of Ms Badhan's claim succeeding and instead to make their value available solely to Mr Basra until at least 2027 and thereafter to be repaid in derisory instalments over a very extended period. This, I am satisfied, shows an arrangement made by Mr Basra with the connivance of Mrs Basra and Jasleen to frustrate Ms Badhan's claims.
111. The second transaction relates to the reopening of Mr Basra's divorce settlement. On 3 July 2007 financial claims between Mr & Mrs Basra were determined by a consent order in the Wolverhampton County Court (6/1921) providing for the former matrimonial home to be transferred by Mr Basra into the joint names of himself and Mrs Basra, and thereupon all claims for financial provision and property adjustment orders to stand dismissed with further claims barred.
112. The evidence of Ms Badhan, and a number of other witnesses who knew Mr Basra, was that after his divorce he was on bad terms with Mrs Basra and constantly afraid that she would somehow seek to reopen this settlement and demand more from him. However on 7 May 2019, so a few days after the property transfers, he apparently wrote to Mrs Basra (6/1919) expressing his sorrow for how he had treated her, his regret that he had not paid her enough maintenance since the divorce and his gratitude

for her care of him during what, he stressed several times, was his recent terminal illness. He went on:

“I believe I owe you and I have short changed you and the children by an average of £30,000 per year since our divorce ie in the region of £360,000. I think I still have enough equity in my property portfolio to cover this and wish to transfer this unconditionally to you and the children... I cannot stress enough the urgency for this money equating to £360,000 to be secured and implemented in accordance with my wishes **as soon as possible** (*emphasis in the original*) and advise you to see a solicitor to draw up some kind of legal agreement or order that can be ratified by a family court... as soon as possible... I have spoken to the family court today and they have said they can grant you a same day appointment given that I am so ill... I am happy to grant you a charge over the following properties... to secure the equity within...[*he then lists 6 properties including 175 Tettenhall Rd*]”

113. A further consent order was sealed by the family court on 29 May 2019 (6/1923) varying the 2007 order to provide for a lump sum payable to Mrs Basra of £360,000 secured by charges on those 6 properties.
114. I do not of course have the family proceedings before me and have no jurisdiction to set that order aside. But for the purposes of these proceedings, I can say that I find the letter Mr Basra wrote deeply unconvincing and given the coincidence of timing with his other scheme to transfer value away from Ms Badhan's claims I am satisfied that the consent order was a scheme to place in to Mrs Basra's hands, she being by then his ally against Ms Badhan, what he clearly thought was the entire equity value of the six properties concerned.
115. The fact that Mr and Mrs Basra were prepared to enter in to such a scheme illustrates the lengths to which they will go to frustrate or avoid Ms Badhan's claims, and is damaging to their credibility, as are the other matters I have found against Mr Basra. I do not, however, make the assumption that all their other evidence must necessarily be false.

### **The Joint Venture Agreement (JVA)**

116. The JVA relied on by Ms Badhan (1/131) is a written agreement stated to be made between UKFBS, Gateway, Harrison, WM Properties and I Partner (together named as the first party), Ms Badhan and Mr Basra. Only a photocopy has ever been provided, and that was first sent by Ms Badhan's solicitors then acting on 8 November 2018, a few days before the first hearing in this matter in which the claimants sought interim injunctions against Ms Badhan. It was immediately denounced by Mr Basra through his then solicitors as a forgery, and the claimants have maintained that position throughout. It is therefore for Ms Badhan to satisfy me, on the balance of probabilities, that it is a genuine document executed, as it purports to be, by Mr Basra on his own behalf and on behalf of the five companies.
117. I begin with a review of the terms of the document:

- i) Generally, it appears to have been clumsily adapted from a legal precedent. For instance, it appears that the original precedent would have named one joint venture company as a party, defined as "the Company" or something similar, but in adapting that precedent the names of all the five companies have simply been pasted in in place of the defined term, with little or no attempt to adapt the language to the fact that five bodies are named rather than one.
- ii) Thus the first recital records that the five companies "has (sic) two ordinary shares which has two ordinary shares (sic) of £1 each in issue, held by Mr Basra and Ms Badhan". This is repetitive and ungrammatical, and if it was intended to say that each company had two shares in issue that was not correct. Nor was it correct, as Ms Badhan now accepts, that she was ever the holder, or joint holder, of any shares in any of those companies.
- iii) Clauses 3 and 4 provide that "The parties agree and Mr Basra undertakes that two ... shares shall be issued on the date of this agreement and numbered 1 and 2 and any companies formed in Mr Basra's sole name and where Ms Badhan has financially contributed to or carries out work for the new companies formed... Both shares shall be registered in the name of Mr Basra and the Register and Returns of Business completed accordingly...Mr Basra declares and the parties agree that he shall hold the share numbered 2 on trust for Ms Badhan and shall exercise all voting or other rights consequent on ownership of that share as directed by Ms Badhan and not further or otherwise...".
- iv) That is also ungrammatical, and the stated agreement to issue two shares on the date of the agreement contradicts the recital that they already exist. Ms Badhan clearly interprets it as meaning that it was agreed she would have a 50% beneficial share ownership in relation to all five companies named, and that the same would apply to any future companies to which she had made any financial contribution (apparently whether or not equal to any contribution by Mr Basra) or for which she had done any work (apparently irrespective of how much work or its value or whether she had been paid for it).
- v) As to management, clause 6.2 provides that "Mr Basra shall act as the sole director of [all five companies]". However by cl 4.3 "the Business shall only be quorate upon the presence of both Mr Basra and Ms Badhan at a board meeting" and by cl 6.2 and 6.3 "The post of chairman shall be held by Ms Badhan. The chairman shall have a casting vote... the position of chairman shall be held permanently by Ms Badhan..." and "The appointment of further directors shall be subject to ratification by the chairman." Thus although Ms Badhan was not to be named as a director of any of the companies she was to act as such, and indeed be named chairman, and was to have effective control of the board since it would not be quorate without her and she would have a casting vote on all matters and the right to veto appointment of other directors.
- vi) Cl 5 is headed "Matters requiring consent of Ms Badhan", as if it were for her sole benefit, though its operative provisions state that none of the five companies should do any of the Reserved Matters listed in a schedule without consent of both parties. That schedule included prohibitions on changing any bank mandates and instituting any legal proceedings.

- vii) Cl 14.3 provides that no share should be transferred unless the transferee has executed a deed of adherence to the terms of the JVA, in the form set out in Sch 2. That schedule however, instead of containing a specimen document with blanks for matters such as the name of a new shareholder, has been completed and signed as if it were a second agreement. As completed it refers to the five companies as "Transferor", Ms Badhan as "New Shareholder" and both Ms Badhan and Mr Basra as "Continuing Shareholders". It recites that "By a transfer or subscription of shares in the capital of the Transferor dated 3<sup>rd</sup> July 2013 the Transferor transferred to the New Shareholder OR the New Shareholder subscribed for 2 Ordinary shares in the capital of the Transferor". This is nonsense; the precedent presumably intended to provide for two alternative possibilities (transfer of existing shares or issue of new ones) but the document has been completed with both as if the parties are not sure what has happened and as if the companies might have transferred their own shares. In fact, as Ms Badhan accepts, neither had occurred. According to the main JVA she was intended to be owner of one share not two in any event. Cl 2 then provides that "the New Shareholder shall assume all the rights of the Transferor under the agreement and shall... perform ...all...obligations [of] the Transferor.". This is also nonsense; since Ms Badhan was already a party to the JVA there was no need to bind her in to its terms again.
  - viii) This sort of drafting suggests that whoever prepared this agreement did not understand the precedent they were working from.
  - ix) The document bears the date of 3 July, in three places- on the page before signature of the main agreement (1/148), at the beginning of the Deed of Adherence (1/153) and in the recital referred to above (also p 153). In each case it has been typed in, in the same font as the rest of the document and so apparently before the document was printed for signature.
  - x) There are thus two signature pages, (pp149 and 155) each apparently signed by Mr Basra and Ms Badhan.
118. The parties instructed a joint handwriting expert, Ms Fiona Marsh, and her written report is in evidence (7/2400). She noted that her ability to compare the signatures on the JVA with the specimens she was given was restricted because those signatures were only photocopies, and one of them was of very poor quality. She said that the questioned signatures "bear a pictorial resemblance to the known signatures of Mr Basra ... the degree of similarity is such that it could not have occurred purely by chance" and that there were

"only two possible explanations for my findings:

Mr Basra wrote one or both of the questioned signatures but those signatures lie outside the range of variation I have seen in the known signatures...

One or both of the questioned signatures are copies of the signature of Mr Basra by someone familiar with his signature

... I am unable to determine with any degree of certainty which alternative is most likely. The result of my examination is, therefore, inconclusive."



119. The expert's report does not therefore support Ms Badhan's case that the document is genuine, but neither does it rule it out.
120. When cross examined by Mr Basra, Ms Badhan denied that she had copied his signature herself. When asked if she had got someone else to do so she at first gave an evasive answer, but when I insisted she answer directly she denied doing so. As to why it had been produced so late, she said her solicitor and counsel had had the document (she did not say from when) and were about to produce it when they had been notified of the injunction hearing. This answer did not meet the point; it was no explanation of why she had waited so long before that to disclose it.
121. Although she has known from the start that the document is challenged, Ms Badhan's pleadings and witness evidence have given little information about how the JVA came in to being and no surrounding or supporting material at all. There are for instance no texts or emails referring to it, although Ms Badhan says it was a matter that had long been agreed between them and was something Mr Basra "pressed for" in 2013. She has been able to produce numerous other texts and emails that she regards as supportive of her case, so it is surprising that a matter under consideration for a long period would not have produced any identifiable reference. Nor is there any evidence of any other witness that they had seen or been told about this document. It would have been relevant to matters dealt with by the accountants, but there is no reference to it in any correspondence from them, and when Ms Badhan asked them for information about her position as director of the companies and her involvement in their management, neither she nor they mentioned this agreement.
122. Although hostile correspondence was passing between solicitors since at least November 2017, so twelve months before this document was disclosed, there is no mention of it. Given that this correspondence concerned Ms Badhan's alleged entitlement to an interest in the shares of the companies and her right to continue to be involved in their management, and in particular to draw funds from their bank accounts, it is very difficult to believe that if this document then existed Ms Badhan would not have immediately told her solicitor about it, or that if those solicitors were aware of it they would not have mentioned it. Even if she had not by then located a copy of it, it would have been mentioned because, it would have been pointed out, Mr Basra had created it and could be presumed to have the original and be aware of its terms.
123. On Ms Badhan's interpretation of it, the JVA created an express trust of the shares of all the companies under which she had an equal interest, and yet when her claim was initially put forward by the letter of 19 November 2017 (6/1800) it was on the basis that she had "an interest" and was "a shareholder of many of the companies" (without specifying which companies or what shareholding). Her solicitors said "we are advised these were to be a joint enterprise with the profits of the business to be yours and Ms Badhan's in equal shares". If Ms Badhan had, or knew that Mr Basra had, a document signed by him setting out exactly those terms, why would she not have said so from the start?
124. A substantial part of the correspondence after that concerned attempts by Mr Basra's solicitors to forbid Ms Badhan's use of the companies' bank accounts and to prevent that use by instructing the bank to change the mandate, all on the basis that Mr Basra was the sole director of the companies. Ms Badhan in return insisted that she was entitled to do so to keep the businesses going. If she had an agreement that gave her control of the board, a position as chairman that made her a director even if she was

not to be recorded as such (although on her case she was in fact registered as a director contrary to the terms of the JVA) and the right to veto her removal by Mr Basra or any change in the bank mandate without her consent, she would no doubt have considered the JVA to be extremely providential in the circumstances that had arisen and relied on it as soon as she could, but it was not mentioned for over a year.

125. Ms Badhan's own pleading stated that the JVA was entered into "in or around July 2013" (1/105) so not committing her to the date stated on the document. As to how and where it came to be signed she said little until required to reply to Pt 18 questions, when she said it had been signed "at a Turkish restaurant in Palmers Green ... after work one evening" and as to whether she had read it before signing she "had been presented with a copy a few days before signing... it had already been read by the Defendant".
126. In cross examination she said this had in fact been on 3 July, the date stated on the document, and in response to Mr Basra's assertion that they had both been at a solicitor's office in Wolverhampton on 2 July so that if they had wished to sign the document they would have done so there, she said they must have travelled the next morning to London for work. She had been given a draft of the agreement about a week before by Mr Basra but had not retained it. I asked her how in those circumstances the date could have been typed in to the document in advance of it being signed, since that implied advance knowledge of the intended date of signature. She initially had no explanation. I asked whether Mr Basra had access to a printer in London and she then said he did. She seemed anxious to seize on a way out of a difficulty.
127. Nor did Ms Badhan seem to have a convincing explanation how she had obtained a copy of the document. She said Mr Basra had retained the original after signature, but she had later found a copy in papers kept with business records at his mother's house. She did not say when this had occurred.
128. In all her evidence, written and oral, Ms Badhan seems to me to have given the minimum possible detail about this document and how it came into existence. Given its centrality, if it was genuine and Mr Basra must have known about it, she would have been able to give much more detail and would be likely to have done so in order to show Mr Basra's denial was false.
129. Ms Badhan did indeed produce other documents she said Mr Basra had signed, which her solicitors put forward with their letter of 11 September 2018 (6/1846) as designed to show that Mr Basra was presenting a picture to his solicitors that he knew to be false. If the JVA existed at that time, it surely would have been the most important document to use to make that point, but it was not mentioned.
130. Taking all this into account, Ms Badhan has not satisfied me that the JVA is a genuine document. I go further and find on the balance of probabilities that it is not genuine but a forgery made or procured by Ms Badhan shortly before it was disclosed in November 2018. It follows of course that it cannot be relied on by Ms Badhan either to oppose any of the claims against her or in support of any of her own claims.
131. That finding is of course seriously damaging to Ms Badhan's credibility. But I remind myself that, as indeed with Mr Basra, a finding of untruthfulness in one respect does not necessarily mean that all her evidence must be disbelieved.

**Ms Badhan's claims to an interest in the Companies.**

132. Ms Badhan now accepts that no shares in any of the Companies have ever been issued or transferred to her, and that all the issued shares are registered in Mr Basra's name so that he is the legal owner of them. Her claim to a beneficial interest by way of express trust based on the JVA fails as I have found that is not a genuine document. Her remaining claim is to an equal beneficial interest arising by way of constructive trust from what she says were express oral agreements made between her and Mr Basra and assurances given by Mr Basra when the companies were incorporated. The onus is on her to satisfy me, on the balance of probabilities, that such agreements were made or assurances given, and that she has relied on them. Her claim to a later amendment by further assurance that her interest would be increased to 80% was as noted above abandoned at the conclusion of the trial.
133. It is part of Mr Basra's complaint against Ms Badhan that she has, he says, misused her access to Companies House authentication codes to file returns and other documents falsely showing that she is a director and shareholder of the various companies when she was not. On 20 November 2017 Garratts, a firm of accountants acting for Mr Basra, wrote to Ms Badhan (7/1958) enquiring how it was that she appeared to be recorded at Companies House as a shareholder. In relation to WM Properties, for instance, they noted that prior to 2017 its accounts and Annual Returns showed that Mr Basra was the sole shareholder. A Confirmation Statement (ie Annual Return) made up to 31 January 2017 however showed two shares in issue, one each held by Mr Basra and Ms Badhan. They asked her for copies of any resolutions and other documents that would have been required to create and issue another share, whether she had paid for it and whether she had a signed share certificate. Similar questions were asked in relation to other companies.
134. Ms Badhan has never, so far as I can see, responded to these enquiries, save to say that she denied filing the Confirmation Statement and that Mr Basra also had access to the codes required to do so. She was asked in cross examination by Mr Basra about filings made showing she was a director, but not about those relating to shares. In the circumstances I make no finding that they were made by her, but I regard it as counting against her credibility that she has not given an explanation of filings that were, she now must accept, incorrect and showed a position in her favour that was inherently unlikely to have been presented by Mr Basra.
135. The first company incorporated was UKFBS, in October 2009. At that time, it is accepted the parties were in a relationship and living together in London and Wolverhampton. They were both working for a London council in the housing sector, and had experience and contacts in the Wolverhampton area, where Mr Basra already owned property that was let out. It is inherently plausible therefore that they could have come up with an idea to go into business together as a couple in that field.
136. The incorporation was handled by Mr Meredith of Swain & Co. Mr Basra accepted that they were his accountants that he had used previously, and said he had given their instructions. I have referred above to the letter written by Mr Meredith to Ms Badhan's solicitors on 24 May 2019 (7/2143) which I accept as reliable in relation to matters in his direct knowledge. It shows in particular that Mr Meredith must have been instructed by his client Mr Basra that Ms Badhan was to be appointed as a director on incorporation. Thereafter he regarded her as running and managing the companies concerned, plainly with Mr Basra's knowledge and agreement. Mr Basra

himself confirmed that she could continue to deal with the companies' business affairs as late as August 2018.

137. Ms Badhan says that she and Mr Basra each contributed £5,000 to start up capital of UKFBS. She has no documentary evidence of such a payment and I have seen no accounts or other supporting evidence referring to that amount. There is however some indication that both parties did make loans of some amount; the accounts of UKFBS for its first period to 1 October 2010 (8/181), drawn up by Swain & Co and signed by Ms Badhan on behalf of the Board, show an entry for "Directors' Loan £4968". No detail is given, but if the apostrophe is correctly used it suggests a loan by both directors. That loan may initially have been greater; certainly by the next accounts date in 2011 it had reduced to £4420 (8/197) and by the following year it had apparently been repaid. The 2011 accounts refer in a note to "Directors' loans" in the plural, again suggesting they had both made loans.
138. Other witnesses were clear that Ms Badhan was heavily involved in the business at a managerial level; indeed all those who appeared said she was more active and effective than Mr Basra, largely because he was mostly affected by alcohol.
139. Thus Mr Raj Bansal, who was called, said in his evidence (witness statement at 9/98):
  - i) He had been a friend of Mr Basra for about 16 years and in 2010 was asked by him to come and work in a new business he was starting in estate agency. He worked for UKFBS between 2010 and 2014.
  - ii) Mr Basra told him the business was jointly owned by himself and Ms Badhan and referred to her as his "Mrs" and introduced her as his business partner.
  - iii) For the most part he got his instructions from Ms Badhan. He recounts numerous incidents of Mr Basra behaving badly with tenants and others when drunk. Mr Basra's behaviour was so bad he had to be kept away from tenants. Ms Badhan "was bringing in all the clients and doing all the paperwork as well as handling the subsistence folders and the money paid to clients".
  - iv) He had been downstairs in Mrs Basra's home when he heard sounds of him assaulting Mrs Basra upstairs. He witnessed Mr Basra being verbally abusive to Ms Badhan and damaging her car, and had been told by labourers he was managing that they had seen Mr Basra assault Ms Badhan.
  - v) He left in 2014 after Mr Basra reneged on promises to increase his salary and falsely accused him of stealing money taken by a workman engaged by Mr Basra himself.
  - vi) His wife had also worked for the companies on a part time basis. After she left and argued with Mr Basra false accusations have been made against her to her other employer and both their vehicles had been damaged. He plainly regarded this as something typical of Mr Basra and done to deter them from keeping contact with Ms Badhan.
140. Mr Bansal was firm in maintaining his evidence in cross examination by Mr Basra. I regarded him as a convincing and truthful witness.

141. Priya Bansal, Mr Bansal's wife, also made a witness statement. Mr Basra did not require her to be called, having been made aware that this meant he did not challenge her evidence. Her statement included the following:
- i) She "started work for Mr Basra and Ms Badhan in 2013 for a company called WM Properties Ltd which Mr Basra informed me was one of their companies they owned". She worked for five years part time and had another job at a shop.
  - ii) It was clear to her that Ms Badhan held all the business together and did most of the work. Mr Basra told her he owed all the success of the businesses to Ms Badhan.
  - iii) She became aware of Mr Basra's drinking which resulted in periods in hospital after which Ms Badhan would nurse him. From time to time Ms Badhan went to a safe haven after violence from Mr Basra. Things became difficult between them as a result of bail conditions on Mr Basra or Mr Basra locking Ms Badhan out of the business. At one time Ms Badhan obtained a non-molestation order against Mr Basra and while this was in force "many of the casual workers and myself and whoever else communicated or worked on Ms Badhan's instructions were attacked by way of bricks through windows, slashing of tyres and reported to various bodies such as the Department of Work and Pensions Solicitor's Regulation Authority, and Police. Mr Basra would often complain to the police about threats, theft, fraud and terrorism about the workers and Ms Badhan. He also slashed my car tyres and my husband's van tyres..."
  - iv) Mr Basra had also made false allegations to her employer at the shop accusing her of theft, which she reported to the police. She thought this was to stop her having contact with Ms Badhan.
142. Mr Farakh Bashir made a witness statement and was called. He said he was the tenant of commercial premises at 111 Lord St where he ran a tyre business. He initially met Mr Basra and Ms Badhan together to agree the tenancy and Mr Basra introduced Ms Badhan as his "wife and business partner". He paid a deposit of £1000 which he gave to Mr Basra.
- i) Initially both would collect his rent in cash, but later on one or the other would come. Sometimes Mr Basra came with Wayne Freeman and when that happened he would share the cash with Wayne and they would go to a pub. Sometimes both parties, or Mr Basra alone, would come with Manjeet Kaur who was referred to as Mr Basra's sister. He became aware of relationship issues between Mr Basra and Ms Badhan, and noticed it was in periods of these issues that Mr Basra came to collect the rent.
  - ii) When he had maintenance or other issues to raise it was only Ms Badhan who dealt with them effectively. Mr Basra either gave him no response or "would talk a lot of nonsense" as he was frequently drunk.
  - iii) On 27 February he had been illegally evicted from the premises by Mrs Basra, who had attended with "a thug". He called the police and the "thug" left. Mr and Mrs Basra later demanded £4000 to let him back in.

- iv) He had paid his rent to whoever came to collect it. In November 2018 Ms Badhan had shown him a court order and advised him not to pay anything to Wayne Freeman but only Mr Basra or herself, or to pay by bank transfer to ASB.
143. Mr Bashir was cross examined by Mr Basra, whose case was that he had not been party to any letting to Mr Bashir, which had been done without authorisation by Ms Badhan and that Ms Badhan had collected and retained all the rent payments. Mr Bashir convincingly refuted this, recounting how he had initially met Mr Basra and Ms Badhan together and handed his £1000 deposit personally to Mr Basra, and how Mr Basra had subsequently attended to collect rent, alone or with others. He was firm in his account of the eviction and said that Mrs Basra had told the police he had not paid his rent, which was not true as he had paid every week and had receipts signed by Mr Basra or his sister (ie Manjeet Kaur).
144. The eviction is the subject of separate proceedings and I say nothing that binds the judge in those proceedings. But for the purposes of this claim, I found Mr Bashir a truthful witness and I accept his evidence.
145. Jocelyn Barton provided a witness statement. Mr Basra did not require her to be called so again her evidence stands unchallenged. She said:
- i) She is the former licensee of the Royal Victoria pub in Maryport Cumbria. She first met Mr Basra and Ms Badhan when they came to view the pub in 2016 with a view to buying it.
- ii) Mr Basra introduced the parties "as a couple in business and in life". Mr Basra asked her to stay on as manager.
- iii) Initially Mr Basra and Ms Badhan together would visit to bring stock and collect takings. Later they sent a Mr Singh. On one occasion Mr Basra himself collected the cash saying it was for building work, but none was done. Later she was given paying in books for ASB and JNB and asked to pay takings in to their accounts [notwithstanding, I observe, that the pub was not owned by either of those companies but by I Partner] which she did.
- iv) It was only Ms Badhan who gave her any effective management assistance; Mr Basra was full of talk but never got anything done and was often drunk. At one point in 2017 the drinks supplier threatened to cut off supplies as it was owed £14,000 and it was Ms Badhan who sorted this out. Ms Badhan also sorted out payment for telephone, Wi-Fi and utility supplies that had not been paid.
- v) On 25 February 2019 she was evicted from the pub without notice by Mrs Basra who arrived with four other persons saying she was now in charge and waving a document she said was a power of attorney but which she would not let Ms Barton read. She was not allowed to phone Ms Badhan before she left the site.
- vi) Mrs Basra installed a man called Paul to run the pub. On 1 March she had gone to see Paul with Ms Badhan who showed Paul a court order and asked for information about income and expenditure. Paul panicked at this and called Mr Basra. Shortly after the police arrived saying they had been told there was an armed robbery in progress, by calls from the mobile numbers of Mr Basra and

Mrs Basra. Paul told the police the two women had threatened to break his legs, but the police were satisfied none of these allegations were true and left.

- vii) Soon after Mrs Basra arrived with four "thug looking males" and called the police alleging the pub was hers and demanding the keys. This did not succeed but overnight they gained entry in any event and subsequently excluded Ms Barton. They put in new managers who had, she said, ruined the business.
146. Sabrina Dhiman provided a witness statement which was also accepted without her having to be called. She said she had known the parties since 2016 "as a couple and also as business partners" and had worked for them in an administrative role under Ms Badhan. Mr Basra "was never shy to inform me they were both a couple and business partners". Although most of her statement deals with her knowledge of the personal relationship, including having been invited to the intended wedding in 2018, seen the wedding clothes and been asked to design the invitations, she also observed Ms Badhan going out of her way to care for Mr Basra and that Ms Badhan did most of the work in the business.
147. These witnesses then all worked for one or other of the claimant companies. They all say not only that Ms Badhan was effectively running the business and that Mr Basra was often incapable of doing so because of drink. Further they all heard Mr Basra say the parties were a couple in business or describe Ms Badhan as his business partner and wife or "Mrs", and Mr Bansal was told by Mr Basra that he and Ms Badhan jointly owned the companies. I have accepted their evidence. I note also the disturbing common theme in their evidence that persons who fell out with Mr Basra were apt to be attacked, be visited by "thugs" or have their cars or houses vandalised, and that Mr Basra has a tendency to make false allegations to police or other authorities against people who cross him.
148. There was a considerable amount of questioning at the hearing about arrangements with AML Tax, which I have referred to above. As I note above, I conclude that Ms Badhan was a party to the advice sought on tax efficient extraction of profit, and that was consistent with her being regarded by Mr Basra, and presented to AML, as an owner of the business.
149. Ms Badhan only pleads that she made a capital contribution to establishment of the first company, UKFBS. The others she says were set up to run different aspects of the business using funds generated by those already trading. Mr Basra appears to accept that this was the case, though of course he maintains all the companies are his alone. Certainly he has not provided any evidence of start-up capital being introduced to any of them from any other source
150. It is accepted that Ms Badhan has been a signatory on the accounts of all the companies. There is no doubt Mr Basra knew and approved of this, at least until the parties fell out. He would have to have given the initial instructions to the bank to set this up. I have no evidence that any person other than Mr Basra and Ms Badhan was a signatory, or of any limits on her authority, so in that important respect she was treated equally with Mr Basra.
151. Mr Basra's pleaded case (Particulars of Claim at para 11ff) is that until 2105 Ms Badhan was not involved in the running of the business "except for ad hoc work" and she maintained her full time work in London. He pleads that she was remunerated as a consultant between 2012-4 "for assisting Mr Basra in the administration of the

companies" and thereafter "employed by Mr Basra to assist". In fact if she was employed it must have been by one of the companies rather than Mr Basra personally. Ms Badhan does accept that she was during later periods remunerated as an employee by Gateway; there have been separate proceedings before the Tribunal in which she challenged her purported dismissal from that employment.

152. It seems to follow from this that Ms Badhan was not remunerated at all prior to 2012, so for over two years after the start of the business. I am satisfied that in that period she took a leading executive role in setting it up and managing it, and of she was not remunerated as an employee this also suggests she was regarded as an owner.
153. Drawing all this evidence together, in my judgment the pattern it shows is of Mr Basra and Ms Badhan starting and running the business together as a couple, and of Mr Basra treating Ms Badhan as his business partner and an owner of the business and describing her as such to third parties. The likelihood is that this reflected what the parties had agreed when the first company was set up, and that all the subsequent companies were regarded as convenient vehicles for particular parts of the business but covered by the same overall arrangement. Insofar as she was paid either by way of consultancy agreement or employment, those were part of loose and flexible arrangements to distribute the profits of the companies between the parties as their owners. I accordingly accept her evidence that this was the way they agreed to set up and run the companies, and that as between them it was agreed she would be an equal owner, although not appearing as such on any public records. Such arrangements are far from unusual. Insofar as it is necessary to show reliance, I am satisfied that Ms Badhan relied on that agreement by her work in and contribution to the success of the companies although she was not formally an owner of them.
154. That express agreement is sufficient to make Mr Basra a trustee of the shares issued to him with Ms Badhan having a 50% beneficial interest. She is entitled to an order accordingly.
155. It does not however mean that Ms Badhan had any direct personal beneficial interest in the assets or profits of those companies, contrary to her pleaded case. She has not made any case that the companies were merely nominees acting for a business personally owned and conducted by the parties as individuals.

### **Ms Badhan's claims to properties**

156. By her amended defence and counterclaim Ms Badhan claims an equal beneficial interest in 175 Tettenhall Rd and various rental properties, all of which are registered in Mr Basra's sole name so that he is the sole owner of them at law. As with the interest claimed in shares of the companies, Ms Badhan seeks to establish a beneficial interest arising under a constructive trust from express agreement with Mr Basra and/or assurances given by him, on which she has relied. The starting presumption is that the equitable interests follow the legal interests (*Stack v Dowden* [2007] UKHL 17) and the onus is on Ms Badhan therefore to satisfy me, on the balance of probabilities, of the agreements, assurances and reliance that she requires to show to make out her case.
157. Ms Badhan's claims to properties have developed over time, and it is relevant to track these changes. I have referred above to the letter of 29 November 2017 in which Ms Badhan's solicitors initially put forward her claim (6/1800). In that letter the solicitors asserted Ms Badhan was entitled to an equal joint interest in 175 Tettenhall Rd, but



made no claim to any interest in any other properties owned by Mr Basra. In relation to 175 Tettenhall Rd they said Ms Badhan had invested personally in that property (they did not say how much), that as with the business it was to be a joint venture equally owned, that it had also been paid for from profits of the business and that it "was to have been transferred into your joint names this month" but that had not been done.

158. So far as can be seen from the correspondence in the bundle (which must be incomplete but I have not been referred to any other) no claim was made to any other properties before the Defence and Counterclaim was filed on 14 February 2019. It appears there was a without prejudice meeting on 28 March 2018, at which Ms Badhan said, apparently for the first time, that her contribution to the purchase of 175 Tettenhall Rd had been £10,000, because she was asked (in open correspondence) for details of that payment the next day by Mr Basra's solicitors (6/1834). I have not been provided with any reply to that enquiry.
159. Before me Ms Badhan produced a redacted single line from a statement (9/6) on a Santander account (number ending 3922, unidentified but presumably her own) showing a transfer of £10,000 on 24 August 2015 described as "Transfer via Faster Payment to J Basra". Ms Badhan has annotated this herself to say that the payment went to "Mr Basra HSBC a/c" number ending 6518 and that it was "For purchase contribution of 175 Tettenhall Rd...". That was about the time of purchase of 175 Tettenhall Rd but I have no documentary evidence relating to that purchase, such as from the records of the solicitor who acted, connecting the payment to that purchase.
160. Ms Badhan filed a witness statement on 16 December 2019 in which she said in relation to 175 Tettenhall Rd that it was purchased "with £10,000 of my money" (para 66). But she also referred specifically to the £10,000 transfer on 24 August 2015 and attributed a different purpose to it- at para15 she said  

"Mr Basra subsequently wanted to purchase a buy-to-let property and asked me for £10k and said 'its for us baby Ive already agreed all my properties are half yours etc' so I made a payment of £10k on 24/08/15... The monies was used for one of the personal portfolio properties in his name."
161. Although 175 Tettenhall Rd was purchased with a buy-to-let mortgage, indicating that the lender must have been told that was its intended purpose, it was never used for letting out but as the parties home and business base, and would not have been described by Ms Badhan as a portfolio property. It appears then that she either does not know what the payment on 24 August 2015 was for or that she seeks to rely on it for two different purposes.
162. It was also Ms Badhan's pleaded case that over £70,000 was spent on renovations to 175 Tettenhall Rd from monies of the companies. In cross examination Mr Basra accepted that this was so, although of course he maintains they were his companies paying for his property. My findings that the companies were agreed to be jointly owned and that contrary to Mr Basra's case 175 Tettenhall Rd was primarily the couple's joint residence support Ms Badhan's case that it too was regarded as jointly owned.
163. That is also supported by the later transfer of equity form (6/1849). According to Ms Badhan this was completed by Mr Basra himself and it is apparently signed by him.

Although his solicitors denied he had signed it, he has pleaded no allegation of forgery in these proceedings in relation to that document and did not ask for it to be proved to be authentic or referred to the expert. It is dated 24 July 2018 at a time when (although he had concealed this from his solicitors) Mr Basra and Ms Badhan were reconciled to the point that they had again agreed to marry and had arranged a ceremony, so it would be consistent with that reconciliation that Mr Basra was taking steps to implement what he had previously promised about their home. The form records the reason for the transfer as "My partner joining" and that no payment was being made because she had "previously contributed".

164. Claims to other properties were, so far as can be seen, first made in the Defence and Counterclaim as originally filed on 14 February 2019. That document (1/30) pleaded as follows:

- i) It was acknowledged at para 6.2 that by October 2009 when UKFBS was formed Mr Basra already owned five rental properties (the Existing Properties). No claim was made to any interest in them.
- ii) A schedule of ten further rental properties was attached (the Purchased Properties). In relation to them it was pleaded:
  - a) That all had been purchased using profits of the companies, part of which profits were said to be held on trust for Ms Badhan,
  - b) Ms Badhan had personally contributed unspecified amounts to the purchase of two of them, 24 Mostyn St and 61A Fairview Rd,
  - c) Mr Basra had told Ms Badhan that because they were purchased using company profits and as a result of her hard work she was entitled to 50% of the Purchased Properties
  - d) Accordingly and as result of her contributions and beneficial interest in the profits of the companies, they were held on resulting or constructive trusts for the parties in equal shares.
- iii) In relation to 175 Tettenhall Rd it was pleaded that:
  - a) It was purchased using company profits as above, and an (unspecified) contribution from Ms Badhan,
  - b) There was a specific oral agreement between the parties prior to purchase that it was to be their property in equal shares and that Ms Badhan would be registered as a joint owner when it was remortgaged in 2017.
  - c) It was renovated using £70,000 of money from the companies, which Ms Badhan allowed to happen in reliance on the promised made to her
  - d) Accordingly it was held on constructive or resulting trust for the parties equally.

165. On 27 August 2019 Ms Badhan amended her defence and counterclaim (1/99). By that document:

- i) Two properties were dropped from the list of Purchased Properties. This was in acknowledgment of Mr Basra's pleading in his Reply that they could not have been purchased from Company profits as he already owned them before 2009.
  - ii) A further schedule of 15 properties was introduced (the Renovated Properties). In relation to these it was said they had been renovated or had mortgage monies paid using profits of the companies. No amounts were specified. As with the Purchased Properties it was said Ms Badhan had been told she was entitled to 50% of these properties, and they were held on trust on the same terms and for the same reasons as the Purchased Properties. These 15 properties comprised all the properties Mr Basra had owned prior to 2009 (ie the five Existing Properties and the two referred to above) plus the 8 remaining Purchased Properties.
166. In her affidavit filed in support of the application to amend (2/359) Ms Badhan gave no explanation why she had not originally made a claim to the Existing Properties- she simply said (para 8) "I also say I am entitled to a beneficial interest in [the seven properties Mr Basra already owned]... The reason for this is that these properties were either renovated using company funds or the companies' profits were used to make mortgage payments and Mr Basra and I understood they were to be jointly owned." She gave no details of the amounts said to have been so paid, and no details of any discussion or other circumstances giving rise to the alleged common understanding.
167. Ms Badhan has given little amplification of the assertion she was "told" she would be entitled to a 50% beneficial interest in the Purchased Properties and the Renovated Properties. She has made a number of witness statements and affidavits; six are in the bundle and she filed another on 19 December 2019:
  - i) In her affidavit of 24 June 2019 (2/335) she said that "Mr Basra used the companies' profits to buy [the Purchased Properties]...Mr Basra told me I was entitled to 50% of the properties... we used the companies' profits to renovate [the Renovated Properties]...I allowed [this] because Mr Basra said I would get 50% of them...".
  - ii) As noted above in her affidavit of 24 July 2019 seeking to amend her pleading Ms Badhan said "Mr Basra and I understood [the Renovated Properties] were to be jointly owned...".
  - iii) The only other statement to refer to the alleged promise or understanding was the witness statement of 19 December 2019, which merely repeated the above.
168. In relation to financial contributions to the purchase of properties other than 175 Tettenhall Rd, the pleaded case is that Ms Badhan contributed amounts, which she has not specified, to only two properties, 24 Mostyn St and 61A Fairview Rd. She has produced no documents relating to the purchase of either property that might confirm that she made any such contribution, or if so how much.
169. In her affidavit of 24 June 2019 (para 17) and her witness statement of 19 December 2019 (para 62) she said that she had personally contributed towards 61A Fairview Rd and 27A Parkfield Grove (which she had not pleaded) but said nothing about a contribution to 24 Mostyn St.

170. Among the documents Ms Badhan has disclosed are:

- i) Two lines from a statement on the Santander account 3922 (9/7) each showing a "transfer via faster payment" of £6,300 and £9,978.75 respectively, both on 10 February 2014. There is no indication on the statement of the payee, but Ms Badhan has annotated it herself to say the payments went to "Mr Basra's HSBC account ... 6518 for purchase of 24 Mostyn St". If both were for the same purpose, there is no explanation why two payments on the same day were required.
- ii) A longer statement extract, mostly redacted, but the unredacted entries show the two transfers above and another of £18,582.35 (the figure is difficult to read) on 5 March 2014 "via faster payment to vkm solicitors". Vkm were a firm that had acted on property purchases, but this is not a payment Ms Badhan relies on as a contribution by her, and if the two payments on 10 February had also been to that firm it is odd that the statement entries do not say so.
- iii) One line from a redacted statement on the Santander account (9/8) showing a "Transfer via faster payment- £8,000" on 8 May 2014. Again there is no indication of the payee but Ms Badhan has annotated it to say the funds went "to Mr Basra's account ... 6518 for purchase of 4 Manlove St". That is not a property to which she has either pleaded, or said in evidence, that she made a contribution.
- iv) An exchange of texts (9/9) sent on 31 December (the year is not given) between Ms Badhan and a "Gemma", presumably a Santander employee, in which Gemma says that "our techo team" have been able to establish that the payments of £10,000 (referred to above in relation to 175 Tettenhall Rd) and £8000 both went to account 6518 (she does not name the holder) and "the reference was gift". That must have been a reference Ms Badhan herself gave to the payments when they were made. The texts do not refer to any of the other payments.
- v) A Santander transfer slip recording a transfer of £18,000 from account 3922 to account 6518 on 20 March 2014. This is not a payment Ms Badhan has pleaded as a contribution to any of the properties. In this case however further details of the accounts are given.
  - a) Account 3922 is described as "(MISS NARASH KUMARI BADHAN)"
  - b) Account 6518 is described as "loan j basra (MISS N K BADHAN)"

It appears that the name in capitals may be the account holder, in which case account 6518 may not be an account of Mr Basra, but one set up by Ms Badhan herself and designated by her as being for loans to Mr Basra. If that is so, I have no statement or other documentation showing what if any amounts were paid on to Mr Basra or on his behalf from that account, or whether there might be credit entries showing repayments.

171. There is no documentary evidence apart from Ms Badhan's annotations that connects any of these payments to any of the properties Ms Badhan claims an interest in. The

fact that further substantial payments were made from her account to the account she says is Mr Basra's, but she does not claim them as personal contributions towards any properties, indicates that arrangements for moving money between accounts must have been much more convoluted than she seeks to suggest, and that even if I assume in her favour that the account 6518 is an account of Mr Basra, the mere fact that monies were paid by Ms Badhan to it cannot be relied on as evidence that those monies represented personal contributions by her to him. Even if they did relate to purchase of any properties, she seems to have referred to them at the time as gifts or loans, which does not suggest they resulted from any agreement for joint ownership.

172. Drawing all this together, in relation to 175 Tettenhall Rd I consider it plausible that since the parties agreed to purchase and renovate that property as their joint home, they would also have agreed that it would be jointly owned, notwithstanding it would be registered initially in Mr Basra's name alone. Ms Badhan has consistently from the beginning of the solicitors' correspondence asserted an agreement to transfer it in to joint names, and there is some documentary evidence to show they acted upon that agreement by completing the transfer of equity form in 2018, the authenticity of which Mr Basra denied at the time but which he has not challenged when it was disclosed in these proceedings.
173. Such arrangements are of course commonplace. The fact that large sums of company money were spent on renovation is also some support for Ms Badhan given I have found the companies were regarded as jointly owned, though not conclusive.
174. In these circumstances, I am prepared to accept Ms Badhan's evidence, notwithstanding my general doubts about her credibility, that it was agreed before 175 Tettenhall Rd was purchased that it would be jointly owned beneficially. She relied on that by accepting that her interest would not be recorded until later, and joining in the arrangements for company monies to be used for renovation. She is entitled to a declaration accordingly and an order for transfer into joint names.
175. I have not relied for this conclusion on the alleged contribution of £10,000, in view of the lack of documentary evidence linking it to the purchase, the fact that it took several months for Ms Badhan even to identify the amount, and her later contradictory evidence as to what it was for.
176. I am not satisfied however that any similar promise or assurance was given in relation to any of the other properties claimed, whether by reason of purchase or renovation using company monies. Firstly, no such claims were advanced during over a year of solicitors' correspondence. Given that any assurance, to be effective, would have to have been in clear terms and relied upon, it is not likely that Ms Badhan would have been unaware of it, or would have neglected to mention it when she instructed her solicitors, and if she had told them of it I am sure they would have put it forward in that correspondence. So far as can be seen it can not have been mentioned either in the without prejudice meeting, since it was not referred to in the open correspondence afterwards although the claim to 175 Tettenhall Rd was, and it would have been something the solicitors would be likely to have asked for further particulars of.
177. Second, the scope of such claims has changed and expanded considerably since they were put forward. It is not in my view plausible that Mr Basra would have undertaken to transfer to Ms Badhan half the value of properties he already owned simply because some company money had been spent on renovation or other work, irrespective of the amount so spent or its relation to the value of the property. Nor is it

credible that if Ms Badhan had been given such a generous promise she would not have been aware of it and brought it forward when she first claimed an interest in the purchased properties (assuming she could have explained the delay up to that point).

178. Thirdly, Ms Badhan has not been able to give any particulars of the discussions or promises she relies on, and there is no documentary evidence of them, nor any other evidence of the parties having acted in any respect in a way consistent with such promises or agreement. I am not satisfied that her evidence establishes that any of the payments she refers to were actually made towards purchase of any of the properties, or, even if they were, that sufficient has been disclosed of the overall arrangements relating to purchase of properties and use of company funds to show that this demonstrates any agreement that she should have a personal interest in the properties.
179. I do not doubt that company money was used, to some extent, towards the purchase and renovation of these properties. But that in itself I do not regard as any strong evidence of the promises Ms Badhan asserts. It seems clear that these companies were run as in effect one business with their funds being used interchangeably as between the purposes of any of the companies themselves and the private interests of the owners. They referred themselves to payments made to them as dividends, though I have seen no records to show that any dividends were properly declared or accounted for. It seems likely that the parties made free use of company funds for their own purposes as if they were their own money. Such an approach is by no means unusual, though it may not have been disclosed to tax or other authorities.
180. It appears also that Ms Badhan herself owns a substantial number of rental properties. Mr Basra claims she has 14; she admits to ten but despite his urging she has given no details of them or how they were acquired. It appears quite likely that they were also purchased and/or renovated using funds generated by the companies, and if so it would not be likely that the parties would have agreed that all properties purchased in Ms Badhan's name would be hers alone but all those in Mr Basra's name would be jointly owned.
181. It is more likely in my view that Ms Badhan has put forward and developed these claims in order to expand upon her claims to Mr Basra's assets, once it became clear they could not be reconciled and proceedings were inevitable.
182. I accordingly dismiss Ms Badhan's claims to an interest in any property owned by Mr Basra other than 175 Tettenhall Rd.

**The companies' claims to an account and return of documents and payments made.**

183. By paras 23ff of the Particulars of Claim, the company claimants plead that:
- i) Ms Badhan retains a large amount of company documents, for which they seek an order for delivery up.
  - ii) Ms Badhan was responsible for large numbers of payments out of the accounts of all the companies (except I Partner) set out in Schedule 2, which goes back to January 2017 and totals something over £200,000. They seek an order for an account and repayment of all the amounts scheduled, which are all said to have been made in breach of duty.

- iii) An account is sought in respect of credit payments listed in Sch 3 paid in to the accounts of UKFBS, WM Property and Harrison.
  - iv) That Ms Badhan "had access to" the income and takings of the two pubs owned by I Partner, that such income and takings have not been accounted for and they seek an order for such an account and return of any monies found to be due from her.
184. Dealing first with the documents, it is claimed that Ms Badhan removed large quantities of documents relating to the companies and their businesses from 175 Tettenhall Rd. It was said these were contained in six filing cabinets. Ms Badhan accepts that she did take some documents, in order she says to continue to run the businesses when Mr Basra was incapable of doing so or seeking to run them down, but she denies taking six filing cabinets and says that all the documents she had were returned via her solicitor before proceedings were started. Most documents she says were removed from 175 Tettenhall Rd by Mr Basra himself.
185. There is no specific information from the claimants as to what documents were said to have existed but not been returned, nor any evidence to back up the assertion that any documents (other than those that have been returned) were ever taken by Ms Badhan. I am therefore unable to find, on the evidence, that Ms Badhan retains any documents belonging to the companies. But given that it is not contested in principle that if there are any such documents the companies are entitled to them and Ms Badhan as a de facto director owes a duty to account for them, I propose to make an order that, to the extent that Ms Badhan has had in her possession since the beginning of 2018 any documents belonging to any of the companies that she has not already returned, she must provide a list of those documents and either return them or state what has become of them.
186. So far as the credit payments are concerned, I propose to make no order. Ms Badhan points out that the companies have access to the statements on the accounts concerned, which she does not and which have not been disclosed. On the face of it if enquiry is necessary into the source or purpose of those credits, the starting point would be those statements. There is no evidence before me that Ms Badhan arranged or had anything to do with the payments concerned that might suggest that she, rather than Mr Basra, ought to be explaining them. Further, all the payments into Harrison's account appear to be transfers from another account at the same branch that was also an account of Harrison, used as a deposit account for funds not immediately required.
187. In relation to the debit payments listed in Sch 2, Ms Badhan has provided a counter-schedule of her own explaining, she says, so far as she can recall, what these payments were for. She denies any breach of duty. That schedule (5/1631) contains various explanations that I summarise as follows:
- i) One account (ending 5135) is said to be a personal account of Mr Basra and not, as he pleads, of UKFBS. Ms Badhan says she has no knowledge of transactions on that account. I have no statements or other evidence to resolve this conflict.
  - ii) Some payments are said to have been withdrawn by Mr Basra himself. It is not made clear how Ms Badhan identified these as being by Mr Basra. Most but not all appear to be cashpoint withdrawals of the order of £250, so conceivably

she would be able to say that she did not draw cash from the particular locations stated.

- iii) Most are generally described as being for "business costs" or works at 175 Tettenhall Rd or various other properties. Ms Badhan gives various slightly different descriptions under letters A to G for these. Insofar as they are different, it is not clear how she has made the different attributions to particular payments. A great number of the withdrawals appear to be from cashpoints, in amounts of the order of £250 or £300. The pattern suggests periodic drawings as and when needed for cash purchases, and is typical of personal spending. It is I think unlikely that Ms Badhan has any real recollection, without records, of what these amounts individually were spent on. It is true she has produced numerous receipts for items such as paint or DiY materials that could plausibly be business expenses so I am prepared to accept that some of the withdrawals were used for those purposes. But the receipts are not linked to the withdrawals by any records, and no attempt has been made to add them up or reconcile them with the sums withdrawn. It is quite likely I think that Ms Badhan has made her attributions on a generalised basis.
  - iv) A number of payments of £1863 are marked as salary. It does appear to be accepted that in later periods Ms Badhan was remunerated, in part at least, by salary of that amount monthly.
  - v) Others of round sum amounts to NKB Associates Ltd (Ms Badhan's company) are said to be consultancy fees. No invoices are provided and the sums are not divisible by £600 (the daily rate) or even £720 (being £600 plus VAT).
  - vi) Others are said to be transfers to different accounts of the companies, including many payments by Harrison to the savings account referred to above.
  - vii) One payment of £9,100 is said to have been drawn in repayment of the sum that Ms Badhan lent Mr Basra (which was a personal loan and not to a company).
188. In cross examination Mr Basra did not ask Ms Badhan about this counterschedule in any detail. Nor did he produce any evidence of his own to demonstrate that it was wrong. Nor has he even produced the bank statements from which his own schedules were derived, which might have shed light on the pattern of use of these accounts.
189. The result is that I am far from satisfied that I have been given a full explanation by either party of how the companies operated their accounts and what the money was spent on. The general impression is, as I have said above, that the parties regarded themselves as the owners of the business and entitled to use whatever money they had for business or personal expenditure as they saw fit. This would be typical of many proprietary businesses. I have not for instance seen any evidence that, prior to 2017 there was a system of diligently recording and accounting for drawings and spending, from which Ms Badhan departed. Thus Mr Basra has not sought to show that he expected, and would normally have received, such records but Ms Badhan stopped providing them. Rather, his approach has been that from a point in time he regarded himself as entitled to prevent Ms Badhan having anything to do with the business, and to the extent she has not obeyed he makes a blanket demand for everything to be paid



back. If she is right and Mr Basra was also in the habit of making frequent cash withdrawals for personal spending, her behaviour seems to have been similar to his—no doubt she has drawn more than he did in the transactions complained about, but they have been selected by Mr Basra and I do not have the bank statements from which it might be seen what other personal payments Mr Basra might have made.

190. If the parties operated the business and its financial affairs in that way, it was evidently by their joint agreement. Spending company money for personal purposes may have caused difficulties in producing accounts that were accurate, or could be justified if questioned by the tax authorities, but it is a common experience that many businesses do so regardless. The owners may have some system for regulating as between themselves who drew what, but if so it is unlikely to be made public and I have not been referred to any in this case. It would follow that if Ms Badhan had drawn cash for personal spending I could not be satisfied that she was in breach of duty to the company by doing so, because it was a pattern authorised and established by both the legal and beneficial owners of the shares. Insofar as Mr Basra sought to terminate that arrangement by himself or through his solicitors forbidding Ms Badhan from making further withdrawals, he would have been as between himself and Ms Badhan, in breach of their agreement for running the companies jointly and for their joint benefit.
191. I would accept that even under that sort of agreed regime either party would owe an obligation to explain their drawings if asked, either to the company or to each other. But it would not lead to an obligation to repay the company, and Ms Badhan has given an explanation which was not substantially challenged, whatever difficulty I might have in accepting it as plausible. If for instance the parties had an arrangement between them that the amounts they rewarded themselves with would be adjusted to achieve broad equality, an account between them might show that one or the other should be permitted to make additional drawings.
192. Such an arrangement between the owners might no doubt be ineffective in the event of insolvency of the companies, insofar as it amounted to an agreement to sanction what would otherwise be breaches of duty in circumstances amounting to a fraud on creditors. But I am not dealing with such a situation here.
193. I am not therefore satisfied (and the claimants would have to satisfy me) that Ms Badhan has been shown to have committed any breach of duty to the companies by making any of the withdrawals challenged, and I reject the claim for an order for repayment of those amounts.
194. Lastly under this head is the question of receipts from the two pubs. I have no evidence beyond generalisations from Mr Basra as to how the takings were collected and dealt with at any period. From his own evidence it appears that some utility bills may have been in Ms Badhan's personal name, so it is not necessarily the case that Ms Badhan would have been in breach of any obligation to the companies if she had not paid all the proceeds over. I again have no evidence of any system of accounting from which Ms Badhan departed, so even if this system could be said to be chaotic and lead to monies not being recorded on the books of the companies, it seems to have been one agreed and practised by both of them and not to result in any breach of duty to I Partner as the owner of the pubs.
195. Insofar as there is any evidence other than that of the parties it is from Jocelyn Barton at the Royal Victoria, which is that initially she paid takings to one or the other of the

parties, or to other individuals they sent, which was plainly an arrangement that, in general terms, they both agreed to. More recently and until she had been removed, Ms Barton paid the takings into one of two accounts (neither of which was I Partner's account but again the parties must have agreed this) so that Mr Basra and the companies will have access to the statements. It would be a reasonable inference in the absence of any other evidence that similar arrangements operated for the other pub.

196. I am not therefore persuaded that Ms Badhan owes any further duty to account to I Partner for takings at the pubs during any period (let alone the entire period of ownership as seems to be sought) and I reject that claim.
197. In his evidence in support of interim applications, Mr Basra has alleged that Ms Badhan has continued to make payments out of company accounts in breach of the various orders made and undertakings given. Further he alleges diversion of business and income since the issue of proceedings. Those matters are not the subject of the Particulars of Claim as they occurred after those Particulars were filed, and I have refused applications to amend to add further claims. But they are the subject of interim orders made to account for all payments made, and for all transactions entered into or funds received on behalf of or which should have been due to the companies. I am far from satisfied that Ms Badhan has complied with those orders, so I propose to direct that the orders in question continue to have force notwithstanding conclusion of the trial, so that they will remain enforceable in future, whether in respect of past or future transactions.

#### **Mr Basra's claim to return of jewellery**

198. By para 17 of his Particulars of Claim, Mr Basra alleges that "at some point in 2018" Ms Badhan had changed the locks at 175 Tettenhall Rd and "on regaining access" Mr Basra discovered that various items of jewellery he lists in a schedule were missing. He claims in conversion for their value, which he puts at £19,441.
199. Mr Basra does not identify either of the dates referred to. From the evidence there appear to have been several occasions on which one side or the other changed the locks, either to enforce exclusion orders or, on Ms Badhan's evidence, because unauthorised third parties had been given keys to the parties' home. If the date of discovery is said to be before November 2017 when solicitors' correspondence began, the claim now made is not in the same terms as was previously alleged in correspondence- on 17 January 2018 Mr Basra's solicitor alleged that they had been informed that Ms Badhan had removed a safe (not now alleged) that contained unspecified "gold" and his passport. No doubt this could have referred to the jewellery, but I cannot see that any particulars were ever provided before the Particulars of Claim.
200. The items of jewellery are not well identified (there are for instance said to be 8 baby karas with no distinguishing descriptions and various values attributed). None of the values are supported by any evidence. Ms Badhan seems nonetheless to have been able to identify most of what was referred to- her Defence responds in detail, admitting Mr Basra owned four of the 30 listed items, giving an account of what she said Mr Basra had done with some others, and alleging that yet others had been paid for using company money "and are owned accordingly". Ms Badhan denied taking any items of jewellery and said she believed Mr Basra had stored "some jewellery" at

his mother's house and in February 2017 "removed the jewellery" to Mrs Basra's house.

201. There is no evidence to corroborate Mr Basra's assertion that any items of jewellery that he owned are missing, and bearing in mind his general unreliability as a witness I am not prepared to accept his unsupported word. Insofar as it is admitted that he did own certain items, there is no evidence to support the assertion that Ms Badhan has taken any of them or has had, or still has, any of those items in her possession. I am not therefore satisfied that Mr Basra has made out a case for conversion and I reject that claim.

#### **Ms Badhan's claim for return of jewellery**

202. By her counterclaim Ms Badhan makes an essentially similar claim for return of jewellery or its value. She exhibits a schedule of 27 items, which she values at £32,460. There is no supporting evidence for that valuation. Her claim is that these items were stored in a safe at 175 Tettenhall Rd and lost during periods when she was excluded from the house by Mr Basra's negligence in allowing third parties unsupervised access to the safe so that they could take payment for themselves from cash kept in it. The Reply denies knowledge of any jewellery stored at 175 Tettenhall Rd and denies the allegations of negligence causing loss of any such jewellery.
203. I can see only one possible reference to this jewellery in the pre- action correspondence; in their initial letter of 29 November 2017 Ms Badhan's solicitors referred to certain other non-jewellery items and then said "we understand other personal effects have been taken but we will address those at a later date". So far as I can see, they never did until the Defence was served.
204. Ms Badhan has provided some photographs which she says show items of the allegedly missing jewellery, but as with Mr Basra's similar claim, there is no evidence to support her allegation that items are missing, and if they are there is no evidence to support the assertion that they were lost in the circumstances Ms Badhan alleges. Ms Badhan also, I have found, has a propensity to make up claims to add to her case against Mr Basra and it would not be safe in my view to rely on her unsupported evidence to establish such claims. I reject her claim in respect of jewellery.

#### **Ms Badhan's claim to furniture**

205. Ms Badhan pleads that she owned an antique vicar's table, which Mr Basra took to Mrs Basra's house, and she seeks its return. Mr Basra in his Reply denied ever having that table, but in his oral evidence he admitted that he had done so. He had no good reason for retaining it and I will therefore order that he returns it.

#### **Ms Badhan's claim to consultancy fees**

206. By para 86 of her amended defence and counterclaim Ms Badhan pleads that it was agreed that after she left her London employment Mr Basra "(and therefore Gateway) agreed that Ms Badhan would not initially be employed by UKFBS but instead ad be paid as a consultant as she had been. Ms Badhan was not so paid". She therefore claimed from Gateway for the unpaid fees "estimated at £112,500". Mr Berriman confirmed during the hearing that this claim was based on the written consultancy agreement referred to above entered into in 2013. The reference to "as she had been"

must indicate an agreement to resume payments under that agreement. I have seen no invoices or other evidence of how the estimated sum of £112,500 is compiled.

207. No particulars have been given of the alleged agreement to resume payments, and there is no other evidence that the parties did make such an agreement or acted on it in any respect. It does not appear to have been mentioned in pre action correspondence, though one might think that if Ms Badhan really thought in November 2017 that she was entitled to such an amount she and her solicitors would have raised it in their letter of 29 November 2017 referred to above.
208. The Reply does not plead in detail to this allegation, simply saying that Ms Badhan had been paid any consultancy fees she was due and noting that no invoices had been provided. The consultancy agreement was put in place as a means of extracting profit, as I noted above. Given the flexible and ad hoc nature of the arrangements the parties operated to use company money for their own benefit, even if the parties had discussed resuming consultancy payments in 2015, the fact that they did not do so is more likely to indicate that they subsequently agreed some other way of extracting cash for Ms Badhan's benefit than that they agreed to accumulate an unpaid liability of £600 per day for every day she worked.
209. Presumably, the alleged period of non payment came to an end when Ms Badhan began to be paid salary at the rate of £1863 pm. Even if that amount is net of tax, it cannot equate to much more than four days per month at the consultancy rate, and there is no explanation why she would have agreed to such a reduction in remuneration if the consultancy agreement had really been in force prior to that.
210. Given Ms Badhan's propensity (as I have found) to invent additional claims, I am not prepared to accept this claim based only on her unsupported word as to the existence of the agreement alleged. Finally, as I pointed out to Mr Berriman during the hearing, any claim under the consultancy agreement would have to be by the company that was party to it (Ms Badhan's service company) rather than by Ms Badhan personally. That company is not a party to bring such a claim.
211. For these reasons I reject Ms Badhan's claim for consultancy payments.

#### **Ms Badhan's claim for return of £9,100 lent.**

212. I have accepted that Ms Badhan made a loan of £9,100 to Mr Basra personally, as set out above. On her own evidence she drew £9,100 from the account of UKFBS on 17 September 2018 to repay this loan. If that payment has satisfied the debt she is not entitled to payment again. Presumably this claim was made as insurance in case I should order her to repay the £9,100 she had taken.
213. However since I have concluded that using company money for personal payments was consistent with the way the parties operated the companies and absent insolvency gives rise to no claim by the company but at most an item in an account between Mr Basra and Ms Badhan as to their drawings, it follows that the payment must be treated as effectively discharging Mr Basra's debt. I reject the claim against him to pay again.

#### **Conclusion**

214. That deals with all the pleaded claims. This has been a long judgment and has taken a long time to write, both of which I regret. This have been caused by the extraordinary

conflicts between the factual accounts and the difficulty of resolving such conflicts in circumstances where both parties have essentially been responsible for presentation of their own evidence (I do not criticise Mr Berriman who was instructed at the last minute and did well to present a case from the material he was provided with). On top of that the ferocity of the conflict between the parties and the willingness of both of them, as I have found, to lie and to invent claims to bolster their positions, have meant that there are even more matters of disagreement to be resolved than might be expected, and less reliable evidence with which to do so.

215. The conclusions I have reached are not, it seems evident, likely to resolve all matters between the parties. They are left, for instance, in the position that they are joint owners of deadlocked companies and joint owners of 175 Tettenhall Rd. Unless they can, even now, find some way to settle the consequential issues between them it seems likely that further proceedings will be necessary, which may be equally drawn out and costly. I urge them to seek to find some accommodation, or they risk the complete destruction of the wealth they set out jointly to create.
216. However, given that further proceedings may well be necessary, I propose to direct that the freezing injunctions granted on Ms Badhan's application against Hakimpur and Palwana shall continue in force, to prevent any proceedings required to secure assets of the companies being frustrated.
217. This judgment will be handed down without requiring attendance, by release of a final approved copy to parties and BAILII. I invite Mr Berriman to prepare a draft order to reflect its terms and submit it for Mr Basra's agreement. If there are any provisions of that order, or other matters arising that cannot be agreed, I will if possible deal with them on paper, any submissions to be received from both parties within seven days of handing down.