# IN THE NATIONAL COMPANY LAW TRIBUNAL
# ALLAHABAD BENCH, PRAYAGRAJ

**CA No.23/ALD/2023**

*(An application filed under Section 59 of the Companies Act, 2013).*

**IN THE MATTER OF:**

**GURU DATTA CONSULTANTS PRIVATE LIMITED**

**..........Appellant**

**VERSUS**

**IIRM HOLDINGS INDIA PRIVATE LIMITED**
Earlier known as M/s Sudev Industries Limited

**…………Respondent No. 1**

**BEETAL FINANCIAL & COMPUTER SERVICES PRIVATE LIMITED**
(CIN: U67120DL1993PTC052486)
A company incorporated under the provisions
Of Companies Act, 1956 and having its
Registered office at: Beetal House, 3rd Floor,
99 Madangir, New Delhi - 110062

**…………Respondent No. 2**

**Order pronounced on:11.08.2026**

***Coram:***

| | | |
|---|---|---|
| Sh. Praveen Gupta | : | Member (Judicial) |
| Sh. Ashish Verma | : | Member (Technical) |

***Appearances:***

| | | |
|---|---|---|
| Sh. Ram Krishnan alongwith Sh. Shivam Prabhaka & Sh. Abilash V., Advs. | : | *For the Appellant* |
| Respondents | : | Ex-parte v.o.d. 04.06.2026 |

## ORDER

**1.** The present Company Appeal is being filed under Section 59 of the Companies Act, 2013, **(hereinafter referred to as the "Act")** by M/s Guru Datta Consultants Private Limited **(hereinafter referred to as the "Appellant Company")** against M/s IIRM Holdings India Private Limited (Earlier known as M/s Sudev Industries Limited) **(hereinafter referred to as "Respondent No. 1")** and M/s Beetal Financial & Computer Services Private Limited **(hereinafter referred to as "Respondent No. 2")**, seeking inter alia the following reliefs:

> *"1. Pass an order thereby directing the respondent no.2 to transfer the name of the petitioner in the register of the respondent no.1 as a holder of 991500 equity shares of the respondent no.1 company;*
> *2. Pass any other appropriate order as this tribunal may think just and proper in the facts and circumstances of the case."*

**2.** The brief facts leading to the present case are as follows:

**a.** Respondent No. 1 made a public issue of 30,00,000 equity shares of ₹10/- each on 23.05.1994. Pursuant thereto, SUDEV Financial Consultants (P) Ltd. was allotted 3,72,500 equity shares, which were issued to first allottee vide Share Transfer Certificate Nos. 0017895, 0017896 and 0017897. SUDEV Exports Limited was allotted 4,54,000 equity shares, which were issued to second allottee vide Share Transfer Certificate Nos. 0017900 and 0017899, while SUDEV Construction Private Limited was allotted 1,65,000 equity shares, which were issued to third allottee vide Share Transfer Certificate No. 0017898.

**b.** Thereafter, the equity shares held by all the three original allottees i.e. SUDEV Financial Consultants (P) Ltd., SUDEV Exports Limited, and SUDEV Construction Private Limited (hereinafter referred to as "transferors") were sold to the Appellant Company. The details of the said purchase made by Appellant are as follows:

| S. No | Allottee | Certificate No. | Consideration (in INR) | Share Transfer Deed Date |
|---|---|---|---|---|
| 1. | Sudev Constructions Private Limited | 0017898 | 16,50,000 | 04.07.2005 |
| 2. | Sudev Exports Limited | 0017899 | 30,00,000 | 05.09.2005 |
| 3. | Sudev Exports Limited | 0017900 | 15,40,000 | 05.09.2005 |
| 4. | Sudev Financial Consultants Private Limited | 0017895 | 7,25,000 | 04.07.2005 |
| 5. | Sudev Financial Consultants Private Limited | 0017896 | 10,00,000 | 11.08.2006 |
| 6. | Sudev Financial Consultants Private Limited | 0017897 | 20,00,000 | 11.08.2006 |
| | **Total** | **9,91,500** | **99,15,000** | |

**c.** Pursuant to the aforesaid purchase, the Appellant became the holder of the share certificates originally issued to the aforesaid transferors/ original allottees. However, due to an inadvertent mistake and negligence on the part of its employees, the Appellant lost possession of the physical share certificates, which consequently remained misplaced and out of its knowledge. Subsequently, in November 2022, while shifting its office, the Appellant traced the said share certificates pertaining to 9,91,500 equity shares of Respondent No. 1 and realised that the shares had not been registered in the name of the Appellant Company till that time.

**d.** Subsequently, vide letter dated 27.11.2022, the Appellant Company intimated Respondent No. 1 regarding the aforesaid share certificates and requested that the shares be transferred in its name, enclosing all the relevant documents. The said request was thereafter forwarded by Respondent No. 1 to Respondent No. 2, the Share Transfer Agent of Respondent No. 1, vide letter dated 06.12.2022.

**e.** However, Respondent No. 2, vide rejection letter dated 12.12.2022, rejected the Appellant's request for registration of the aforesaid shares in its name, despite the submission of the relevant documents. The rejection was done making the following observation:

> *"this has reference to your submission of 9,91,500 shares for transfer along with transfer deed, Pan Card and Other Relevant documents.... SEBI Press Release PR No. 12/2019 dated 27.03.2019 has made it clear that shares held in physical form cannot be transferred with effect from 01.04.2019. We are returning the share certificates and transfer deeds."*

**3.** In light of the aforesaid facts and circumstances, the Appellant submits that on perusal of the SEBI Press Release dated 27.03.2019, it is clear that shares held in physical form are required to be dematerialised before they can be transferred. However, such dematerialisation is not possible in the present case, since the companies from whom it had purchased the shares are no longer in existence. Consequently, the existing physical share certificates cannot be dematerialised. The relevant extract of the said Press Release is reproduced below:

> *"the Board, on 28.03.2018, decided that except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form with a depository. This measure shall come into effect from April 01, 2019.*
>
> *Subsequently, SEBI has received representations from shareholders for extension of the date of compliance. In view of the same, the following are hereby clarified:*
>
> *1. The above decision does not prohibit the investor from holding the shares in physical form; investor has the option of holding shares in physical form even after April 01,2019*
>
> *2. Any investor who is desirous of the transferring shares (which are held in physical form) after April 01,2019 can do so only after the shares are dematerialized.*
>
> *3. The transfer deed once lodged prior to deadline and returned due to deficiency in the document may be re-lodged for transfer even after the deadline of April 01,2019.*
>
> *"*

**4.** The Appellant further submits that the delay in seeking registration of the shares was inadvertent and neither deliberate nor intentional. In view of the aforesaid facts and circumstances, the Appellant seeks the intervention of this Tribunal.

**5.** It is noted that despite service of notice, none of the Respondent No. 1 and 2 have entered appearance in the present matter. However, the Appellant Company, vide affidavit dated 22.12.2025, has placed on record the e-mail replies dated 27.10.2025 and 02.12.2025, whereby the Respondent No. 1 and 2 acknowledged receipt of the notices and stated that they did not intend to appear before this Tribunal in the present proceedings and would abide by such order as may be passed by this Tribunal. The relevant extracts of the said e-mails are reproduced below:

"

**CS_IIRM HOLDINGS** <cs@iirmholdings.in> 27 October 2025 at 13:01
To: Deepak Raj A <deepak27@nathanandnandhan.in>
Cc: "beetalrta@gmail.com" <beetalrta@gmail.com>, "beetal@beetalfinancial.com" <beetal@beetalfinancial.com>, "info@sudev.co.in" <info@sudev.co.in>, "info@iirmholdings.in" <info@iirmholdings.in>

Dear Sir/Madam,

We hereby acknowledge receipt of your email.

Please be informed that we shall not be appearing before the Hon'ble NCLT, and we shall abide by and accept any order that may be passed by the Hon'ble Tribunal in the matter.

**Beetal Financial Computer Services Pvt. Ltd** <beetalrta@gmail.com> 2 December 2025 at 15:47
To: Deepak Raj A <deepak27@nathanandnandhan.in>
Cc: cs@iirmholdings.in, info@iirmholdings.in, info@sudev.co.in, Rahul Kumar <rahul@nathanandnandhan.in>, Vibu Nandhan <vibutech@gmail.com>, Nathan & Nandhan <partner@nathanandnandhan.in>

Dear Sir/ Madam,

Please allow us not to appear before the Hon'ble NCLT court and we will abide by the order passed by Hon'ble NCLT in the matter.
[Quoted text hidden]
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"

**6.** Further the aforesaid position of the Respondents stands recorded during the hearing held on 07.05.2026 as follows:

> *"2. In this case, the notices were given to the respondents on 08.11.2024, however no one has put in appearance. Later on, the petitioners have filed a memo vide diary no.73 dated 08.01.2026 placing on record, two email communications dated 27.10.2025 & 02.12.2025, whereby the respondents are stated to have made statement by way of the aforesaid email communications that they will abide by the order passed by this Tribunal.*
>
> *3. However, no one is forthcoming to own such email communications stated to have been sent on behalf of the respondents.*
>
> *4. Let the last opportunity be granted to the respondents to file an affidavit or any response, failing which further orders would be passed in accordance with law."*

**7.** Subsequently, vide order dated 04.06.2026, Respondent Nos. 1 and 2 were proceeded marking them as ex parte, and the matter was listed for final hearing. In the meantime, the Appellant Company filed its written submissions on 02.02.2026, which have been taken on record and are not being reproduced herein for the sake of brevity.

**8.** We have heard the Ld. Counsel appearing on behalf of the Appellant Company and perused the pleadings, documents and material placed on record.

**9.** From the documents placed on record, it is not in dispute that the Appellant Company acquired 9,91,500 equity shares of Respondent No. 1 from the respective transferors/original allottees and is in possession of the original share certificates along with the duly executed transfer deeds. The request for registration of the said shares in the name of the Appellant has not been rejected on account of any defect in the execution of the transfer deeds, the genuineness of the share certificates, or the Appellant's entitlement thereto. The sole ground on which the request came to be rejected is that, in view of the SEBI Press Release dated 27.03.2019, shares held in physical form cannot be transferred after 01.04.2019 unless they are first dematerialised.

**10.** In view of the aforesaid facts and circumstances, the issue requiring determination is whether the Appellant Company is entitled to seek rectification of the Register of Members of Respondent No. 1, under Section 59 of the Companies Act, 2013 despite the requirement of prior dematerialisation prescribed under the SEBI Press Release dated 27.03.2019.

**11.** With respect to the issue at hand, the Ld. Counsel appearing on behalf of the Appellant Company has relied on the order passed by the Co-ordinate NCLT Bench, Mumbai in the matter of *Amrex Marketing Private Limited v. Harinagar Sugar Mills Limited and Anr. [CA No. 370/MB/C-I/2023 in CP No. 185 of 2023]* wherein the similar facts and circumstances have been dealt and the following relevant observations have been made:

> *"23. Moreover, if this this tribunal is vested with the Jurisdiction to direct rectification of register of members, as a sequel, we are vested with jurisdiction to decide the legality of transfer of shares. The power to direct rectification of the register of members cannot be read in isolation to mean that this Tribunal lacks the jurisdiction to decide on the legality of the transfer. Further, it is clear from a bare perusal of Rule 70(5)(a) and Rule 70(5)(b) of NCLT Rules, 2016 that this Tribunal is vested with the jurisdiction of decide the title of any person who is a party to the Petition and generally decide questions which are necessary to decide in connection with the application for rectification.*

*24. Nonetheless, the onus for dematerialisation of shares lies on the issuer company, who has to engage one of Depository to enroll the shares for dematerialization. Only then, a shareholder can submit those shares for dematerialization. The Issuer company for its own failure cannot make the shares as legally non-transferable, which otherwise are freely transferable in terms of the Scheme of Companies Act, 2013 which unequivocally mandates that the shares of a public limited company are transferable. It is trite law that the Rules & Regulations are subordinate legislation and cannot supersede the substantive law. Accordingly, we do not find any merit in the contention of the Respondents that the subject matter shares could not have been transferred in physical mode."*

**12.** Considering the above judgment by the coordinate bench, we are of the view that the principle laid down in the aforesaid decision is squarely applicable to the facts of the present case. It is the specific case of the Appellant, which remains unrebutted on record, that the transferor/ original allottee companies are no longer in existence and, consequently, the physical share certificates cannot be dematerialised before registration of the transfer. In such circumstances, insisting upon prior dematerialisation would render the Appellant's substantive right to seek registration of the transfer illusory, despite its possession of the original share certificates and duly executed transfer deeds since the year 2005-2006.

**13.** In this backdrop, Section 59 of the Companies Act, 2013 assumes significance. The said provision empowers this Tribunal to direct rectification of the Register of Members where sufficient cause is shown. The jurisdiction conferred under Section 59 enables this Tribunal to examine the legality of the refusal to register a transfer and, where the facts so warrant, direct appropriate rectification of the Register of Members.

**14.** In the present case, we find that the Appellant has satisfactorily explained the delay in lodging the transfer request as having occurred due to the inadvertent misplacement of the physical share certificates, and there is nothing on record to suggest that the delay was deliberate or intended to prejudice the rights of any person. The Appellant is in possession of the original share certificates and duly executed transfer deeds, and its inability to seek prior dematerialisation has arisen on account of the non-existence of the transferor companies. In these circumstances, sufficient cause has been made out for exercise of the jurisdiction under Section 59 of the Companies Act, 2013.

**15.** In view of the foregoing, we are of the considered opinion that the Appellant is entitled to have its name entered in the Register of Members of Respondent

No. 1. Accordingly, Respondent No. 1 is directed to affect the transfer of the aforesaid 9,91,500 equity shares, whereafter the consequential process of dematerialisation may be undertaken in accordance with law and that the said transfer be registered by the company within a period of ten (10) days from the receipt of this order in terms of Section 59(2) of the Companies Act, 2013.

**16.** Therefore, Appeal No.23/ALD/2023 is allowed and disposed of as per the aforesaid terms.

**17.** All the requisite compliances to be carried out in accordance with the laws prescribed.

**18.** Urgent certified copies of this order be issued, if applied for, subject to usual formalities.

***-Sd-***
**(Ashish Verma)**
**Member (Technical)**

***-Sd-***
**(Praveen Gupta)**
**Member (Judicial)**

**Date: 11.08.2026**