IN THE NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD
COURT – 2

ITEM No.302

Co.Appeal/10(AHM)2025

Proceedings under Section 59 of Co.Act,2013

IN THE MATTER OF:

M/s.Shree Shakti Construction Co & Others **.....Applicant**
V/s
Titan Company Limited **.....Respondent**

Order delivered on: 29/10/2026

Coram:
Mrs. Chitra Hankare, Hon'ble Member(J)
Dr. Velamur G Venkata Chalapathy, Hon'ble Member(T)

ORDER

This case is fixed for pronouncement of order

The order is pronounced in open court vide separate sheet

SD/- SD/-

DR. V. G. VENKATA CHALAPATHY
MEMBER (TECHNICAL)

CHITRA HANKARE
MEMBER (JUDICIAL)

IN THE NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD
DIVISION BENCH
COURT – II

Company Appeal No.10(AHM)/2025

(An Application under Section 59 of the Companies Act, 2013)

In the matter of :

1. **M/s. Shree Shakti Construction Co.**
   Plot No. 178, "Shakti"
   Anand Vatika Society,
   Sector-22, Gandhinagar-382022

2. **Mrs. Padheria Janakba Gambhirsinh**
   178, Anandvatika Society,
   Opp. Panchdev Temple,
   Sector-22, Gandhinagar-382022

3. **Mrs. Padheria Rajeshwariben Digvijaysinh**
   178, Anandvatika Society,
   Opp. Panchdev Temple,
   Sector-22, Gandhinagar-382022

4. **Mrs. Padheria Jitasha Mohitsinh**
   178, Anandvatika Society,
   Opp. Panchdev Temple,
   Sector-22, Gandhinagar-382022 .....Appellants

Versus

Titan Company Limited
"3SIPCOT Industrial Complex Hosur,
Tamil Nadu, India 635126
...Respondent

Order Pronounced on 29/10/2026

CORAM:

MRS. CHITRA HANKARE
HON'BLE MEMBER (JUDICIAL)

DR. V.G. VENKATA CHALAPATHY
HON'BLE MEMBER (TECHNICAL)

Appearance:

For the Appellant : Mr. Alpesh Rameshbhai Paliwal,PCS

J U D G M E N T

1. The present Appeal has been filed under Section 59 of the Companies Act, 2013 seeking rectification of the Register of Members of Respondent Company. The relief(s) prayed for:

a) *Rectify the Company's register of members, replacing the partnership's name with the names of the three partners (Padheria Janakba Gambhirsinh, Padheria Rajeshwariben Digvijaysinh and Padheria Jitasha Mohitsinh) according to their profit-sharing ratio (40%, 30%, 30% respectively)*

b) *Direct the company to transfer the 3000 shares directly to the partner's demat accounts, with 1200 shares, 900 shares and 900 shares respectively.*

2. The Appellant No. 1 is a Partnership Firm formed through deed of partnership executed on 29/11/1983 as per the provisions of the Partnership Act, 1932. The Appellant No. 2, 3 & 4 are an existing partners of the firm.

3. Respondent Company was incorporated on 26.07.1984 under the provisions of Companies Act, 1956, having CIN No. L74999TZ1984PLC001456 registered office situated at " 3SIPCOT" Industrial Complex hosur, Tamil Nadu, India-635123.

Facts of the case are:

4. The member holds 150 equity shares of the company vide folio no. "TWS05633" out of which 100 equity shares, distinctive no. from 08297001 to 08297100, through equity share certificate no. 00035480 issued on 29.06.1987, and 50 equity shares, distinctive no. from 0033818044 to 0033818093 through equity share certificate no. E00061203 issued on 22.12.1992.

5. It is submitted that in the financial year 2011-12 as on the date 24.06.2011, there were split in the face value of the equity shares from Rs. 10/- to Rs. 1/- because of that the number of equity shares of the member were also multiplied by 10, therefore, equity shares were increased to 1500 equity shares. Further, in the financial year 2011-12 as on the date 24.06.2011 there were a bonus issue in the ratio of 1:1 because of which the equity shares of the company were doubled and increased to 3000 equity shares.

6. It is submitted that the member have not received dividend since long period and equity shares were held through the physical equity shares certificates, therefore, the member through its partners requested for the dematerlization of the equity shares but Respondent Company refused through a letter vide reference no. ID80016455 not to dematerlize equity shares in the name of a partnership firm

into a Limited Liability partnership form or to apply to this Hon'ble Tribunal. Hence, this application.

7. In response to the present application, Ms. Rasha Shanbhag, Constituent Attorney of Titan Company Limited, has filed an affidavit-in-reply on behalf of the Respondent Company through its Registrar and Transfer Agent (RTA), MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited), denying the allegations, contentions and submissions made by the Appellants. It is submitted that the Respondent is a public limited company and that the shares forming the subject matter of the present application, held under Folio No. TWS0005633, stand in the name of Shree Shakti Construction Co. As per the records maintained by the Respondent, the said folio comprises 3,000 equity shares, which were transferred to the Unclaimed Share Suspense Account under

Share Certificate No. 4431, bearing distinctive Nos. 10037901 to 10040900. It is further submitted that, in the year 2024, the partners of Shree Shakti Construction Co. (the Applicants) approached the RTA seeking dematerialisation of the aforesaid equity shares. In response thereto, the Respondent, vide its letters dated 11.01.2024, 25.07.2024 and 27.12.2024, informed the Applicants that the shares could neither continue to be held in the name of the partnership firm for the purpose of dematerialisation nor be transferred in favour of the individual partners, in view of the regulatory framework prescribed by the Securities and Exchange Board of India (SEBI) discontinuing the transfer of shares in physical form. The Respondent accordingly advised the Applicants either to convert the partnership firm into a limited liability partnership (LLP) and register the same with the Registrar of Companies or, alternatively, to obtain appropriate directions

from this Hon'ble Tribunal for deletion of the name of Shree Shakti Construction Co. and substitution thereof with the names of its partners in their individual capacities, together with the release of the 3,000 equity shares of face value Re. 1/- each. Copies of the aforesaid letters have been annexed to the affidavit-in-reply. It is the further contention of the Respondent that, under the applicable SEBI framework and depository guidelines, a demat account is required to be maintained in the name of an eligible holder, such as an individual or a legally recognised entity. According to the Respondent, since a partnership firm is not recognised as a separate legal entity for the aforesaid purpose, the shares cannot be dematerialised in its name. On this basis, the Respondent has prayed that no adverse order be passed against it. Without prejudice to the aforesaid contentions, the Respondent has submitted that, in the event this Hon'ble Tribunal is inclined to grant the reliefs

sought by the Applicants, such reliefs may be made subject to compliance with all applicable procedural requirements, rules, regulations and guidelines. The Respondent has further undertaken to comply with the order that may be passed by this Hon'ble Tribunal and to take the necessary steps in relation to any transaction concerning the shares held under the captioned folio, in accordance with such order.

8. The Applicants have filed a rejoinder to the affidavit-in-reply filed by the Respondent, reiterating their submissions and contentions made in the application and seeking appropriate directions for release of the 3,000 equity shares held under Folio No. TWS0005633 in the name of Shree Shakti Construction Co. in favour of its partners, in accordance with law.

9. We have heard the Learned PCS appearing for the Appellants and perused the pleadings, affidavit-in-reply filed by the Respondent

Company, rejoinder filed by the Appellants and the documents available on record. The issue for consideration is whether the Appellants are entitled to rectification of the Register of Members of the Respondent Company by substituting the name of the partnership firm, Shree Shakti Construction Co., with the names of its three partners and to have the 3,000 equity shares released in their respective demat accounts.

10. It is observed that the Respondent Company has acknowledged that 3,000 equity shares are recorded under Folio No. TWS0005633 in the name of Shree Shakti Construction Co. and that the said shares have been transferred to the Unclaimed Share Suspense Account. The Respondent has not disputed the existence of the shareholding but has expressed its inability to facilitate dematerialisation in the name of the partnership firm or transfer the shares to the

individual partners without appropriate directions from this Tribunal.

11. Having considered the submissions of the parties and the circumstances of the case, we are of the view that the request of the Appellants requires consideration in accordance with the applicable provisions of the Companies Act, 2013, the partnership deed and the relevant SEBI and depository regulations. The Respondent Company has also undertaken to comply with the directions of this Tribunal, subject to fulfilment of the applicable legal and procedural requirements. Accordingly, in the facts and circumstances of the present case, we deem it appropriate to dispose of the Appeal by directing the Respondent Company and its Registrar and Transfer Agent to consider and process the request of the Appellants for rectification of the Register of Members and release of the aforesaid shares, subject to verification of the Appellants'

entitlement and compliance with the applicable statutory and regulatory requirements. In view of the above we pass following order:

O R D E R

i. The Appeal is allowed.

ii. The Respondent Company, through its Registrar and Transfer Agent, is directed to verify the partnership deed, the identity and entitlement of the three partners, the relevant shareholding records and such other documents as may be necessary for processing the request.

iii. Upon satisfactory verification and compliance with the applicable legal and regulatory requirements, the Respondent Company shall take necessary steps for rectification of the Register of Members in respect of the 3,000 equity shares standing in the name of Shree Shakti Construction Co. under Folio No. TWS0005633, by

substituting the name of the partnership firm with the names of the partners in the following manner:

- Padheria Janakba Gambhirsinh – 1,200 equity shares (40%).
- Padheria Rajeshwariben Digvijaysinh – 900 equity shares (30%).
- Padheria Jitasha Mohitsinh – 900 equity shares (30%).

iv. The Respondent Company and its Registrar and Transfer Agent shall thereafter facilitate the release and credit of the aforesaid shares to the respective demat accounts of the partners, subject to completion of all applicable formalities and verification of the relevant particulars.

v. The necessary exercise shall be completed within eight weeks from the date on which the Appellants furnish all requisite documents and comply with the applicable requirements, failing which the Respondent

shall communicate the specific reasons for any delay or inability to comply.

vi. The aforesaid directions shall not dispense with any mandatory statutory or regulatory requirement, nor shall they prejudice any claim of a third party established in accordance with law.

vii. The Co. Appeal 10 of 2025 stands disposed of.

SD/-

DR. V. G. VENKATA CHALAPATHY
MEMBER (TECHNICAL)

SD/-

CHITRA HANKARE
MEMBER (JUDICIAL)

VC