



AKSHAR SPINTEX LIMITED

Date :10th August, 2024

To,
The Manager (Listing Department)
BSE Limited,
1st Floor, New Trading Ring,
P.J. Tower, Dalal Street, Fort
Mumbai – 400 001.
(BSE Scrip Code: 541303)

To,
The Manager (Listing Department)
National Stock Exchange of India Limited,
Exchange Plaza, 5th Floor, Plot No. C/1, G-
Block, Bandra Kurla Complex, Bandra (East),
Mumbai – 400 051, Maharashtra
(NSE Scrip Code: Akshar)

Sub: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”)

Dear Sir/Madam,

The details required under Regulation 30 of the SEBI Listing Regulations, read with Schedule III thereto and the SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 09, 2015 (SEBI Circular), is enclosed herewith. Please note that the case was registered at NCLT in the matter of transfer of share for the period 2016-17 by Mr. Manoj Baldha. Further note that the case is related to period when company was a private limited company. The case is regarding transfer of shares from Mrs. Nipaben Sorathiya to Mr. Manoj Baldha and the company was a party in the matter. The order was received from Hon. NCLT.

Please note that there is no adverse effect on company by order of NCLT.

We hereby enclosed the order received in the matter.

Please take on record.

**Thanking You,
Yours Faithfully,
For AKSHAR SPINTEX LIMITED**

**Harikrushna Chauhan
Chairman Cum wholetime Director**

Regd. Office & Factory : Survey no.102/2, Plot no. 2, At-Haripar, Kalavad - Ranuja Road, Tal. Kalavad, Dist - Jamnagar, Pin - 361013. Gujarat (India).
+91 75748 87085, E : Aksharspintex@gmail.com, W: Aksharspintex.in

Administrative Office: C-704, The Imperial Heights, 150 feet Ring Road, Opp. Big Bazaar, Rajkot, Gujarat 360005.

CIN : L17291GJ2013PLC075677

IN THE NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD
DIVISION BENCH
COURT – 1

ITEM No. 303- Appeal/1(AHM)2021 and
ITEM No. 304- IA/19(AHM)2022 in Appeal/1(AHM)2021

Order under 59 of Co. Act, 2013

In the matter Of: 303- Appeal/1(AHM)2021

Manoj Laljibhai Baldha

.....Applicant

V/s

Akshar Spintex & Ors

.....Respondent

And

Order Under IA For Direction

In the matter of: 304- IA/19(AHM)2022 in Appeal/1(AHM)2021

Manoj Laljibhai Baldha

.....Applicant

V/s

Akshar Spintex & Ors

.....Respondent

Order delivered on: 27/06/2024

Coram:

Mr. Shammi Khan, Hon'ble Member(J)

Mr. Sameer Kakar, Hon'ble Member(T)

PRESENT:

For the Applicant :

For the Respondent :

ORDER
(Hybrid Mode)

The case is fixed for the pronouncement of the order. The order is pronounced in the open court, vide separate sheet.

-SD-

SAMEER KAKAR
MEMBER (TECHNICAL)

-SD-

SHAMMI KHAN
MEMBER (JUDICIAL)

**IN THE NATIONAL COMPANY LAW TRIBUNAL,
DIVISION BENCH - I, AHMEDABAD**

**Co. Appeal/1(AHM)2021
with IA/19(AHM)2022 in
Co. Appeal/1(AHM)2021**

An appeal under Section 59(1) of the Companies Act, 2013

In the matter of

MANOJ LALJIBHAI BALDHA

Residing at: 302, Friends Height,
Speedwell Party Plot to
2nd 150 Feet Ring Road
Mavdi, Rajkot - 360005

... Applicant

VRSUS

1. AKSHAR SPINTEX LIMITED.

CIN: L17291GJ2013PLC075677

Registered Office at: -

Revenue Survey No. 102/2 Paiki,

Plot no.-2 Village: Haripar,

Ranuja Road, Tal: Kalavad,

Jamnagar, Gujarat-361013.

Administrative Office: -

C-704, Imperial Heights,

Opp. Big Bazar,

150 Feet Ring Road,

Rajkot, Gujarat-360005

2. ASHOK SHUKAN BHALALA

Managing Director DIN: 02003197

Address: " Radhika", Vishvanagar,

Sheri No. 5, Vishvanagar Main Road,

Khijda Vado Road, Opp.

Balaji Hall, Mavdi Plot,

Rajkot, Gujarat- 360005

3. AMIT VALLABHBHAI GADHIYA

Whole Time Director DIN:06604671

Having Address at:

2/10, Lal Krupa, Kevadavadi,

Canal Road, Rajkot

Gujarat-360001

4. ILABEN DINESHBHAI PAGHDAR

Director DIN: 07591339

Having Address at:

Ambika Township Road, Flat No. 1204,

Wing-A, Cozy Courtyard,

Nanamava Rajkot,

Gujarat- 360005

5. CHAUHAN HARIKRUSHNA SHAMJIBHAI

Whole Time Director

DIN: 07710106

Having Address at:

Akshar Bhuvan, Parnakuti Society,

Street No. 5, Block No. 65/A,

Nana Mava Road, Rajkot,

Gujarat-360001

6. NIPABEN VIKASBHAI SORATHIA

Member of ASPL Until sold her shares

Having Address at:

501, High Street,

Beside Pizza Hut,

OPP. Imperial Heights,

150 Feet Ring Road, Rajkot

Gujarat-360005

... Respondents

Order Pronounced on 27.06.2024

CORAM:

SH. SHAMMI KHAN, MEMBER (JUDICIAL)

SH. SAMEER KAKAR, MEMBER (TECHNICAL)

For Applicant(s) : Mr. Niraj Trivedi, PCS
For Respondents : Mr. Arjun Sheth, Adv. for R-1 to R-5
: Mr. Jaimin R Dave, Adv. for R-6

O R D E R

Per: Bench.

1. The present appeal is filed under Section 59(1) of the Companies Act, 2013 for Rectification of Register of members of M/s. Akshar Spintex Limited, this application was filed on 28.12.2020.
2. The Appellant filed the present Appeal seeking the following relief(s):
 - i. Be pleased to declare that shares held by the appellant in Respondent Company are wrongly taken away from him by Respondent Company and hence 24,00,000 shares held by the appellant be reinstated by Rectification in Register of Members of Respondent No. 1 Company.
 - ii. Be pleased to pass necessary orders directing respondents to rectify the Register of Members and

show the corrected position of appellant being shareholder for 24,00,000 shares in Respondent Company.

- iii. Be pleased to direct respondent for payment of damages of Rs. 6,48,00,000 for the loss of Profit / dividend / bonus issue etc. to appellant due to fraudulent act of respondent in removing name of appellant from Register of Members, BARO.
- iv. Be pleased to appoint any Company Secretary for the special purpose to examine all such records including share register, share transfer register, register of members, share transfer records, documents, vouchers, agreements and other papers with regard to the affairs of the Company and all other relevant documents and records of the Company which this Hon'ble Tribunal deems necessary and appropriate.
- v. Be pleased to direct Respondents, their respective servants, agents and assigns to make a full, free and complete disclosure of records of the company with regard to the affairs of the company, as well as in respect of the documents sought for by the Petitioner which includes:
 - a. Minutes of the Annual General Meeting and Extra Ordinary General Meetings of the Respondent No.1 Company from 2016-2017 till date.
 - b. All records of Respondent No.1 company pertaining to the share transfer, issuance of shares,

allotment details of bonus issued including share transfer forms/SH-4, share register, share transfer register, share counter folio's register of members, Form no. 32/DIR -12 and Return of Allotment/ PAS-3 from 2016-2017 till date

- vi. Be pleased to restrain the Respondent Nos. 2 to 8, their respective servants, agents and assigns by an order and injunction in any manner:
 - a. Exercising any voting rights in respect of the equity shares of the Appellant.
- vii. Costs of and incidental to this Appeal be paid by the Respondents;
- viii. Appellant be permitted to amend, alter and modify the present appeal in case need arises during the pendency of appeal.
- ix. Be pleased to direct Depository of Respondent Company to make necessary changes in respect to 24,00,000 shares held by appellant in their records and update the record with name of appellant as shareholder -member of Respondent Company.
- x. Be pleased to pass any other appropriate and necessary order in interest of justice in favor of appellant and against respondent.

3. Facts of the Case are as follows:

- I. It is submitted by the applicant that The Applicant purchased 24 lakhs Equity Shares of Rs. 10 each of

Respondent company (R1) from Nipaben Sorathia (R6) aggregating value of Rs. 2.40 crores.

At the time of purchase of shares under reference by the Applicant, Akshar Spintex, (R1) was a Private Limited Company run by brother-in-law (R6's husband) of the applicant. R6 is the real sister of the applicant.

Due to the Company being closely held company, run by family members, the applicant in good faith handed over his 24,00,000 shares and share transfer forms etc... to Respondent company (R1 then was unlisted company). Applicant due to this reasons did not retain the Xerox copies of 24,00,000 shares along with transfer forms.

- II. It is stated that Consideration for the purchase of shares under reference was made by Applicant to R6 through RTGS Facilities. The 24,00,000 share purchase transaction was concluded, as upon payment of consideration of Rs.2,40,00,000/- (Rupees Two Crores Forty Lacs only), R6 handed over

24,00,000 shares with share transfer form to the applicant. According to shares certificates for 24,00,000 shares handed by R6 to Applicant, for formality of transfer of shares by R1 on physical share certificates were lodged by applicant for transfer in his favor to R1.

Upon submission of share certificates and transfer form etc., the applicant was issued an acknowledgement by R1. The said acknowledgment is placed at “Pg. no. 69” “Annexure E” of the Application.

- III. It is stated that pursuant to purchase of 24,00,000 shares and lodgment of shares for transfer in the month of July 2016. Applicant though was not returned the shares by R1, after taking much follow-up with R2, he orally confirms the shares under reference are transferred in the name of the Applicant. Even, the-Financial Statements for year 2016-2017 available on the R1-Company's website as well as MCA portal and which means the R1 company has recognized his shareholding of 24,00,000 shares and

as member of R1 company. The Director's Report in Financial Statement of R1 for period 2016- 17 and even in its XBRL submission showing name of the applicant as member holding 24,00,000 shares is produced at page no.83 and page no.142 as enclosure with main application.

- IV. It is further stated by the applicant that the applicant was endorsed and assured that he was member in R1 was when applicant perused Extract of Annual Return for year 2016-2017 available on the R1-Company's website as well as MCA portal, and it came to the knowledge of applicant that company has recognized his shareholding of 24,00,000 shares as his name appeared as member of R1 company. The Annual Report of R1 for period 2016-17 and even in its XBRL submission showing name of Applicant as member holding 24,00,000 shares is produced at page no.84 and page no. 145 as enclosure with main application.
- V. It is stated that in Balance Sheet of R1 for year 2016-17 in NOTE 1, the name of the applicant holding more

than 5% of shares in R1 Company gets reflected. Name of applicant is not shown in the previous year holding of shares where the name of Nipa (R6) is shown as holding shares. Further the name of previous owner Nipa (R6) is shown as not holding in year 2016-17 and Applicant is holding shares in year 2016-17. Meaning thereby that R1 company has recognized applicant shareholding of 24,00,000 shares as his name appeared as member holding more than 5% of shares of R1 company. The NOTE 1 OF BALANCE SHEET of R1 for period 2016-17 showing name of Applicant as member holding more than 5% of shares of R1 company and against name of NIPA(R6) not showing any holding of shares is produced at page no.98 as enclosure with main application.

- VI. In spite of the applicant being member of R1 Company, the duly transferred 24,00,000 share certificates were not returned to Applicant by R1 company. On various occasions the applicant requested R1 company to return the same. The said

communication was made verbally as the office of applicant and R1 Company was in the same Building on different floors. Further applicant requested personally since the R1 was family driven company.

VII. It is stated that during year 2017-18, R1 Company came out with SME IPO and its shares got listed at BSE. As a result, R1 company from unlisted became listed company. Originally nominal value of each share was Rs.10 per share and during the year 2023, the nominal value per share is of Re.1. Going by this change of nominal value per share, 24,00,000 shares will be 2,40,00,000 shares.

VIII. It is stated that due to non-receipt of physical shares, as an available remedy, the applicant lodged a complaint before SEBI on 28/6/2019 in respect of non-receipt of share certificates, the same is produced by applicant at Page No. 432 as enclosure with application. The said complaint was replied by R1 company which is enclosed at Page No. 433-437 along with main application. In the said reply. R1 Company

at para 1 sub para 4 has stated that "the shares under reference are not transferred and returned back to Nipa (R6) as the transfer form was not duly executed." In the said reply at para 4(d) has stated that - "the company has handed over the original share transfer form with all annexures to Ms. Nipaben Vikasbhai Sorathiya (original owner of shares) as the transfer form was not duly executed. The same is enclosed at Page No, 435 of main application.

It can be seen that through R1 recognized publicly in its financial statement, directors report, XBRL (eXtensible Business Reporting Language) submissions with MCA (Ministry of Corporate Affairs) Balance sheet year 2016-17 that Applicant became member on 09.10.2016 of R1 by acquisition of 24,00,000 shares and on the other hand after almost 3 years and pursuant to complaint with SEBI came out with excuse of not transferring shares as transfer form was not duly executed and the shares were handed over to R6 instead of the Applicant.

IX. It is stated that upon perusal of reply from R1 to the compliant before SEBI, Applicant got cautioned/alert and applicant with the help of Practicing Company Secretary tried to obtain XBRL financial statement of R1 from the website of MCA. It is then in the year 2020 upon the search that applicant came to know that the position of 2016-17 was changed as R1 Company voluntarily revised its financial statements including Director's Report for year 2016-17 wherein the name of Applicant was not getting reflected as member.

4. It is stated that pursuant to filing of Application by Applicant, Respondent No. 1,5 and 6 filed their Reply dated 31.08.2021, 16.07.2021 and 31.08.2021 respectively. The Contents of the Replies are as follows:

a. It is stated that R1 has accepted the position that they have acknowledged the receipt of 24,00,000 shares and transfer form from Applicant and the signatures placed on document produced at page no.69 of the main application are that of one of their director.

- b. It is stated that R1 has accepted the position that they have instead of returning the 24,00,000 shares to Applicant have handed over the same to R6.
- c. It is stated that R1 has continuously stated that it is error to mention name of Applicant as member in its financial statement and XBRL submitted with MCA.
- d. It is stated that R6 have not denied having received any consideration from the Applicant.
- e. It is stated that R6 has not denied of being real sister of Applicant.
- f. It is stated that neither R1 nor R6 have denied the fact that R1 is family driven company.
- g. It is stated that R1 and R6 have enclosed as annexure to their reply one document which is same document, but it is strange that on both documents there is different signature, type of paper used, writing style of date of acknowledgement is different. The document is referred by R1 at annexure C page 21 with their reply and R6 at annexure A page 7 with her reply.

- h. It is stated that R1 had produced document in support of its reply at Annexure D. page no.22 wherein the letter is addressed to R6 by R1 dated 12/10/2016 which shows that share transfer form does not bear required Share Transfer Ticket.
 - i. It is stated by R1 that as has produced document at Annexure E page no.24-28 with its reply which are two separate Affidavits, one by Ashok Bhalala and other by Amit Ghadiya regarding clerical mistake of "shareholding more than 5%" for AOC 4 XBRL for 2016-17.
 - j. It is stated by R1 that Applicant approached two Judicial Forums one by filing suit and other by moving NCLT by filing present application.
5. After Reply filed by the R1, R5, R6, it appeared to the Applicant that a lot of time was taken by other respondents for filing reply and requested this Tribunal to close the stage of filing a reply by the remaining respondents.
6. Further Applicant had apprehension that R6 will sell 24,00,000 shares sold to him by R6 to some other person

and hence filed an IA No. 19 of 2022 on 21.02.2022 before this Tribunal seeking stay on R6 from alienating, transferring the shares under dispute. the copy of the Interim Application was served on the advocate of R1 to R5 on 17.02.2022 and R6 on 17.02.2022 by the E-Mail through Counsel appearing for the Applicant.

IA NO. 19 of 2022

A. The present Application was filed by the Applicant on 21.02.2022 under diary no. E293 seeking following reliefs: -

- a) Be pleased to take the present interim application of record and look to the urgency in the matter the necessary orders be passed.
- b) Be pleased to pass order restraining opponent company and its directors from selling, alienating, transferring, dealing in 24,00,000 numbers of shares held by appellant in the opponent company.
- c) Be pleased to pass order asking opponent to submit declaration that they will not sell, transfer, alienate, deal in shares held by appellant in opponent company.

d) be pleased to pass any other relief deemed fit in interest of justice in favor of appellant and against opponent.

B. Facts of the Case:

- i. It is submitted by the Applicant that he was holding 24,00,000 numbers of equity shares in Respondent Company and since Respondent company has removed the name of applicant as member in the Register of Members of Respondent company, the applicant filed an Appeal before this Tribunal for restoration of his name as member.
- ii. It is stated that Applicant recently have come to know that transaction of sale of 3,03,000 number of equity shares of Respondent No. 6(R-6) of Respondent company is getting reflected on the official site of Bombay Stock Exchange Limited (BSE) which is a public domain site. The copy of print taken from the official site of BSE is kept at ANNEXURE "B" of the Application. As per the information, it is coming to the knowledge that R-6 before transaction under reference was holding 19,38,500 equity shares in the Respondent Company.

Out of such number of shares of the Respondent company 3,03,000 equity shares have been sold in the market by the R-6 and hence R-6 is having only 16,35,500 number of shares at present. Screen shot derived from BSE website is enclosed at annexure "C" of the Application.

- iii. It is stated that Applicant had an apprehension that the physical shares held by him in Respondent company are with Respondent company since the time it was given for transfer by applicant to Respondent company and the said shares are not returned to him and accordingly R-6 may not sell his shares in the market.
- iv. It is stated that Appellant has an apprehension that 24,00,000 of shares held by him in opponent company if sold in market, there will be an unratified situation for him and opponent company.
- v. It is stated that Appeal to the effect of restoration is pending and there is no such order restraining opponents from not transferring the shares of appellant in market to any other person. In such situation,

appellant has no other option but to bring this fact to the knowledge of Tribunal that pending decision of appeal filed for restoration of Register of Members as prayed by appellant, it is appropriate that restraining orders be passed in this respect against opponent restraining to transfer the shares pending decision of appeal.

- vi. At present the price of shares of opponent company at BSE is Rs.39.20 per share and accordingly the total value of shares of appellant will come to Rs.9,40,80,000(24,00,000 number of shares x Rs.39.20 per share).
- vii. It is submitted by the Applicant that he has a prima facie case that he is holder of 24,00,000 number of shares in respondent company and he has right to be member of the respondent company and his name should appear in Register of Members of respondent company and hence the appeal is filed by appellant. In case the opponent company, who is in physical possession of shares of applicant sells the shares of appellant, in such

case applicant will face lot of inconvenience and will have to again venture for some other relief against some other forum or file some other litigation. Thus, the balance of convenience is also in favor of applicant. In case the shares of appellant held in opponent company is sold, there will be irreparable loss to the appellant and which cannot be compensated in terms of money. Appellant may face loss of Rs.9,40,80,000 in case the shares are sold by Respondent company.

C. Submission of Respondent:

- a. It is stated that The Respondent No. 6 filed an Affidavit in Reply on 04.04.2022 against IA No. 19 of 2022.
- b. The contentions of the Reply are as under:
 - i. It is stated by the R-6 that she already set out her defense in affidavit dated 28.08.2021 and the same are deemed to be part and parcel of the affidavit dated 04.04.2022.
 - ii. It is further stated that deponent therein holds and owns only 500 shares of the R1 Company.

c. It is further stated that R-6 filed an Additional Affidavit on 16.11.2022 in compliance of an order dated 20.09.2022 to put forth clarification regarding the selling of shares prior to filing of the present Application which are as follows:

- i. It is stated that prior to filing of the IA 19 of 2022 on 18.02.2022, the deponent therein had sold 14,16,000 shares that she held in the Respondent no. 1 Company.
- ii. It is stated that as on the filing of the affidavit dated 16.11.2022 the deponent therein holds and owns only 500 shares of the R1 Company, which as per the statement recorded in said order dated 20.09.2022, the deponent shall not sell.

D. We have heard both the counsel and on perusal of the documents submitted we have observed the following:

- i. From the Application it can be seen that the remaining numbers of shares with R-6 are 16,35,500 as of December 2021.

ii. That in reply R-6 stated that she had sold 14,16,000 shares before filing of this Application and she had left with only 500 shares with her, which she will not sell.

E. It is clear from the above findings that the no. of shares alleged in clause (b) of the relief has been reduced to only 500 shares which will accordingly be restraint from selling, alienating, transferring and dealing any further. Accordingly, the present Interlocutory Application which is IA No. 19 of 2022 is **Disposed off**.

7. Applicant has submitted separate Rejoinder dated 16.11.2021, 13.08.2021 and 16.11.21 to each Reply filed by Respondents Nos. 1,5 and 6 respectively in the matter. In Rejoinder Applicant has exhaustively clarified each point raised by Respondents in the matter.

8. Thereafter, the matter has been posted for many times and last when it was posted on 7/12/2023, the applicant and respondents have submitted oral arguments and pursuant to the order of Bench dated 7/12/2023, the written arguments were to be submitted by both the parties. In

compliance of the order dated 07.12.2023 the Applicant had filed the Written Submission on 26.12.2023. The written Submission on behalf of Respondents was not filed.

9. Vide order dated 25.01.2024 the Respondent No.1 was directed to place on record all the relevant documents providing details on the disposition of impugned shares and the amount realized.
10. Respondent No. 6 filed additional affidavits on 22.02.2024 under diary No. D1543 and another on 05.03.2024 under Diary No. D1937 and in compliance of the order dated 25.01.2024 wherein no mention of the details of the sale of 24 lakh shares of the applicant as in what manner and on which date they were sold or how much amount was realized. Only a CA certificate was annexed without any supporting documents. This Tribunal vide order dated 18.04.2024 again directed Respondent No. 6 to file a proper affidavit disclosing each and every fact about the shares of the Applicant.
11. The Respondent No. 6 filed an additional Affidavit on 06.06.2024 under Diary No. D4443 stating as under

- The amount realized after selling of 23,99,500 shares of the appellant are Rs. 9,38,65,707.63ps.
- Only 500 shares survive till date.

12. We have heard both the Counsel and on perusal of the documents submitted we have observed the following:

- That R6 transferred her shares to the applicant during the year 2016-17 and the same is considered by R1 company since it is reflected in the balance sheet of R1 Company.
- That the name of Appellant pursuant to the purchase of 24,00,000 shares was appearing in the Financial Statements for the year 2016-17 of R1-Company's website as well as XBRL Report.
- That the Appellant was appointed as director in the Company, however he resigned as director on 02.12.2017.
- That the share transfer form was not duly executed and stamped therefore returned back to the Respondent no. 6 for proper execution of the same which was not

executed again due to mutual understanding between R-6 and Appellant.

- Applicant has paid consideration to R-6 amounting to Rs. 2,40,00,000 on 29.06.2016.
- Respondent during the pendency of this application has sold 23,99,500 shares in stock market on different dated in Demat form.
- The amount realized after selling of 23,99,500 shares by the Respondent No.6 are Rs. 9,38,65,707.63/-.
- The 24,00,000 issues which are sought by the appellant are already reduced to 500 shares as stated in the reply of the Respondent No.6 in IA 19 of 2022.

13. We are of the view that the Reliefs sought in the Appeal are to be granted in the interest of justice **in the following manner:-**

- i. The amount realized by the sale of the 23,99,500 shares which is about Rs. 9,38,65,707.63/- is to be paid by the R-6 to the Appellant within the period of 15 days from the date of the pronouncement of the order.

ii. The remaining 500 shares are to be restored to the Appellant by Respondent No. 6 within the period of 15 days from the date of the pronouncement of the order.

14. Accordingly, the present Company Appeal No. 1 of 2021 is disposed off.

15. In view of the above IA No. 19 of 2022 is also disposed off.

**-SD-
SAMEER KAKAR
MEMBER (TECHNICAL)**

**-SD-
SHAMMI KHAN
MEMBER (JUDICIAL)**

ST