



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

ITEM No.308
Appeal/31(AHM)2025

Under Section 59 of Co.Act, 2013

IN THE MATTER OF:

Titus Babu

V/s

Sintex Industries Limited

.....Applicant

.....Respondent

Order delivered on: 06/03/2026

C O R A M:

MR. SHAMMI KHAN, HON'BLE MEMBER (J)

MR. SANJEEV SHARMA, HON'BLE MEMBER (T)

ORDER
(Hybrid Mode)

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

Sd/-

SANJEEV SHARMA
MEMBER (TECHNICAL)

Sd/-

SHAMMI KHAN
MEMBER (JUDICIAL)



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

Comp. Appeal No. 31 of 2025

*[Company Appeal under Section 59 of the Companies Act,
2013]*

In the matter of: Sintex Industries Limited

MEMO OF PARTIES

Titus Babu, s/o Babu M I.
Illathumepurathu Bungalow,
Venmony P O, Chengannur,
Alappuzha District, Kerala, PIN - 689509.

.... Appellant

VERSUS

Sintex Industries Limited,
KALOL, Lower Ground Floor
Acropolis Mall,
Nr. Thaltej Metro Station Entry Gate,
Thaltej, S.G. Highway,
Ahmedabad - 380054, Gujarat, India.

.... Respondent

ORDER PRONOUNCED ON 06.03.2026

CORAM:

SH. SHAMMI KHAN, HON'BLE MEMBER (JUDICIAL)
SH. SANJEEV SHARMA, HON'BLE MEMBER (TECHNICAL)



APPEARANCE:

For the Appellant : Mr. George Mathai, Advocate
For the Respondent : Mr. Raheel Patel, Advocate

ORDER **(Per Bench)**

1. The Appellant has filed Company Appeal on 09.12.2025 under Section 59 of the Companies Act, 2013 seeking rectification of the Register of Members of the Respondent Company and consequential reliefs including issuance of equity shares and payment of compensation with following reliefs: -

- a) *Awarding an amount of Rs.82.3 crores as compensation against Rs.3651.32 crores infused by Reliance Industries Ltd. (RIL) to the Corporate Debtor (SIL) for settlement of ownership of 1,35,000 Equity Shares held by the Appellant and being **Member** of the said Company.*
- b) *Awarding Interest of the said amount specified in (a) @ 10% per annum from the NCLT Order dt. 10.02.2023 in CP (IB) 848/NCLT/AHM/2019 to till date of realisation.*
- c) *Issue of New Equity Shares equivalent to 1,35,000 Equity Shares held by the Appellant and **Member** of SIL as per the Resolution Plan and Order of NCLT cited above.*
- d) *Adequate amount for mental sufferings and hardships inflicted on the Appellant by way of the conduct and action of the said Corporate Debtor (SIL) as the Hon'ble Tribunal deems fit.*



e) Consolidated amount of (a) & (b) together comes to Rs.110 crores {approx.}.

2. The Appellant has placed the facts through this Company Appeal in the following manner: -

2.1 The Appellant claims to have purchased 1,35,000 equity shares of Sintex Industries Limited during the period between October 2017 and January 2023.

2.2 The grievance of the Appellant arises from the extinguishment of the said equity shares pursuant to the implementation of the Resolution Plan approved in the Corporate Insolvency Resolution Process ("CIRP") of the Respondent Company.

2.3 Sintex Industries Limited was admitted into Corporate Insolvency Resolution Process (CIRP) under the Insolvency and Bankruptcy Code, 2016.

2.4 After completion of the CIRP process, the Resolution Plan submitted by the Successful Resolution Applicant was approved by this Tribunal by order dated 10.02.2023 in CP (IB) No. 848/NCLT/AHM/2019 under Section 31 of the Insolvency and Bankruptcy Code, 2016.

2.5 The Resolution Plan provided, inter alia, for: -

- i. cancellation and extinguishment of the entire pre-existing equity share capital of the Corporate Debtor without payment of any consideration;



- ii. restructuring of the capital structure of the Corporate Debtor; and
- iii. issuance of fresh securities in accordance with the Resolution Plan.

2.6 The Resolution Plan having been approved by this Tribunal attained finality and was thereafter implemented.

2.7 Consequently, the pre-CIRP equity shares of the Respondent Company stood cancelled and extinguished.

2.8 The Appellant contends that he had purchased equity shares of the Respondent Company prior to the delisting and cancellation of shares and therefore possesses enforceable rights as a member of the company.

2.9 It is submitted that the extinguishment of the Appellant's shareholding without compensation is arbitrary and the Appellant is entitled to restoration of his shareholding or appropriate monetary compensation.

2.10 It is further argued that Section 59 of the Companies Act empowers this Tribunal to rectify the Register of Members and to grant appropriate remedies in cases where the rights of shareholders have been affected.

3. After issuance of notice, the Respondent Appeared and filed its Reply on 20.02.2026 vide Inward diary No. D-1648



denying various averments made in the Appeal. The relevant contentions of the Respondent are mentioned hereunder: -

- 3.1 The Respondent submits that the Appeal is not maintainable as it seeks to reopen the Resolution Plan of the Respondent Company approved by this Tribunal by order dated 10.02.2023 in CP (IB) 848/NCLT/AHM/2019. A copy of the said order is annexed as Annexure R/2.
- 3.2 The Respondent states that under the approved Resolution Plan the entire pre-existing equity share capital of the Corporate Debtor consisting of 59,92,49,762 equity shares of Rs.1 stood cancelled and extinguished without payment of consideration. Relevant extracts of the approved Resolution Plan are annexed as Annexure R/3.
- 3.3 The Respondent submits that after approval of the Resolution Plan, the equity shares of the Corporate Debtor stood cancelled and the shares were delisted from the stock exchanges with effect from 10.03.2023. The Respondent also made statutory filings and public announcements regarding extinguishment of shareholding.
- 3.4 The Respondent states that the Appellant claims to have purchased equity shares of the Corporate Debtor prior to the CIRP and the said shares formed part of



the equity share capital extinguished under the Resolution Plan. Therefore, the Appellant ceased to have any status as shareholder or member of the Corporate Debtor.

- 3.5 The Respondent submits that the Resolution Plan approved under Section 31 of the Insolvency and Bankruptcy Code is binding on all stakeholders including shareholders and members. It is further submitted that Section 32A read with Section 238 of the Code gives overriding effect to the provisions of the Insolvency and Bankruptcy Code.
- 3.6 The Respondent states that Section 59 of the Companies Act, 2013 provides a remedy only for rectification of entries in the Register of Members in cases of wrongful entry or omission. The said provision does not empower the Tribunal to revive extinguished share capital or grant compensation.
- 3.7 The Respondent submits that the reliefs sought by the Appellant including claim of approximately Rs.82,30,00,000 and about Rs.1,10,00,00,000 with interest based on funds infused by the Resolution Applicants are not permissible in proceedings under Section 59 of the Companies Act.
- 3.8 The Respondent states that after approval and implementation of the Resolution Plan, paper publications regarding delisting and extinguishment of



shares were issued and copies of such publications are annexed as Annexure R/4.

- 3.9 It is further submitted that the present appeal is an indirect attempt to reopen a Resolution Plan that has already attained finality.
- 3.10 In view of the above facts and submissions, the Respondent has sought dismissal of Company Appeal No.31 of 2025 as not maintainable and rejection of all claims made by the Appellant in the present proceedings.
4. The Appellant has also filed a rejoinder on 21.02.2026, denying most contentions raised by the Respondent in its reply. The contents of the Rejoinder are reproduced as follows: -
- 4.1 The Appellant states that the observations made by the Respondent in the preliminary paragraphs of the Reply are not correct. The Appellant submits that the present proceedings are maintainable before this Tribunal and that the Appellant has approached the Tribunal after exhausting remedies before the concerned authorities regarding cancellation of his shares.
- 4.2 The Appellant submits that the present Appeal does not challenge the order dated 10.02.2023 passed by this Tribunal in CP (IB) 848/NCLT/AHM/2019 approving the Resolution Plan. The Appellant states



that the Appeal is filed only to address the issue relating to his rights as a registered member of the Respondent Company.

- 4.3 The Appellant further states that his rights as a registered member and shareholder of the Respondent Company since the year 2017 have not been extinguished. The Appellant submits that the provisions of Sections 31 and 32A of the Insolvency and Bankruptcy Code do not prevent this Tribunal from examining the rights of a member in appropriate proceedings.
- 4.4 The Appellant submits that the Respondent has incorrectly stated that there is no surviving right for rectification or restitution. According to the Appellant, the question regarding rectification of the Register of Members, re-issuance of shares, or grant of compensation is required to be examined and decided by this Tribunal.
- 4.5 The Appellant states that Section 59 of the Companies Act, 2013 is not limited only to clerical correction of entries. The Appellant submits that maintenance of the Register of Members is a statutory duty of the company under Section 88 of the Companies Act and that any wrongful removal of membership can be examined by this Tribunal.
- 4.6 The Appellant further submits that the reliefs claimed are also connected with the funds infused by the



Resolution Applicant in the Respondent Company under the approved Resolution Plan. The Appellant contends that the financial restructuring of the company involved infusion of funds and therefore the Appellant seeks appropriate relief corresponding to his earlier shareholding.

- 4.7 The Appellant states that the Rejoinder is supported by an affidavit filed by the Appellant which is annexed as Annexure A. The Appellant has also filed proof of service of the Rejoinder upon the Respondent through email, annexed as Annexure B.
- 4.8 The Appellant reiterates that he had purchased 1,35,000 equity shares of the Respondent Company during the period from 27.10.2017 to 27.01.2023 and continued to be reflected as a shareholder before cancellation of the shares. The Appellant has relied upon documents relating to purchase of shares and the Resolution Plan earlier produced along with the Appeal.
- 4.9 In view of the above facts and submissions, the Appellant has sought relief before this Tribunal for grant of compensation of Rs.82,30,00,000 with interest, issuance of new equity shares equivalent to 1,35,000 shares earlier held by the Appellant, and grant of appropriate relief for losses and hardship arising from cancellation of the said shares.



5. We have heard Ld. Counsel for the Appellant, Ld. Counsel for the Respondent, considered the oral submissions of both parties and perused the material on record.
6. Before, we advert to the prayer of the Applicant, we consider appropriate to refer to the relevant portion of the Resolution Plan dealing with the financial proposal concerning the existing shareholders, order approving the resolution plan, provisions of section 59 of the Companies Act, 2013; provisions of section 31 of the Insolvency and Bankruptcy Code, 2016.
7. Section 59 of the Companies Act, 2013 reads as below:

Rectification of register of members:

(1) If the name of any person is, without sufficient cause, entered in the register of members of a company, or after having been entered in the register, is, without sufficient cause, omitted therefrom, or if a default is made, or unnecessary delay takes place in entering in the register, the fact of any person having become or ceased to be a member, the person aggrieved, or any member of the company, or the company may appeal in such form as may be prescribed, to the Tribunal, or to a competent court outside India, specified by the Central Government by notification, in respect of foreign members or debenture holders residing outside India, for rectification of the register.

(2) The Tribunal may, after hearing the parties to the appeal under sub-section (1) by order, either dismiss the appeal or direct that the transfer or transmission shall be registered by the company within a period of ten days of the receipt of the order or direct rectification of the records of the depository or the register and in the latter case, direct the company to pay damages, if any, sustained by the party aggrieved.



8. Section 31 of the IBC, 2016 “Approval of resolution plan” reads as below:

(1) If the Adjudicating Authority is satisfied that the resolution plan as approved by the committee of creditors under sub-section (4) of section 30 meets the requirements as referred to in sub-section (2) of section 30, it shall by order approve the resolution plan which shall be binding on the corporate debtor and its employees, members, creditors, [including the Central Government, any State Government or any local authority to whom a debt in respect of the payment of dues arising under any law for the time being in force, such as authorities to whom statutory dues are owed,] guarantors and other stakeholders involved in the resolution plan. [Provided that the Adjudicating Authority shall, before passing an order for approval of resolution plan under this sub-section, satisfy that the resolution plan has provisions for its effective implementation.]

9. The material on record shows that the Respondent Company underwent Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code, 2016. The Resolution Plan submitted by the Successful Resolution Applicant was approved by this Tribunal by order dated 10.02.2023 in IA 275 of 2022 in CP (IB) 848/NCLT/AHM/2019. The said order has been relied upon by the Respondent and is annexed as Annexure R/2.
10. Extracts of the Resolution Plan relied upon by the Respondent are annexed as Annexure R/3. Paragraph 6.1 of the Resolution Plan deals with the payment to the shareholders and it reads as, “ The existing equity shareholders shall not be paid any amount since the



liquidation value of the Corporate Debtor, as per the assessment of the Resolution Applicant, is inadequate to make any payment to such persons and making payment to any such person may not serve the best interest of the other stakeholders of the Corporate Debtor, including the workmen and other creditors.”

11. Paragraph 4 (iv) of the above noted order of 10.02.2023 approving the Resolution Plan provides that, “The Resolution Plan so approved shall be binding on the Corporate Debtor and its employees, members, creditors, guarantors and other stakeholders involved in the Resolution Plan.” Further, Paragraph 4 (viii) of the order provides that, “ From the date of this order, all claims against the corporate debtor, except those provided in the resolution plan of the Corporate Debtor stand extinguished.”
12. The Resolution Plan placed on record and portion extracted above shows that the entire pre-existing equity share capital of the Corporate Debtor stood cancelled and extinguished without payment of consideration. The capital structure of the company was restructured in accordance with the approved plan.
13. After approval of the Resolution Plan, the Respondent has stated that the shares of the company were delisted and



statutory filings were completed. The Respondent has also placed on record paper publications regarding extinguishment of shares annexed as Annexure R/4. These documents indicate implementation of the Resolution Plan after approval of this Tribunal.

14. The Appellant claims that he had purchased 1,35,000 equity shares between October 2017 and January 2023 and he is a member of the company as per provisions of section 2 (55) of the Companies Act, 2013. The Applicant claims that his name as a member has been deliberately omitted from the Register of Members and therefore he has filed an appeal under section 59 of the Companies Act, 2013 and therefore seeks restoration of shares or compensation. The Appellant has relied upon documents relating to purchase of shares and has filed an affidavit annexed as Annexure A and proof of service annexed as Annexure B along with the Rejoinder.
15. Section 59 provides that if the name of any person after having entered in the register is without sufficient cause omitted therefrom, the person aggrieved may appeal for rectification of register.



16. Based on the documents filed, it appears that due to holding of shares in the Corporate Debtor (Sintex Industries Limited), his name must be appearing in the Register of Members maintained by the Company prior to the date of approval of the Resolution Plan. The Respondent has submitted that no payment was made to existing shareholders and their shares were cancelled and shareholding extinguished. The shares claimed by the Appellant formed part of the share capital which stood cancelled and extinguished under the approved Resolution Plan. Therefore, the omission of the name of the Appellant from the Register of Members was not without sufficient cause.
17. Section 31 of the Insolvency and Bankruptcy Code, 2016 provides that once a Resolution Plan is approved by the Adjudicating Authority it becomes binding on the Corporate Debtor and its stakeholders including and members. After approval and implementation of the plan the consequences flowing from the plan are required to be given effect. Therefore, the approved resolution plan which provided for



cancellation of shares of the existing shareholders is binding on the members and that include the Appellant.

18. The Hon'ble Supreme Court in ***Committee of Creditors of Essar Steel India Ltd. v. Satish Kumar Gupta (2019) 16 SCC 479*** held that once a Resolution Plan is approved by the Adjudicating Authority, it becomes binding on all stakeholders and cannot be subsequently reopened.
19. The Hon'ble Supreme Court further reiterated this principle in ***Ghanashyam Mishra & Sons Pvt. Ltd. v. Edelweiss Asset Reconstruction Co. Ltd. (2021) 9 SCC 657***, holding that upon approval of the Resolution Plan, all prior claims stand extinguished, and no person can thereafter initiate proceedings in respect of such claims.
20. Section 59 of the Companies Act, 2013 provides a remedy for rectification of entries in the Register of Members in cases of wrongful entry or omission. The provision deals with correction of entries relating to membership in the register maintained by the company.
21. In the present case, the deletion of the Appellant's name from the Register of Members was not due to any wrongful



entry, omission or clerical error. The extinguishment of shareholding occurred uniformly for all pre-existing shareholders pursuant to the implementation of the Resolution Plan approved under Section 31 of the Insolvency and Bankruptcy Code, 2016.

Grant of the reliefs sought by the Appellant including restoration of shareholding, issuance of fresh shares equivalent to 1,35,000 shares or grant of compensation of Rs.82.3 crores with interest is not permitted after the resolution plan is approved. The Applicant has not challenged the order approving the Resolution Plan.

- 22.** The Appellant has also referred to the funds infused by the Resolution Applicant into the company during implementation of the Resolution Plan. The infusion of funds forms part of the financial proposal/ restructuring provided in the plan and does not create any independent entitlement for restoration of extinguished shareholding.
- 23.** The documents placed on record show that the extinguishment of shares occurred uniformly for the entire pre-existing equity share capital of the Respondent Company. The Appellant has not shown any material to



indicate wrongful entry or omission in the Register of Members within the meaning of Section 59 of the Companies Act, 2013.

- 24.** In view of the facts recorded above and after considering the pleadings of the parties and documents placed on record including Annexure A, Annexure B, Annexure R/2, Annexure R/3 and Annexure R/4, and provisions of law, this Tribunal is of the view that the reliefs sought by the Appellant cannot be granted in proceedings under Section 59 of the Companies Act, 2013.
- 25.** In view of the statutory scheme of the Insolvency and Bankruptcy Code and the binding precedents of the Hon'ble Supreme Court, this Tribunal holds that: -
- a.** The Appellant has no surviving membership or enforceable rights in the Respondent Company;
 - b.** The present appeal under Section 59 of the Companies Act is not maintainable.
 - c.** The reliefs sought by the Appellant are beyond the jurisdiction of this Tribunal in a rectification proceeding.



26. Accordingly, **Company Appeal No. 31 of 2025 stands dismissed as not maintainable.** All reliefs sought by the Appellant are rejected. No order as to costs.
27. A certified copy of this order may be issued, if applied for, upon compliance with all requisite formalities.

Sd/-

SANJEEV SHARMA
MEMBER (TECHNICAL)

Sd/-

SHAMMI KHAN
MEMBER (JUDICIAL)