

DULY SWORN ON: 04-07-2025**CROSS-EXAMINATION BY Sri. VNH THE COUNSEL FOR Plaintiff :**

5. If I am asked what is the business of D1 company, I say we are into space related technology using Indian satellites and we manufacture hardware and software and all related products. D1 was incorporated in the year 2012. I am the founder of D1 company and therefore I am associated with D1 company from the very beginning.

6. The startup capital of D1 company was Rs. 1 lakh. Initially, only myself and my family members had invested in D1 company. At the time of startup of D1 Company, myself and one Col. SS Patil were the directors. At the time of incorporation of D1 Company, I was holding 5000 shares of value of Rs. 10 each. At that time, it represented 50% of the share capital of the company.

7. I am aware of all the transactions of D1 company from the date of incorporation up to the year 2017. And after 2017 I am personally aware of most of the transactions. Witness volunteers from 2017 D3 was looking after the affairs of the company. I am acquainted with plaintiff No. 1, Sri Lakshmi Kottu from the year 2017. I am acquainted with plaintiff No. 2 from the year 2016. If it is suggested to me that I know plaintiff No. 2 as a businessman, I say that I am acquainted with him as my friend's brother.

8. It is false to suggest that I am aware that when I first met plaintiff No. 2, he was involved in various businesses and he was the director of nearly eight companies. Witness volunteers, to the best of my knowledge, when I met plaintiff No. 2, he was not doing any business. It is false to suggest that I am aware that when I first met plaintiff No. 2, he was involved in food processing, infrastructure, mining and real estate business. It is false to suggest that since plaintiff No. 2 was in business and he was an investor, I myself approached plaintiff No. 2 seeking his investment in defendant No. 1 company. Witness volunteers, plaintiff No. 2 himself came forward to invest in defendant No. 1 company. It is false to suggest that I am deposing falsely in this regard.

9. It is true to suggest that myself and plaintiff No. 2 entered into agreement for acquisition of shares dated 1/6/2019 as per Ex. P2 which is now shown to me. The signatures on Ex. P2 are my signatures. I am aware of the contents of Ex. P2.

10. The Learned Counsel is suggesting the contents of Ex. P2 to the witness and since Ex. P2 is already marked in evidence and since witness has admitted due execution of Ex. P2 all questions suggesting the contents of admitted documents are disallowed.

11. Question : As per Ex. P2, 30% of the shareholding of the company is calculated at Rs. 2 crores and therefore, you will be calculating for others also at the same rate?

Answer : I agree.

12. If I am asked how many shares were allotted to plaintiff No. 2, I say initially he transferred Rs. 40 lakhs for which 20% and odd shares were allotted to him. Plaintiff No. 2 has not paid for the said shares as per the share purchase agreement. It is true to suggest that if 30% of the share holding of the company is calculated at Rs. 2 crores, the value for 1% would be Rs. 6.67 lakhs. If it is suggested to me that around the same period, the shares were also allotted to Defendant No. 4, I said, shares were not allotted to D4, but shares belonging to me were transferred to D4.

13. According to me, when I transfer the shares to D4, I can transfer them at my own valuation and I have the discretion and I am not bound by the valuation of the share purchase agreement. It is not specifically mentioned in Ex. P2 that I have the discretion to transfer shares belonging to me at any valuation. I transferred 4 to 5% of the shareholding to D4. This was in the year 2019, but I do not remember the exact date. It is true to suggest that at paragraph 14 of my written

statement I have stated that, the said transfer to D4 took place in November 2019 and it is correct statement. It is false to suggest that on the 15/9/2019, I had allotted shares to plaintiff No. 1 at the rate of Rs. 2 crores for 30% of the shares. Witness volunteers it was allotted at a much lower rate. It is true to suggest that as per clause 5C of Ex. P2, it was agreed to allot 30% of the shares to Plaintiff No. 2 at the rate of Rs. 2 crores. Witness volunteers, it was so agreed, but it was not allotted.

At this stage, further cross-examination deferred request with understanding that cross-examination should be concluded on the next date without fail.

(Computerized to my dictation in the Open Court as deposed by the Witness)

R.O.I.& A.C,

(SUDINDRANATH.S.)

LXXXIII ADDL. CITY CIVIL & SESSIONS JUDGE,
BENGALURU.