(1999) 09 NCDRC CK 0021

In the National Consumer Disputes Redressal Commission

BRANCH MANAGER, UNIT TRUST OF INDIA — APPELLANT

Vs

JAGDISH RAI MITTAL — RESPONDENT

Date of Decision : 10-09-1999

Acts Referred:

Citation : 2000 1 CLT 105 : 2000 2 CPJ 106

Hon'ble Judges : J.B.Garg , P.K.Vasudeva , Devinderjit Dhatt J.

Final Decision : Appeal dismissed

Judgement

1. THE complainants Mr. Jagdish Rai Mittal and his wife Smt. Vimal Mittal purchased 900 Units of UTI Master Gain-92 through M/s. Perfect Financiers, Chandigarh on a payment of Rs. 10,600/-. THEy also obtained the original share certificates alongwith transfer deed form duly completed. THEse certificates were sent to M/s. Datamatics Financial Services Ltd., Bombay, respondent No. 2 on 27.12.1993 for transfer in the name of complainants but the same were not transferred. On institution of a complaint, the District Forum-II ordered on 4.5.1999 that respondents are liable to pay a sum of Rs. 10,600/- together with interest @ 12% p.a. to the complainants. Besides this the respondents were burdened with Rs. 1,100/- on account of costs and compensation for harassment. Aggrieved against it, the present appeal has been attempted.

2. BRIEFLY the complainants now respon-dents together purchased 900 Units of UTI Mastergain-92 @ Rs. 7.10 per unit through broker M/s. Perfect Financiers, Chandigarh for a sum of Rs. 10,600/- and obtained original share certificates alongwith transfer deed form duly completed. These were sent to the appellants through registered post on 27.12.1993 for transfer in favour of the respondents. The appellants did not respond for a long period despite a number of requests and reminders and even legal notice. It was only in October, 1995, the respondents received a letter from the appellants informing them that the original holder was claiming the issuance of duplicate share certificates. The appellants have averred that on a complaint lodged by the original holder Mrs. Harminder Kaur with them regarding loss of certificates in the year 1994, they

issued duplicate certificates to her on 10.5.1994 and hence the transfer of certificates could not be affected in favour of the respondents. They further averred that the signatures of the transferor in the transfer deed were not fully tallying with the signatures on the records and the respondents were informed accordingly in the month of October, 1995. The respondents should have approached their broker from whom they purchased the Unit Certificates. However, the broker M/s. Perfect Financiers, Chandigarh, respondent No. 3 in the original complaint has not been impleaded as party in this appeal. The learned Counsel for the respondents has brought to our notice that as per the provisions of Section 111 of the Companies Act, 1956 the appellants should have informed the respondents about the refusal of the transfer within two months from the date on which the instruments of transfer were delivered to the Company. But in this case certificates were sent for transfer on 17.12.1993 and the refusal of transfer was conveyed on 9th October, 1995 i.e. about two years late.

After going through the records and hearing of representative of appellants and learned Counsel for the respondents, this Commission has come to the conclusion that the appellants were deficient in informing the respondents by delay of about two years which also caused mental tension and harassment to the respondents. Therefore, we find no merit in this appeal, it is hereby dismissed and the impugned order stands affirmed. Appeal dismissed.