(2001) 12 NCDRC CK 0058

In the National Consumer Disputes Redressal Commission

INTEGRA SECURITIES LTD. APPELLANT

Vs

Oriental Insurance Company Ltd. RESPONDENT

Date of Decision : 04-12-2001

Acts Referred:

Citation : 2002 1 CPC 560 : 2002 1 CPR 138 : 2002 2 CLT 241 : 2002 2 CPJ 62

Hon'ble Judges : D.P.Wadhwa , J.K.Mehra , Rajyalakshmi Rao , B.K.Taimni J.

Final Decision : Ordered accordingly

Judgement

1. IN this complaint filed under Section 21 of the Consumer Protection Act, 1986, complainant claimed Rs. 23,72,342/- with interest @ 18% per annum from the date of claim till realisation of the amount. Further sum of Rs. 5.00 lakhs is also claimed for extreme loss and harassment as a result of deficiency of services resulting from undue delay on the part of the opposite party in not settling the claim.

2. COMPLAINANT is a Trading Member of National Stock Exchange of India Limited. It is registered with SEBI having Registration No. INB 230874633 and is covered under the Stock Brokers Indemnity Insurance Policy. COMPLAINANT is holder of policy under the stock broker and indemnify policy issued by the opposite party-insurer. The insured amount is Rs. 25.00 lakhs. When the complainant advanced its claim of Rs. 23,72,342/- for loss suffered by it on account of counterfeit securities introduced by one Mr. R.C. Gupta, proprietor of M/s. Esteem Financial Services, it was rejected by the opposite party which approved the loss only to the extent of Rs. 32,729/- in full and final settlement of the claim of the complainant. While the complainant''s case is that R.C. Gupta was its client, the case of the insurer is that he was a sub-broker. COMPLAINANT had also lodged police report against R.C. Gupta for cheating committed by him. Various documents will have to be gone into if R.C. Gupta was client of the complainant or only a sub-broker. This contention of the complainant that R.C. Gupta was introduced to it by one Anil Chandani, a senior employee of the complainant''s group concern, will have to be examined when complainant has

referred to an agreement with said R.C. Gupta. A dispute may also arise if the shares sold by R.C. Gupta was stolen property. There is a great deal of controversy involved in the present complaint. Along with the complaint there are as many as 125 documents. Evidence will have to be led. Complaint does raise complex questions of law and facts. We will have also to examine the provisions of SEBI Act and Rules framed thereunder. National Commission is presently not equipped to deal with such type of cases. Not that the National Commission has no case involving complex and complicated question of law and facts and there are numerous of them but considering the lack of staff and poor infrastructure resulting in huge pendency it is not possible for this Commission to add to its list more such cases. Otherwise it will defeat the very purpose and object of the Act. In cases involving medical negligence which require full scale trial including cross-examination of experts this Commission invariably entertains these complaints but a case like the present one complainant can certainly knock at the doors of a Civil Court or any other Forum. This complaint is returned to the complainant for presentation before the appropriate Forum, if so advised. Ordered accordingly.

