YOGDHYAN SINGH BANSAL Vs XLO MACHINE TOOLS LTD.

None

Court: NATIONAL CONSUMER DISPUTES REDRESSAL COMMISSION

Date of Decision: Oct. 13, 1993

Citation: 1993 3 CPJ 1612

Hon'ble Judges: S.S.Sandhawalia , S.Kulwant Singh J.

Final Decision: Appeal disposed of

Judgement

1. THE virtually successful complainant still appeals against the order of the District Forum, Hisar substantially granting the relief claimed.

2. THE complainant-appellant has purchased 800 equity shares of the respondent-company and lodged the same with them for their transfer to his

name. THE primal grievance was that the said certificates had not been so transferred and consequently a direction to do so and further

compensation was claimed.

The respondents in reply to the complaint categorically stated that the said shares had been actually transferred in the complainant''s name and

relevant certificates dispatched to him. Preliminary objections regarding jurisdiction etc. were raised, to which reference is now unnecessary

because they have not been agitated before us. The appellant filed a detailed replication thereto. The District Forum opined that the matter was

simple in view of the admission made by the respondent and directed that because the relevant documents had not been received by the appellant,

he should submit an indemnity bond etc. to the company, who would issue duplicate certificate to him under registered cover. Because of the delay

and harassment compensation was awarded in the shape of interest at 18% on the purchased price of the shares.

Inevitably, the present appeal is limited to the issue of the enhancement of compensation or modification of relief. Mr. Suman Jain, the learned

Counsel for the appellant further conceded that the share certificates have since been received, but sought a clarification of the order because it had

not been in terms specified as to the date from which interest was to be calculated. A faint plea for costs of the proceedings was also made.

3. THERE is a modi-cum of merit in the limited submission of the appellant"s Counsel in so far as the terminus for calculating the interest has been

left somewhat vague by the District Forum. Obviously, for the calculation of interest a precise terminus is necessary. This however, would

necessarily be governed by Section 113 of the Companies Act. The said Section provides that every company shall within two months after the

application for transfer of any shares has been made, deliver the said certificates to the transferee. It would be manifest there from that the terminus

for the grant of relief would be two months after the application was lodged with the respondentcompany for the said transfer. Accordingly, it is

clarified that the interest at 18% would be payable by the respondent with effect from two months after the lodging of the application for the

registration of the transfer till the date of realisation.

We are, however, unable to find any merit in Mr. Jain"s fervant prayer for costs etc. It is well settled that the costs are in the discretion of the

Court and the District Forum finding the matter somewhat simple granted relief with expedition and in its wisdom did not think it necessary to levy

any costs on the respondent. We find no warrant for interfering in the said discretion.

4. THIS appeal is consequently disposed of with the clarification with regard to the date from which the interest is to be calculated in the aforesaid

terms without any order as to costs. Appeal disposed of.