

THE NATIONAL COMPANY LAW TRIBUNAL MUMBAI BENCH, MUMBAI

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

MUMBAI BENCH, MUMBAI

T.C.P No.11 OF 2013

CORAM:

M K SHRAWAT

MEMBER (JUDICIAL)

In the matter of Section 111A of the Companies Act, 1956

BETWEEN:

*M/S* Mrs Vijaya Pai

... Petitioners *M/S*

Versus

M/S Reliance Industries Ltd. *9 Anr. M/S*

... Respondents

**PETITIONERS:**

1. Mr. Vijaya V.Pai

**RESPONDENTS**

1. M/s Reliance Industries Ltd.
2. The Swastik Janata Sahakari Bank Ltd.

**PRESENT ON BEHALF OF THE PARTIES:**

1. *Mr. Mangesh Halawade, Advocate i/b* *M/S*
2. Mr. Jayesh R. Vyas- Advocate for Petitioners

*M/S*

**THE NATIONAL COMPANY LAW TRIBUNAL MUMBAI BENCH, MUMBAI**

**ORDER**

**Reserved on 24.08.2016**

**Pronounced on 15.09.2016**

**Date of Hearing 24.08.2016**

1. Counsel from the sides of the Petitioner is present. None from the side of the Respondents as happen in the past.
2. This Petition was filed under section 111 A of the Companies Act 1956 (under section 58/59 of the Companies Act 2013) and the facts in short are stated as under:-
  - i) The Petitioner was allotted 400 shares of Reliance Industries Ltd. (Respondent No. 1). A loan was raised by the Petitioner from The Sawastik Janta Sahakari Bank Ltd. (Respondent No. 2) against the Pledge of those shares in the year 1986-87
  - ii) On account of the Pledging; the name of the Respondent No. 2 was entered as joint owner in Share Certificate under M.F. No. 0654627 (Certificate No. 2324559 to 2324566 date 03.07.1985; 50x8=400 Shares). Those shares were sold and there is no dispute whatsoever, in respect of those original 400 shares.
  - iii) Thereafter, Respondent No.1 came up with issue of convertible debentures, series G in the year 1986, hence issued 120 debentures, series G in the joint name of Petitioner and Respondent no.2. Those 120 debentures were later on converted into 240 shares. Again in 1987 Respondent No. 1 came out with Right Issue; hence further 200 shares were issued on 04/02/1988, again in joint name with Respondent No.2.
  - iv) The Petitioner had repaid the entire loan to Respondent no.2; which is evident as per letter dated 04/11/1988 addressed to Respondent no.1. The Bank had certified that there was no lien or claim against the original shares. MKS
  - v) The Petition now under consideration is only in respect of the allotted 440 shares on conversion of debentures and allotment of Right Issues in the 1986 and 1988 respectively.
  - vi) The claim of the petitioner in respect of the aforesaid 440 shares is twofold, first, in the event of payment of loan the name of the Respondent No.2 as joint holder should have been removed from the register by respondent no.1; and second,

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otherwise also no loan was taken against those 440 shares converted/allotted in the year 1986 and 1988.

- vii) On enquiry, Respondent No.1 furnished the details of 440 shares under Master Folio No.06546277 (Certificate No.5235439 to 5235450--- and certificate no. 6554417 to 6554420) but holding in the register was shown jointly with respondent No.2.
- viii) The shares certificate in original of 440 shares are stated to be misplaced by the petitioner; hence claimed to have been applied to respondent No.1 to issue "duplicate shares certificate". It has also been requested to Respondent no.1 to issue only in the name of the Petitioner, and not joint with Respondent No.2.
- ix) The petitioner is also seeking relief in the same lines in respect of 440 bonus shares issued in the year 2009.

**DIRECTION**

Considering the totality of facts and circumstances as narrated in brief herein above and in the light of evidences on recorded I am satisfied that this is a fit case where a direction can be issued to a company under section 58(5) to rectify the Register in the following manner:

1. The name of R-2 is The Swastik Janata Sahakari bank Ltd. to be removed, from the register maintained by R-1 as joint holder with the petitioner i.e., Vijaya V. Pai.
2. The respondent no.1 (Reliance Industries ltd.) is hereby directed to issue duplicate shares certificate of 440 shares, as referred supra, to the petitioner after taking an undertaking duly attested by a notary, that the original share certificate have not been dealt with in any manner so far and in case in future the original certificates are traced than shall be reported immediately to the R-1. Respondent No. 1 is otherwise also free to issue the duplicate share certificate after due verification from its record in Dematerialized form; if possible.

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3. In the respect of 440 bonus shares as mentioned above it is hereby also directed to respondent no.1 to remove the name of respondent no.2 from the register maintained.
4. No order as to cost.

Dated: 15.09.2016

**sd/-**

Shri M.K. Shrawat  
Member (Judicial)