A.Nos.973, 974, 975 and 976 of 2020
in
O.P.Nos.625 and 626 of 2008

SENTHILKUMAR RAMAMOORTHY,J.

A.No.973 of 2020 in O.P.No.625 of 2008 and A.No.975 of 2020 in O.P. No.626 of 2008 are filed for an interim direction to Sundaram Finance Limited not to transfer, 50% in each case, of the 1000 shares of Sundaram Finance Limited, which are in the names of Mr.C.R.Vijayaraghavan and Mrs.C.R. Sathyabhama, respectively, to the Investor Education and Protection Fund Authority (IEPFA) pending appropriate orders in the respective O.P.

2. A.Nos.974 of 2020 in O.P.No.625 of 2008 and A.No.976 of 2020 in O.P. No. 626 of 2020 are filed to amend the original petition in O.P.Nos.625 and 626 of 2008 by carrying out the amendments specified in the schedule to the respective Judge's Summons and to consequently direct the Registry to issue the respective amended succession certificate.

3. I heard the learned senior counsel for the Applicant.

4. The learned senior counsel submitted that the Applicant herein is the legal heir of her uncle, Mr.C.R.Vijayaraghavan, and her aunt, Mrs.C.R.Sathyabhama. Accordingly, O.P.Nos.625 and 626 of 2008 were filed for the issuance of succession certificates in respect of the estate of the uncle and aunt, respectively, and the said Original Petitions were allowed by orders dated 19.01.2010. However, in the respective petition and in the affidavit of assets, the petitioner had stated that the estate consisted of 500 physical shares in Sundaram Finance Limited. The petitioner was unaware that the said shares had been dematerialised and that a demat account was established on 27.05.2005 and, as a consequence, the shares were deposited with the depository participant,namely, Navia Markets Limited, with the beneficial owner being the Applicant/petitioner's uncle and aunt. Therefore, after obtaining the succession certificates, when the Applicant/petitioner initiated action for transmission of the shares, the Applicant/petitioner was informed that the shares were in demat form and that, in fact, two bonus issues of 500 and 1000 bonus shares were made subsequently on 02.09.2008 and 20.12.2012, respectively, in the names of the Applicant/petitioner's uncle and aunt. As a consequence, in the aggregate, a total of 2000 shares of Sundaram Finance Limited stand in the names of Mr.C.R.Vijayaraghavan and Mrs.C.R.Sathyabhama. Out of the said shares, the first 1000 shares have already been transferred to

the IEPFA. As regards the remaining 1000 bonus shares, Sundaram Finance Limited, communicated that the said 1000 bonus shares would also be transferred to the IEPFA on 09.03.2020. The Applicant/petitioner was also informed that the client ID 10172255 should be incorporated in the succession certificates and that the number of shares should be mentioned, namely, 50 shares against each share certificate number in each petition, so as to enable transmission. As regards the bonus shares, he submits that applications for extension of the succession certificates would be filed shortly. He submits that the present applications were filed in the said facts and circumstances.

5. I considered the submissions of the learned senior counsel and examined the records. Although Sundaram Finance Limited and the depository participant, Navia Markets Limited, are not arrayed as parties, I am inclined to consider these applications because they are not prejudiced by these applications and the orders passed herein. From the succession certificates that were granted by this Court earlier, it is clear that the client ID is not mentioned therein because the Applicant/petitioner was unaware that the shares had been dematerialised. In addition, the number of shares is not mentioned against each of the 10 share certificates. Accordingly, as submitted by the learned senior counsel, the application for amendment is liable to be

allowed so as to incorporate client ID No.10172255 and number of shares with regard to each of the 10 share certificates specified in the schedule to the respective succession certificate.

6. As regards A.Nos.973 & 975 of 2020, I find from the transaction statements of the depository participant, Navia Markets Limited, in the Depository, NSDL, in respect of Mrs.C.R.Sathyabhama and Mr.C.R.Vijayaraghavan that the original 500 physical shares were converted into 500 demat shares on 13.06.2005 and that 500 and 1000 bonus shares were issued on 02.09.2008 and 20.12.2012, respectively. Out of the above shares, it was communicated by Sundaram Finance Limited on 26.02.2020 that the first 1000 shares have already been transferred to IEPFA and that the remaining 1000 bonus shares would also be transferred to 09.03.2020. Therefore, I am of the view that the Applicant is entitled to an interim direction to restrain Sundaram Finance Limited and the depository participant, Navia Markets Limited, from transferring the said shares until appropriate orders are obtained in O.P.Nos.625 and 626 of 2008. Accordingly, these Applications are allowed by issuing the following directions:

(i) Sundaram Finance Limited and Navia Markets Limited are restrained from transferring the 1000 shares belonging to Mr. C. R.Vijayaraghavan and Mrs.C.R.Sathyabhama to IEPFA until final orders are passed in O.P.Nos.625 and 626 of 2008. This order shall be communicated to NSDL, if required, to give effect to this direction.

(ii) The applications for amendment in O.P.Nos.625 and 626 of 2008 are allowed as prayed for and, consequently, the registry is directed to issue an amended Succession Certificate after incorporating the amendments as per the schedule to the respective Judge's summons.

(iii) The Applicant, Sundaram Finance Limited and Navia Markets Limited are granted leave to apply if any clarification or modification is required.

03.03.2020

rli

Note:Issue order copy on 04.03.2020

Copy to-

1. Sundaram Finance Limited
No.21, Patullos Road,
Chennai-600 002.

2. The Navia Markets Limited,
Ganga Griha,
4th and 5th Floor,
No.9, Nungambakkam High Road,
Nungambakkam,
Chennai-34.

SENTHILKUMAR RAMAMOORTHY,J.

rli

A.Nos.973, 974, 975 and 976 of 2020
in
O.P.Nos.625 and 626 of 2008

03.03.2020