# IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated: 29.11.2021

Coram:

**THE HONOURABLE MR. JUSTICE SENTHILKUMAR RAMAMOORTHY**

**Original Application.No.510 of 2021**

Dr.A.Srinivasan,
MIG No.22, TNHB Indira,
Nagar Site, 26th Cross Street,
No.4th Avenue, Indira Nagar,
Adyar, Chennai – 600 020. ... Applicant

**/versus/**

Motilal Oswal Financial Services Limited,
(Previously Motilal Oswal Securities Limited),
CIN:L67190MH2005PLC153397,
Regd: Office, Motilal Oswal Tower,
Rahimtullah Sayani Road, Opp.Parel ST Depot,
Prabhadevi, Mumbai – 400 025. ... Respondent

**Prayer:** This Original Application is filed under Order XIV Rule 8 of Original Side Rules read with Section 9(ii)(d) & (e) of the Arbitration and Conciliation Act, 1996, to pass an interim injunction by restraining the respondent or its men/agents/officials acting on behalf of the respondent herein not to operate the trading running account A/c.No.RVAV:1212/5727439 of the applicant in respect of Equity segment maintained on behalf of the applicant consequently, to pay the above said amount of Rs.17,26,832/- (Rupees Seventeen Lakhs Twenty Six Thousand Eight Hundred and Thirty Two only) to the Court.

For Applicant : Mr.M.Arunachalam

For Respondent : Mr.P.V.Balasubramanian

**ORDER**

The dispute is between an investor/trader and the stock broker. The applicant–investor maintains a trading account bearing A/c.No.RVAV:1212/5727439 with the respondent. In relation thereto, the applicant claims that the closing balance in the equity segment as on 06.07.2021 was a sum of Rs.13,88,162/-. After reckoning the losses in the futures and options (F&O) segment, the applicant claims that a sum of Rs.17,26,832/- should be available. Consequently, an interim direction for the payment of said sum by the respondent to the applicant is requested.

2. Both parties submit that a dispute had arisen earlier in respect of the F&O segment. After filing an application under Section 9 of the Arbitration and Conciliation Act 1996, arbitral proceedings took place in respect thereof. Such proceedings culminated in an award against the investor/trader. Such award was assailed by filing a petition under Section 34. The Section 34 petition was also rejected. The present application is filed in these facts and circumstances.

3. Learned counsel for the applicant submits that he has not been

provided with a statement of account indicating the amounts adjusted towards the F&O segment. Unless such statement of account is provided, it is submitted that the applicant is not in a position to initiate further action or take stock of the securities available in the trading account and the value thereof. In specific, the applicant states that the number of shares of a particular company, namely, Vedanta Limited, has decreased without the applicant having consented to the sale of such security.

4. These contentions are strongly refuted by the respondent. The respondent submits that a common trading account was maintained by the applicant both in respect of the cash/equity and F&O segment. As regards the dispute arising out of the F&O segment, he submitted that such dispute was resolved in favour of the respondent herein. Consequently, it is contended that the said dispute cannot be resurrected by way of a Section 9 application. With regard to the monetary claim of Rs.17,26,832/-, it is submitted that the securities are available in the demat account of the applicant and the value thereof would increase or decrease depending on the market value of the securities. Consequently, it is submitted that the present application is liable to be rejected *in limine.* As regards the provision of statement of accounts, it is submitted that the respondent is ready and willing to provide such statement of accounts, which, in any event, may be accessed by the applicant. In addition, it is submitted that the ledger account would be provided and this document

would reflect the adjustment made towards the losses in the F&O segment.

5. A Section 9 application is intended to provide interim protection prior to, during or before the enforcement of an arbitral award. A money decree cannot be granted in a Section 9 application. Consequently, as contended by the respondent, the interim direction prayed for by the applicant certainly cannot be granted. As regards the request for the statement of account, a stock broker is required to provide such statement of account on a periodic basis. Indeed, even the ledger account is required to be provided on a continual on going basis. The respondent also submits that it is ready and willing to provide such statement of account and ledger account to the applicant.

6. Accordingly, Original Application No.510 of 2021 is disposed of by issuing the following directions:

(i). The respondent is directed to provide the statement of accounts and ledger accounts in respect of the trading account RVAV:1212/5727439 to the applicant within a period of one week from the date of receipt of a copy of this order.

(ii). The applicant is at liberty to issue instructions for the closure of the trading account and/or for the transfer of the securities from the present demat account to another demat account. In either case, the applicant shall submit the necessary application along with requisite documents. There shall be no order as to costs.

29.11.2021

Index : Yes/No.
Internet : Yes/No.
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**SENTHILKUMAR RAMAMOORTHY,J.**

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