
(2000) 02 NCDRC CK 0032

In the National Consumer Disputes Redressal Commission

D.SARADHA

APPELLANT

Vs

MANAGING DIRECTOR (CHAIRMAN), V.G.P. WONDER LAND LTD.

RESPONDENT

Date of Decision : 29-02-2000

Acts Referred:

Citation : 2000 1 CPC 644 : 2000 1 CPJ 571 : 2000 2 CPC 262 : 2000 2 CPR 362

Hon'ble Judges : S.Parvatha Rao , Mamata Lakshmanna J.

Final Decision : Revision allowed

Judgement

1. THIS is a suo-motu revision taken up in respect of which notice was already directed to the complainant Smt. D. Sarada in CD. No. 13/1998 on the file of the Chittoor District Forum when FA IA No. 1762/1999 preferred by the opposite party therein for condoning the delay in presenting the appeal FA SR No. 3714/1999 came up before us on 30.12.1999. The complainant Smt. D. Saradha received notice but there is no appearance on her behalf and there is no representation also on her behalf. The matter is clearly covered by our order in PCS Industries Ltd. & Anr. v. Y. Meera Reddy, 1999 (2) ALD (CONSUMER) 85, and The Secretary, Thapar Ispat Limited v. A. Savitri, Order dated 14.2.2000 in RP. No. 146/99, following the decision of the National Commission in Rajaram Corn Producers Punjab Ltd. v. Suryakant Nitin Kumar Gupta (HUF) & 4 Ors., I (1996) CPJ 233 (NC), and Rajasthan State Road Transport Corporation v. Dunger Chand, I (1995) CPJ 37 (NC). It is obvious that the complainant was not a purchaser of the shares of the V.G.P. Wonder Land Ltd., a Public Limited Company incorporated under the Companies Act, 1956 and having its registered office in Madras City in Tamil Nadu State. Pursuant to an invitation to apply for shares to be issued by that Company the complainant applied for shares of that Company and was allotted by that Company 100 shares of the face value of Rs. 10/- each and was issued share certificate No. 1240 for those 100 shares bearing distinctive Nos. 582251 to 582350 under registered folio No. 1249, allotted to the complainant. The share certificate is dated 16.8.1995. Thus the complainant became a shareholder of the Company. After she became a shareholder she

complained that the Company was not giving any dividends etc., and approached the District Forum contending that she should be paid back the amount subscribed by her towards the shares.

2. THE opposite party received notice and filed its objections stating, among others, that the District Forum did not have territorial jurisdiction to entertain the complaint inasmuch as the registered office of the Company was at Madras in Tamil Nadu State and no part of cause of action arose within the territorial jurisdiction of the District Forum. However, unfortunately it was not clarified in the counter that there was no sale of shares by the Company and that the complainant applied for shares and that the shares were allotted by the Company and thereby she became a shareholder of the Company. THE National Commission by its order in Rajaram Corn Producers Punjab Ltd. (supra), held that merely because there was an advertisement published within the territorial jurisdiction of the District Forum pursuant to which an application was made for allotment of shares, the District Forum would not get territorial jurisdiction to entertain such complaint as the present one preferred by the complainant. In the circumstances it is obvious that the District Forum did not have territorial jurisdiction to entertain the complaint. THE District Forum did not appreciate the fact that there was no purchase of shares by the complainant but that on an application by her for the shares, 100 shares were allotted by the Company and that under those circumstances it cannot be held that any part of cause of action arose within the territorial jurisdiction of the District Forum. Our order in PCS Industries Ltd. (supra), and Secretary, Thapar Ispat Limited (supra), clearly covers the question involved in the present matter against the complainant. In the result, the order of the Chittoor District Forum in CD No. 13/1998 dated 8.6.1999 is set aside and the complaint is dismissed. RP No. 1/2000 is accordingly allowed. FA IA No. 1762/1999, FA SR No. 3714/1999 and FA. IA. SR. No. 3715/1999 have now become infructuous and they are accordingly dismissed. Revision allowed.