(1994) 06 NCDRC CK 0036

In the National Consumer Disputes Redressal Commission

GOPI KRISHNA MUSKARA APPELLANT

Vs

S.B.I. CAPITAL MARKETS LTD RESPONDENT

Date of Decision : 23-06-1994

Acts Referred:

Citation : 1995 1 CPJ 328

Hon'ble Judges : A.K.Bhattacharyya , Sunil Kanti Kar , S.Dutta J.

Final Decision : Appeal allowed

Judgement

1. -IN this appeal, heard ex-parte, the appellant has assailed an order dated 20/2/93 passed by the Calcutta District Forum in C.D.F. Case No. 2456/93 dismissing the appellant''s claim of dividend amounting to Rs. 1620 in respect of certain shares transferred in his favour. The appellant as a petitioner filed a complaint before the Calcutta District Forum under Sec. 12 of the Consumer Protection Act, 1986 alleging that he bought 900 shares of S.B.I. Magnum 1990, transferred and registered in his name and that the said shares were registered on 15/5/93 and 31/5/93 respectively in two lots. His further allegation was that the Company declared dividend @ Rs. 1 /80 per share. But, he did not receive any dividend on his purchased 900 shares. He accordingly demanded an amount of Rs. 1620 due to him against the said shares.

2. THE Calcutta District Forum after hearing the complainant by an order dated 22.2.93 dismissed his claim stating that the transfer being effected from 31.3.93 the complainant was not eligible for dividend. The O.P. did not appear and the appeal is heard ex-parte. On behalf of the appellant the Ltd. Lawyer argues that the District Forum failed to appreciate his case and that he was entitled to the dividend claimed. It appears that the District Forum has referred to a letter deted 28.9.93 addressed to the to the effect that the transfer of the shares was effected from 31.3.93 and that as such he was not eligible for dividend. In fact, this the substance of the letter written by Computronics India who is stated to be the Registrar to the S.B.I Magnum.

The payment of dividend of share holders is governed by Sees. 206 and 206-A of the Companies Act, 1956. Sec. 206 provides that no dividend shall be paid by a Company in respect of any share therein except to the registered shareholder of such shares or to his order or to his bankers or in case a share warrant has been issued in respect of the share in pursuance of Sec l14, to the bearer of such or to his bankers. Sec. 206-A makes provision regarding the right to dividend, eight shares and bonus shares providing that such shares are to be held in abeyance pending registration of transfer of such shares. Forum the order of the District Forum it is not clear whether the appellant/ petitioner was entitled to the dividend on the basis of the registration of the shares transferred in his favour. The District Forum has not dis cussed anything as to the eligibility of the petitioner to the claimed dividend as a registered share holder. The said Forum has only quoted the letter sent by the Register referred to above. In the circumstances, the order of the District Forum cannot be upheld and must be set aside.

3. THE appeal is accordingly allowed. THE impugned order of the C.D.F. is set aside and the case is sent back on remand to the C.D.F. for decision afresh according to law after finding whether the appellant/petitioner was actually entitled to the dividend on the basis of his allegation that he was a registered share holder within the meaning of Sec. 206 of the Companies Act, 1956 when dividend of the Company is alleged who have been declared. THEre will be no order for cost in this appeal. Appeal allowed.