

Of shares & company matter

A large number of readers have sought clarifications about their grievances relating to shares, debentures and other company related matters. Many of them have requested addresses of consumer groups, investor associations and SEBI in order to get their grievances redressed.

Ever since the Supreme Court gave its verdict in the Kartik Das Vs Morgan Stanley case, consumer fora and commission have been rejecting all complaints relating to company transactions on the ground that they are outside the purview of the Consumer Protection Act. However some forums have taken a different view and are providing relief to the investors. Keeping this in view readers queries are answered.

Non-receipt of share certificates is a common grievance of small investors like that of Mr. S. Venkatachalapathy of Koramangala. He has invested Rs 12,000 in the shares of Reliance Petroleum Limited, Jamnagar, Gujarat. However he has not been provided with share certificates since August 98. He says he has written to stock exchange and also to Karvy Consultants Ltd., but with no response. Similarly Mr Chhabria of Palace Cross Road has not received shares from ModiLuft Limited since March 1998.

According to Section 113 of the Companies Act all companies are bound to deliver the share certificates within three months after the allotment. If this is not done, the investor can serve a notice to the company as provided in Section 113(3). If there is no reply within 10 days, a reference can be made to Company Law Board. A share holder can also file criminal proceedings against the company and its officers.

The share holders may file a complaint, in the prescribed format, in duplicate, with Securities Exchange Board of India (SEBI). The department of Company Affairs has also issued a circular in January 1991 through which the shareholder can take up the matter with the concerned Registrar of Companies.

Mr S.J. Bhat of Magadi Chord Road had purchased 200 equity shares of Soya Goodrich Co Ltd. Subsequently he has opted for the Buyback Scheme announced by the company. However the company has not paid the amount since February 1997.

A complaint may be filed with the Investor Grievance Cell of the Stock Exchange and also with SEBI.

Mr S.N.V. Rao of Koramangala who has been able to get an order in his favour from the Consumer Forum, says that he is yet to get a copy of the order. He may approach the President or the Registrar of State Commission, who is the nodal officer for consumer courts. If this does not work, he may write to the President, National Commission, New Delhi.

Another resident Dr K.L.S. Sharma from Kamalanagar has some civic grievances like use of kerosene in autorickshaws leading to pollution, manipulating the silencer leading to noise pollution etc. He wants to know how this can be solved without being harassed by the offenders.

Civic problems cannot be solved without taking an element of personal risk and responsibility. Dr Sharma should note that all social workers are not harassed. However he can take the help of the Citizens for Civic Amenities, No 71, sharada Colony, Basaveshwaranagar, Bangalore – 79.

Mr. B.V Chandrasekhar Rao of Sharada Colony, Basaveshwaranagar, wants to know the address of consumer groups in Bangalore and Mumbai in order to file a complaint against SBI Magnum Bond Fund to get his share of dividend.

Addresses of Consumer Groups in Bangalore:

CREAT, 239,5TH C Main, Remco Layout,Vvijayanagar, Bangalore-560040

Indian Institute of Consumer Studies, 32A, Benson Cross Road, Benson Town, Bangalore-560046

Jayamahar Consumer Protection Society, 96, 1B, Casa Miller Apartments, Nandidurg Road, Benson Town P.O. Bangalore – 46

Karnataka Forum for Consumer Action, 106, 36th A Cross, Jayanagar 7th Block, Bangalore – 560011

Dakshina Bengalooru Grahakara Vedike, 106, Spartacus Apartments, 30th cross, 4th T Block, Jayanagar, Bangalore 41

Banashankari Consumer Protection Society, 1939, 9th Main, 27th cross, BSK II stage, Bangalore – 560070

Consumer Education Centre, 2/27, 47th Cross, jayanagar 8th Block, Bangalore – 560082

Consumer groups in Mumbai:

Consumer Guidance Society of India, Hutment J, Mahapalika Marg, Opp. Cama Hospital, Mumbai – 400001

Mumbai Grahak Panchyat, Grahak Bhavan, (JVPJ Market) Sant Dhyaneswar Marg, Juhu, vile parle, Mumbai -400056

Securities Exchange Board of India, P.B. No. 19972, D.M.S. Complex, Nariman Point , Mumbai – 400021

SEBI, Southern Regional Office, D' Monte Building, III Floor, 32, D' Monte Colony, TTK Road, Alwarpet, Chennai – 600018

A flyer containing all important addresses is available with CREAT on payment of R.s 10 (including postage).

.....