(2006) 05 NCDRC CK 0019

In the National Consumer Disputes Redressal Commission

ARULMIGHU DHANDAYUDHAPAN1SWAMY APPELLANT

Vs

DIRECTOR GENERAL OF POST OFFICE RESPONDENT

Date of Decision : 31-05-2006

Acts Referred:

Citation : 2006 0 NCDRC 94 : 2006 3 CPJ 118

Hon'ble Judges : B.K.TAIMNI , P.D.SHENOY J.

Final Decision : appeal is dismissed

Judgement

1. APPELLANT was the complainant before the State Commission. Aggrieved and dissatisfied by the order of the State Consumer Disputes Redressal Commission in O.P. No. 57 of 1996 the appellant has come up in appeal before us:

2. SHRI Arulmighu Dhandayudhapanisway had deposited a huge sum of money totalling to Rs. 1,40,64,300 with the Post Master, Palani Post Office from 5.5.1995 to 16.8.1995 for a period of five years under the Tost Office Time Deposit Scheme''. He received a communication from the post office on 1.12.1995 stating that acceptance of time deposits had been discontinued from 1.4.1995 and, therefore, all such deposits should be closed without interest. The amount deposited by the complainant was refunded to the complainant on 3.1.1996 but no interest was paid. As the complainant was very unhappy with the decision of the postal authorities, he filed a complaint before the State Commission. The State Commission dismissed the complaint as Rule 17 of the Post Office Saving Bank General Rule does not permit awarding interest on such accounts, which were opened incorrectly. The State Commission also relied upon the judgment of the Apex Court in ''Post Master, Dargamitta HPO Nellore v. Ms. Raja Prameelamma, SLP (C) No. 38/95 delivered on 1.5.1995. It is fruitful to go through the Rule 17 of the Post Office Savings Bank General Rules, 1981 which reads as under: Account opened in contravention of rulesï¿½Subject to the provision of Rule 16, where an account is found to have been opened in contravention of any relevant rule for the time being in force and applicable to the account kept in the Post Office Savings Bank, the relevant Head Savings

bank may, at any time, cause the account to be closed and the deposits made in the account refunded to the depositor without . interest. [Emphasis supplied]

3. IN this connection, it is relevant to quote the extract of the concluding para of the State Commission''s order: However, we would like to observe here that in view of the fact that both the depositor and the 3rd opposite party were ignorant of the notification and because of this ignorance the amount has been deposited, there is no doubt that the complainant had been prejudiced in not getting interest. We believe that if there is a way out, the Central Government would consider to make good the loss of the complainant.

4. WE know out of experience that it is not easy to approach and pursue the Central Government to Secure relief in such cases. The State Commission has rightly concluded that the 3rd opposite party was ignorant of any notification and because of this ignorance, the appellant did not get any interest on this huge amount. It is rarely that a small post office gets such a huge deposits and once such huge deposits are received the post master must have brought this fact to the notice of the higher authorities through periodical returns. Keeping quiet for nine long months and then suddenly sending notice to the depositor that he is not eligible to get any interest is nothing short of issuing a short treatment to the depositor. Had the depositor known that he would not get any interest he would not have deposited the money into the post office in which he had immense faith and he could have deposited the same in a bank and secured at least 5% interest which would have fetched him Rs. 7.00 lakh per year i.e., Rs. 5.00 lakh for a period of nine months. In the case of Post Master, Dargamitta HPO, Nellore v. Raja Prameelamma (MS) relied upon by the State Commission, the respondent had purchased six National Savings Certificate (VI Issue) for Rs. 10,000 each on 28.4.1987 from the Post Office. The rate of interest payable with effect from 1.4.1987 was 11%. This was notified by the Government of India. Due to inadvertence on the part of the clerical staff, the old rate of interest and the maturity value which was printed on the certificates could not be corrected. The Apex Court concluded that the uncorrected maturing value does not become a contract binding the Government of India being unlawful and void. As such this is not a case of deficiency in service either in terms of the law or in terms of the contract as defined in Section 2(1)(G) of the Consumer Protection Act

5. 1986. THE Government of India/Post Office were not bound to pay the uncorrected maturity value of the certificates indicated on each of the printed certificates.

6. IN view of Rule 17 of the Post Office Savings Bank General Rules, which is quoted above, we cannot award any interest to the Consumer. In the cited judgment of Hon''ble Supreme Court (supra), the Court agreed with the minority judgment of the Commission, wherein it was held: But as this contract was contrary to the terms noticed by the Government of India and this was due to inadvertence of the staff. In my opinion it does not become a contract binding the Government of India being unlawful and void. As such this is not a case of

deficiency in service either in terms of the law or in terms of the contract as defined in Section 2(l)(g) of the Consumer Protection Act, 1986. The Hon''ble Supreme Court agreed with this view. The facts of the case before us are no different. Staff did accept deposits, but it was against Rule / Law in the subject. The above judgment of Hon''ble Supreme Court fully covers this case. In view of which no deficiency in service in terms of law or contract can be fastened on the respondent in the aforementioned circumstances we see no merit in the appeal and is hereby dismissed. No order as to cost.

