**(2012) 09 SC CK 0143**

**In the Supreme Court Of India**

**Case No :** Petition for Special Leave to Appeal Civil Nos. 6937 of 2009

Dhirendra V. Sheth (Dead) through Lrs. APPELLANT

Vs

Cosmos Co-op. Bank Ltd. (Pune) RESPONDENT

**Date of Decision :** 21-09-2012

**Acts Referred:**

**Citation :** (2013) 1 JLJR 300 : (2013) 1 PLJR 334

**Hon'ble Judges :** Mr. G.S. Singhvi and Mrs. Gyan Sudha Misra, JJ.

**Bench :** Division Bench

**Advocate :** Mr. Sandeep Narain and Ms. Shalu Lal, Advocates, for the Appellant; Mr. Shivaji M. Jadhav, Advocate, for the Respondent

**Final Decision :** Disposed Of

# Judgement

1. Feeling dissatisfied with the order passed by the National Consumer Disputes Redressal Commission (for short, ''the National Commission'') in the appeal filed by him under Section 21 of the Consumer Protection Act, 1986 (for short, ''the Act''), the petitioner has filed this petition.

2. The petitioner who had made deposits with Vaibhav Cooperative Bank Ltd., which later merged with the respondent, filed Consumer Complaint No.395 of 2002 with the grievance that the respondent had not paid the maturity amount with interest. The State Consumer Disputes Commission, Mumbai (for short, ''the State Commission'') partly allowed the complaint and held that the petitioner is entitled to Rs. 2,43,815.68/- in respect of 8 F.D.Rs., which matured on 9.10.1993. The State Commission further held that the petitioner is entitled to interest at the rate of 14% per annum from 5.2.1997 to 30.11.2002 and compensation of Rs. 86,310.72/- with cost of Rs. 3,000/-. In the event of non-payment of the dues, the complainant was held entitled to interest at the rate of 6% per annum.

3. In the appeal filed by him, the petitioner challenged the order of the State Commission mainly on the ground that the rate of interest and the amount of

compensation awarded by the State Commission in lieu of the deficiency in service were inadequate. The respondent also challenged the order of the State Commission on the ground that the interest awarded to the petitioner was excessive.

4. The National Commission dismissed the appeal filed by the respondent and disposed of the one filed by petitioner by recording the following order:

"This appeal has been filed by the complainant in the original complaint filed before the State Commission for enhancement as well as increasing the period of interest. There is no dispute that he has been granted interest @ 14% p.a. from 5.2.97 to 30.11.2002. It is also not in doubt that 50% of the awarded amount has already been paid to the complainant by our order dated 2.8.06. It is also admitted position that after maturity of the FDRs no request was made for their renewal, in view of the which as already ordered by the State Commission, the appellant shall be entitled to interest only 6% p.a. which should be almost equivalent to the interest on saving bank account interest rate, for the period from 1.12.02 till the date of payment(s). Thus, in these conditions, the appellant/complainant shall be entitled to interest @ 6% p.a. on the maturity amount from 1.12.2002 till the date of payment(s). Period of interest for 50% already paid in compliance with our order shall be from 1.12.2002 till the date of payment and for the balance 50% period of interest shall run from 1.12.2002 till the date of realisation.

All these payment be paid within a period of 6 weeks from the date of pronouncement of this order, failing which the appellant/complaint shall be entitled to proceed against respondent Bank, under section 25/27 of Consumer Protection Act, 1986. No order as to cost."

5. Shri Sandeep Narain, learned counsel for the petitioner, who is now represented through his legal representatives, argued that instead of granting relief to the petitioner in terms of the prayer made in the appeal, the National Commission has effectively reduced the rate of interest awarded by the State Commission and this is legally impermissible.

6. In our view, there is no merit in the argument of the learned counsel. A reading of the order of the State Commission makes it clear that interest at the rate of 14% per annum was awarded for the period between 5.2.1977 and 30.11.2002. The National Commission has awarded 6% interest on the maturity amount from 1.12.2002 till the date of actual payment. Therefore, it cannot be said that the National Commission reduced the rate of interest specified in the order of the State Commission.

7. With the above observation, the special leave petition is dismissed. Petition dismissed.

 