

(2003) 05 NCDRC CK 0125

In the National Consumer Disputes Redressal Commission

Punjab and Sind Bank

APPELLANT

Vs

<APL>PUNJAB AND SIND BANK</APL> , SUKHRAJ BAJWA

RESPONDENT

Date of Decision : 21-05-2003

Acts Referred:

Citation : 2004 2 CPC 184 : 2004 3 CPJ 1

Hon'ble Judges : K.S.Gupta , Rajyalakshmi Rao , B.K.Taimni J.

Final Decision : Revisions Petitions disposed of

Judgement

1. THESE two revision petitions arise from a common order passed by the State Commission in two appeals filed by both the parties against an order passed by the District Forum where the complainant, Smt. Sukhraj Kaur and another had filed a complaint alleging deficiency in service on the part of opposite party, Punjab and Sind Bank, Amritsar.

2. BRIEF facts of the case are that the complainants had obtained an F.D.R. for Rs. 2.40 lakhs on 6.2.1987. On maturity on 6.8.1992 it became Rs. 5,13,419.99. This amount along with interest @ 13% for the interregnum period i.e., 6.8.1992 to 17.6.1996 amounting to Rs. 7,28,848/-, was again put in fixed deposit on 18.6.1996. On maturity after three years (36 months) i.e., 18.6.1999 the amount was to become Rs. 12,71,995/-. The opposite party Bank on being pointed out the higher rates of interest for the interregnum period by the local Audit reduced the face value of fixed deposit to Rs. 5,78,822/- giving an interest @ 5% and not 13% p.a. on the mentioned amount of Rs. 5,13,419.90 resulting in short payment of Rs. 2,61,828/- as on 18.6.1999. It is in these circumstances that alleging deficiency on the part of the opposite party, complaint came to be filed before the District Forum, who after hearing the parties directed the opposite party Bank to pay Rs. 2,61,828/- along with interest @ 12% from 18.6.1999 along with costs of Rs. 500/-. Both the parties filed appeals before the State Commission who after hearing the parties by a common order dismissed both the appeals. Now aggrieved by this order, both the parties have filed these revision petitions before us. While the opposite party Bank seeks dismissal of the

complaint, petition filed by the complainant seeks enhancement in rate of interest to 19% p.a. instead of 12% p.a. awarded by the District Forum and enhancement in cost, etc. We heard the argument of learned Counsel for the parties and perused the material on record. The only point at issue is the rate of interest payable to the complainant for the period 6.8.1992 to 18.6.1996 i.e., for the period for which maturity amount was lying unrenewed. It is not denied by the Bank that they had calculated the interest for the period @ 13% and adding this to the maturity amount as on 6.8.1992, had renewed it effective from 18.6.1996 for another 36 months. Then Bank admits their mistake and states that it was on account of inadvertence on their part that the rate of interest i.e., 13% was given for the period.

Admittedly, it was an NRI account governed by the guidelines of R.B.I. Instructions of R.B.I. are on record which states that in such situations maximum rate of interest payable is 5%. Correct position is that no Bank can go beyond the guidelines issued by R.B.I. especially in regard to N.R.I. accounts. Whatever might have been the terms of the contract i.e., in F.D.R. R.B.I. guidelines have to prevail. We are unable to sustain the orders of both the lower Forums which have been based on the premise that F.D.R. is a contract between the parties and it has to be adhered to. In our view they have not cared to go into the question that if contract ab initio is against the authority on the subject then the contract loses its value to that extent and cannot be enforced. In these circumstances, we are unable to sustain the orders passed by both the lower Forums.

3. THE deficiency albeit on account of inadvertence if giving interest @ 13% has been admitted by the Bank causing loss and agony-both mental and physical-to the complainant. We consider it equitable if the opposite party Bank is directed to pay Rs. 50,000/- as compensation for the deficiency on their part and we order accordingly, which shall be payable by the Bank to the complainant along with interest @ 10% from 8.6.1996. We see no merit in the revision petition filed by the complainant for enhancement of interest and is dismissed.

4. BOTH the revision petitions are disposed of in above terms. Parties to bear their own costs. Revisions Petitions disposed of.