(1993) 03 NCDRC CK 0001

In the National Consumer Disputes Redressal Commission

Subhalakshmi Devidas APPELLANT

Vs

Chairman Man Jog Group Of Companies RESPONDENT

Date of Decision : 20-03-1993

Acts Referred:

Citation : 1993 2 CPJ 1014 : 1993 2 CPR 257

Hon'ble Judges : D.R.VITHAL RAO , SUSHEELA CHELUVARAJU J.

Judgement

1. IN this complaint, the complainant has sought refund of his money invested by him with M/s Man -Jog Group of Companies, represented by its Chairman. Sri Paramjit Singh, with interest and costs. The facts, briefly stated, are as follows : 1. The opposite party - M/s. Man -Jog Group of Companies, represented by its Chairman, Sri Paramjit Singh, floated a scheme as ''M/s. Man -Jog Family Welfare Plan'', the brochure issued by the opposite party, in this regard, as per Ex. C -1, reads as under : ''MAN -JOG SECURITY PLANS MAN -JOG FAMILY WELFARE PLAN Dear Subscriber, Man -Jog is a household name among the common people which has helped its innumerable members to obtain their household requirements through CREDIT CARD CONCEPT. The motto of Man -jog is ''Service to Society''.

With this objective in view, Man -Jog has designed several welfare plans like, CHILD SECURITY PLAN, MARRIAGE SECURITY PLAN, MARRIAGE ASSISTANCE PLAN, and RECURRING SAVINGS PLAN. These plans help members in matter of obtaining benefits under education, medical care, marriage etc. Scores of members are already availing the benefits especially under Child Security Plan and Recurring Savings Plan.

Encouraged by the kind patronage of the members, Man -Jog are now happy to announce yet another Welfare Plan called ''Man -Jog Family Welfare Plan''. Under this plan the registered member is provided with a regular monthly income throughout his life and in the unfortunate event of his demise, the spouse is paid the same amount till he/she lives.

The benefits contemplated above will start on completion of the payment of the membership fee mentioned below. The payment will be made through cheque of Nationalized Bank or as desired. If unfortunately the registered member expires before maturity, as a welfare measure, further installment of membership fees need not be paid by the spouse and the spouse will start getting the benefits as mentioned above from the 1st of the following month.

This plan is applicable throughout India. ELIGIBILITY Married couples are eligible to enroll under the plan. MEMBERSHIP FEE : Table -I Rs. 250/ - p.m. for 100 continuous months; or Rs. 500/ - p.m. for 60 continuous months; or Rs. 1000/ - p.m. for 36 continuous months On completion of the payment under the plan, the registered member opting for Table -1 will receive Rs. 1,000/ - p.m. till member lives. In the event of demise, the spouse will be paid the same amount till he/she lives. In addition, one excursion per year for the registered member is admissible.

Table -2 Rs. 125/ - p.m. for 100 continuous months; or Rs. 250/ - p.m. for 60 continuous months; or Rs. 500/ - p.m. for 36 continuous months On completion of the payment under the plan, the registered member opting for Table -2 will receive Rs. 500/ - p.m. throughout his/ her life and the event of demise, the spouse will be paid the same amount till he/she lives.

Table -3 Rs. 65/ - p.m. for 100 continuous months; or Rs. 125/ - p.m. for 60 continuous months; or Rs. 250/ - p.m. for 36 continuous months On completion of the payment under the plan, the registered member opting for Table -3 will receive Rs. 250/ - p.m. throughout his/ her life and in the event of demise, the spouse will be paid the same amount till he/she lives. LUMPSUM PAYMENT : 1, Rs. 40,000/ - Rs. 800/ - p.m. for 10 years plus Rs. 80,000/ - at the end of 10 years and from 11th year onwards, Rs. 1,000/ - for life; In addition one excursion annually only for the registered member is admissible.

2. Rs. 20,000/ - Rs. 400/ - p.m. for 10 years plus Rs. 40,000/ - at the end of 10 years and from 11th year onwards Rs. 500/ - for life;

3. Rs. 10,000/ - Rs. 200/ - p.m. for l0 years plus Rs. 20,000/ - at the end of 10 years and from 11th year onwards Rs. 250/ - p.m. for life.

4. Rs. 5,000/ - Rs. 100/ - p.m. for 10 years plus Rs. 10,000/ - at the end of 10 years and from 11th year onwards Rs. 125/ - p.m. for life.

WITHDRAWAL : If the member wants to discontinue under the plan before the benefits commence, he has to give six months notice and the amount paid by him will be refunded at the end of six months, without any interest.''

2. THE complainant, under the said scheme, invested a sum of Rs. 40,000/ - with the opposite party on 13.8.1986. The opposite party, executed an agreement, as per Ex. C -2 and thereby agreed to refund a sum of Rs. 80,000/ - after a lapse of a period of 10 years there from and also agreed to pay a sum of Rs. 800/ - p.m. during that period. The agreement, Ex. C -2 reads as under''

''Subject to Bangalore jurisdiction CONTRACT OF AGREEMENT FOR MAN -JOG FAMILY WELFARE PLAN TABLE F.W.P. A/c No. 2710 Agreement made on this day between Man -Jog organization, No. 85, K.H. Road, Bangalore -27, and having their wing ''Man -Jog Security Plans at their Administrative office at 16/16 -1, Lal Bagh Road, Fourth Floor, Bangalore -27, hereinafter called the ''Man -Jog Security Plans'' which term wherever the context so requires or admits shall be deemed to include its Administrative Successors. Attorney or Assigns as the FIRST PARTY and Sri/Smt. Subhalakshmi Devidas and Sri. Lt. Col. N. Devidas as the SECOND PARTY admits both the husband and wife to be considered as one unit and the contract signed by both the parties, the first named person hereinafter termed as ''REGISTERED MEMBER''.

Whereas the First Party has agreed to entertain Smt. Subhalakshmi Devidas as Registered Member under Family Welfare Plan upon the terms and conditions in this agreement.

Now therefore it is agreed by and between the First party and the Second Party as follows:

An amount of Rs. 40,000/ - (Rupees forty thousand only) has been received on 13.8.86 vide receipt No. 21766.

1. The first party hereby promises to pay a sum of Rs. 800/ - p.m. (Rupees Eight hundred only) from 1.9.86 onwards for a period of 10 years plus Rs. 80,000/ - (Rupees eighty thousand only) lump sum at the end of 10 years and with effect from 11th year Rs. 1,000/ -p.m. (Rupees one thousand only) to either or survivor of the second party till he/she lives.

2. This contract will be in force so long as registered member on his/her spouse Member and the spouse contributing lump sum payment under this plan, expire, the nominee will be paid the same amount monthly, subject to the condition that the total benefit will be restricted to ten years only, including the benefits availed by the registered member. In addition, lump sum payment of Rs. 80,000/ - (Rupees eighty thousand only) will also to be paid to the nominee.

3. This contract is irrevocable and binding on both the parties.

4. Free annual excursion is provided for registered member only.

In witness whereof the registered member and the spouse have set their hand this day 14.8.86.First name : Subhalakshmi(sd/ -)Subhalakshmi Devidas.Second name : Devidas(sd/ -)Lt. Col. N. DevidasAddress : National Textile Corpn. (APKKM) Ltd.,29/2, K.H. Road, Bangalore -27.Name and Address of the Nominee : Sreenivas DevidasAddress : same as above.Name and address of the witness(Second Party) : B. Govinda Bhat, National Taxtile Corpn. 29/2, K.H. Road, Bangalore.Sd/ -(Signature of the witness)A joint passport size photograph of the registered member and the spouse Shri Parmjit Singh, on behalf of first party ''Man -Jog Organization has set his hand this day 14.8.86. For and on behalf of Man -Jog Security PlansSd/ - Chairman,Man -Jog Group of Companies.

Name and Address of the witness : (First Party) : H.R. Pushpa, Accounts Manager,Man -jog Security Plans, No. 16/16 -1,IV Floor, Lai Bagh Road,Bangalore -27Sd/ -Signature of the witnessLeft/right hand thumb impression of the registered member1. ¦ ¦ ¦ ¦ ¦ ¦ ¦ ¦ ¦ ¦ ¦ ¦ ¦ ¦ ¦ ¦..Right/Left hand thumb impression of the spouse.2. ¦ ¦ ¦ ¦ ¦ ¦ ¦ ¦ ¦ ¦ ¦ ¦ ¦ ¦ ¦ ¦...

The complainant, further averred that the opposite party, after the receipt of the said sum of Rs. 40,000/ - made the payment of Rs. 800/ -p.m. from 13.8.1986 to February. 1988 and thereafter refused to make the payment of the same so agreed to be paid every month and so the complainant sought the refund of the money invested by him from the opposite party.

3. THE complainant has also sought refund of the sum of Rs. 1,725/ - invested by him, as per Ex. C -3, under the scheme, ''M/s. Man -Jog Textorium''. We are not going to consider this aspect of the recovery of the same.

4. THE opposite party, filed its objections and mainly contended that there is no such organisation, called ''M/s. Man -Jog Group of Companies'' and so the complaint was untenable. The material averments in this regard in the statement of the objections filed by the opposite party, as paras 1, 2 & 4 read as under : ''1. The respondent submits that there is no such organization called Man Jog Group of Companies. Hence the suit is bad for mis -joinder and non -joinder of parties and for this reason itself the complaint should be dismissed. 2. The Respondent further submits that this objection is being filed by Sri Paramjit Singh and not by any Man -Jog Group of Companies. 3. The Respondent submits that as the Complaint is filed against a non -existing organization which is bad in law and the same should be dismissed.''

The opposite party on the basis of these averments, sought the complaint to be dismissed.

5. DURING enquiry, the complainant filed his affidavit and got Exs. C -1, C -2 and C -3 marked in evidence. Documents, Exs. C -1 to C -3 were marked in evidence with the consent of the opposite party.

6. THE opposite party, did neither lead any evidence nor produced the affidavit. We have heard the complainant and the learned Counsel for the opposite party.

7. THE opposite party, mainly averred that there was no such organization, called ''M/s. Man -Jog Group of Companies'' and the objection statement was being filed by Mr. Paramjit Singh and not by M/s. Man -Jog Group of Companies.

8. WE have placed on record, as narrated above, the full text of the contract of agreement, as per Ex. C -2. This document came to be marked with the consent of the opposite party. As it is evident that the objection statement was filed by Mr. Paramjit Singh. The agreement referred above, would clearly go to show that it was entered into and signed by Mr. Paramjit Singh as Chairman of M/s Man -Jog Group of Companies for and on behalf of M/s Man -Jog Security Plans. The scheme ''Man - Jog Family Welfare Plans'' is one of the schemes floated by this

Man -Jog Group of Companies under the Chairmanship of Mr. Paramjit Singh. The say of the opposite party, that is, by Mr. Paramjit Singh, that no such organization as ''Man -Jog Group of Companies'' was in existence and Mr. Paramjit Singh was in no way concerned is completely unworthy of any credence.

9. THE complainant, has averred in the pleadings, the fact of his making investment of Rs. 40,000/ -, in the scheme floated by the opposite party and also produced the affidavit and the documents, Ex. C -2, to prove this fact. Therefore, it is clearly established by the complainant that he had invested a sum of Rs. 40,000/ - under a scheme floated by Mr. Paramjit Singh as Chairman of M/ s. Man -Jog Group of Companies.

10. AS narrated above, the opposite party did not place on record any material to rebut the evidence placed on record by the complainant. Therefore, we hold that the complainant has established the fact of his making investment under a finance service scheme floated by the opposite party, Mr. Paramjit Singh. The complainant, as referred above, has produced Ex. C -2, to show that he had invested a sum of Rs. 40,000/ - with the opposite party under the Chairmanship of Mr. Paramjit Singh under the scheme, called ''M/s. Man -Jog Family Welfare Plans'' on 13.8.1986. The complainant has fairly submitted that the opposite party did make payment of a sum of Rs. 800/ - per month till Feb. 1988. Thereafter, the opposite party failed to make any payment as per the terms of Ex. C -2 and so it is clear that it is a deficiency in service rendered by the opposite party which has resulted in great loss and injury to the complainant due to this gross negligence on the part of the opposite party, for which, in our opinion, the complainant is entitled to interest on the sum ofRs. 40,000/ -from 1.3.1988 till the date of its payment. . ORDER IN THE RESULT, therefore, this complaint is allowed. The opposite party, Mr. Paramjit Singh, as Chairman, M/s. Man -Jog Group of Companies and M/s. Man -Jog Family Welfare Plan, is directed to refund a sum of Rs. 40,000/ - to the complainant with interest thereon at 18% p.a. from 1 -3 -1988 till the date of its payment.

The opposite party, Mr. Paramjit Singh, is also directed to pay a sum of Rs. 2,000/ - to the complainant towards the costs of this proceeding.

The opposite party, Mr. Paramjit Singh is directed to pay the sums so awarded to the complainant within a period of one month from this day. Complaint allowed with costs.

