(2004) 05 NCDRC CK 0003

In the National Consumer Disputes Redressal Commission

UCO BANKS APPELLANT

Vs

M.R.PANDIT RESPONDENT

Date of Decision : 26-05-2004

Acts Referred:

Citation : 2004 0 NCDRC 20

Hon'ble Judges : K.S.GUPTA , B.K.TAIMNI J.

Advocate : RAJESH SINGH

Judgement

1. PETITIONER was the opposite party before the District Forum, where the respondent/complainant had filed a complaint alleging deficiency in service on the part of the petitioner.

2. BRIEF facts of the case are that the complainant who was an employee of the petitioner took advantage of the Voluntary Retirement Scheme (VRS). The term of scheme envisaged 50% of the benefit of the VRS to be paid in cash and the other 50% to be kept in fixed deposit for a period of 5 years from the date of retirement with interest payable @ 10% p.a. with half-yearly interest. The undisputed facts of the case are that the complainant was voluntarily retired on 1.7.2001 and he was granted ex gratia amount of Rs. 10,25,800/- of which 50% was paid in cash and remaining 50% amount was kept in FDR on 24.7.2001 and the maturity date was intimated at 24.7.2006. During the currency of this period, there was a change in the scheme as a result of which the total amount was transferred to Savings Bank Account on 23.12.2002 carrying an interest @ 8% p.a. thus, causing a loss of 2% p.a. to the complainant. It is in these circumstances, a complaint came to be filed before the District Forum alleging deficiency in service on the part of the petitioner. The District Forum after hearing the parties directed the petitioner to pay interest @ 10% for the period on the amount of Rs. 5,12,900/- from 24.7.2001 till the date of the payment on 23.12.2002, along with compensation of Rs. 5,000/- for mental agony and Rs. 500/- as costs. Aggrieved/dissatisfied with this order, both the parties filed appeals before the State Commission. While the appeal filed by the complainant

was dismissed, the appeal filed by the petitioner was partly allowed by way of deleting amount of Rs. 5,000/- awarded for mental agony. Not satisfied with this order, the petitioner has filed this revision petition before us. The only ground taken before us is that the complainant is not a consumer as there is no consideration involved as defined under Section 2(1)(d) of the Consumer Protection Act, 1986. The relationship between the parties is of employer and an ex-employee. Both the lower fora have not dealt with this question adequately.

3. WE heard the learned Counsel for the petitioner at length.

4. THE basic facts are not disputed hence are not reproduced. The only controversy before us is relating to whether the complainant is a consumer or not. Almost similar situation arose in the case of Regional Provident Fund Commissioner v. Shiv Kumar Joshi, in which the Hon''ble Supreme Court of India has defined the meaning of word ''consideration'' after discussing its meaning/ definitions drawn from Black''s Law Dictionary, Corpus Juris Secundum, Contract Act as also from Webster''s Third New Intentional Dictionary. The Hon''ble Supreme Court also relied upon its judgment in Sonia Bhatia v. State of U.P., (1981) 2 SCC 585, wherein it was held : "From a conspectus, therefore, of the definitions contained in the dictionaries and the books regarding a gift of an adequate consideration, the inescapable conclusion that follows is the ''consideration'' means a reasonable equivalent or other valuable benefit passed on by the promisor to the promisee or by the transferor to the transferee."

In the instant case, petitioner was the promisor and the complainant the promisee and the benefit of interest was to be passed by the petitioner to the complainant. Thus in this context, under Section 2(1)(d)(ii) the word ''consideration'' will not only mean payment by the beneficiary - in this case by the complainant to the petitioner - but also as in this case, the petitioner depriving the complainant of the impending benefit, i.e., loss by way of reduction in rate of interest, which will fall within the definition of considerations, thus making the complainant a ''consumer'' as defined in CPA, 1986. There is no denying the fact that after the voluntary retirement it was the complainant''s money which had been kept in FDR with petitioner Bank and he was to be the beneficiary of the principal and interest both, which was arbitrarily changed to the detriment of the complainant thus depriving him of the benefit. It was no more a relationship of an employer and an ex-employee, it was a question of the violating the terms of agreement/scheme to the detriment of the arrangement/ scheme with restrospectively. Nothing has been shown to us as to under what provision of law or arrangements, the petitioner arbitrarily decided to reduce the rate of interest from the original scheme retrospectively. Be that as it may, we have no doubt in stating that in view of the judgment (supra) of the Hon''ble Supreme Court the complainant is a ''Consumer'' and petitioner was rendering ''Service''. Petitioner has already been found to be deficient in rendering service to the complainant by both the lower Forums with which we are in full agreement. We find no grounds to interfere with the well-reasoned order and relief granted to the complainant. This revision petition has no merit and is dismissed.

