(1995) 01 NCDRC CK 0044

In the National Consumer Disputes Redressal Commission

UNION OF INDIA APPELLANT

Vs

MONIKA TANDON RESPONDENT

Date of Decision : 16-01-1995

Acts Referred:

Citation : 1995 0 NCDRC 105 : 1995 2 CPJ 20

Hon'ble Judges : V.BALAKRISHNA ERADI , Y.KRISHAN , B.S.YADAV J.

Advocate : ASHOK NIGAM , A.K.TANDON

Judgement

1. THE Revision Petition was dismissed by our order dated 9th February, 1994. At that hearing there was no appearance for the Revision Petitioner, Union of India and after going through the records of the case, the Order was passed that the decision rendered by the State Commission did not suffer from any jurisdictional error or material irregularity pertaining to jurisdiction and that there was no scope for interference by this Commission in the exercise of our revisional power. Subsequently, on a petition for review, this Commission, decided to re-hear the case de novo in the interests of justice.

2. THE relevant facts of the case are briefly set out below: National Savings Certificates under the m be issued to not more than two persons. In this case, these were issued to three But, one of the persons in whose name the National Savings Certificates were issued is Shri K.N. Tandon who is also an authorised agent for the sale of National Savings Certificates.

3. THE National Savings Certificates were, in this case, issued in 1985 and matured for payment in 1991. The District Forum by its Order dated 27th May, 1992 directed that a sum of Rs 20,150/-, the amount on maturity of the National Savings Certificates, be paid to the complainants with interest at 12% per annum from 30th September, 1991. This order of the District Forum was upheld by the State Commission by a short order of 25th May, 1993 confining itself merely to the rate of interest allowed by the District Forum.

4. THERE is no doubt that the National Savings Certificates had been issued

irregularly and in contravention of rules in the name of three persons Respondents-complainants Nos. 1 to3. Rule 11 of the National Savings Certificates attracted. It lays down that when it is discovered that any certificates have been purchased or acquired in contravention of the Rules no interest would be paid on such certificates and if any interest had been paid on any holding in contravention of the rules, the same would be recoverable as arrear of land revenue. In face of this, it cannot be stated that there is any deficiency in service on the part of the Petitioner when it refused to make payment against the National Savings Certificates without any interest on the savings.

5. WE cannot also overlook the fact that one of the certificate holders Shri K.N. Tandon is an authorised agent for the National Savings Certificates. He could not have been unaware that a certificate cannot be issued to more than two holders. At the same time, the Post Master who had issued could also not have been unaware of the Rule position.

6. WE also are aware that the purchase of the National Savings Certificates entitles the holders to certain reliefs under Income Tax Act. Whether the purchasers in this case actually availed the same or not is not ascertainable from the records before us. But, that is one of the benefits the holders of certificates derive. Considering that the respondent-complainants have not acted properly in obtaining the National Savings Certificates for more than two holders knowing fully-well that these were irregular having been issued to three holders instead of two, that the Post-Office officials could not have been unaware of the Rule position when they issued the certificates, that the Central Government has enjoyed the benefit of savings over a period of six years, the ends of justice would be met if the holders of the certificates are allowed interest at the maximum rate of interest allowed by Banks on fixed deposits for a period of three years or more in vogue in 1985 when the deposits were made. Mr. Justice V. Balakrishna Eradi, Presidentï¿½ I would like to record that I have serious doubts and reservations about the correctness of the above reasoning and conclusion. I shall set out my views on the matter on another appropriate occasion.

