(1994) 06 NCDRC CK 0002

In the National Consumer Disputes Redressal Commission

UNIT TRUST OF INDIA — APPELLANT

Vs

Kumari Gauthami — RESPONDENT

Date of Decision : 08-06-1994

Acts Referred:

Citation : 1994 3 CPJ 518

Hon'ble Judges : A.VENKATARAMI REDDY , J.ANANDA LAKSHMI , C.V.SUBBA REDDY J.

Judgement

1. AGGRIEVED by the order of the District Forum passed in CD. No. 984/93 whereby the Opposite Party -appellant herein was directed to rectify the originals Exs. A. 1 to A.3 so as to make the maturity amounts shown therein payable on 16.11.2008, 8.4.2008 and on 16.11.2008 respectively.

2. THE facts leading to the filing of this appeal briefly stated as are follows : - The Unit Trust of India framed a Scheme called Rajyalakshmi Unit Scheme and issued brochure Ex. A 4 stipulating the terms and conditions of the Scheme. The Scheme as set out in the brochure and published is in the following terms;

" 1. The Scheme; The Scheme provides for an investment that will grow 21 times in 20 years. Thus, Rs. 1,000/ - invested in the name of a female child below the age one year will become Rs. 21,000/ - after 20 years and Rs. 10,000/ - will become Rs. 2.1 lakhs. Depending upon the age of the child for whom the investment is made the maturity value will vary from a minimum of Rs. 11,000/ - to Rs. 21,000/ - as shown below; Entry Age (in years.) Minimum Amount Rs. Maturity on completion of 20 Yrs. age. Upto and including 1,000/ - 21,000/ - Above 1 to 2 1,000/ - 18,000/ - Above 2 to 3 1,000/ - 15,000/ - Above 3 to 4 1,000/ - 13,000/ - Above 4 to 5 1,000/ - 11,000/ -

The maturity value will be given only to the beneficiary. Till then nobody can touch it. It is thus an "irrevocable gift." Relying on the scheme set out in the said brochure the grand -father of the complainants 1 and 2 purchased the following: - Units in their names Name of the child Date of birth Investment date Amount

U.C. No. Date of maturity. Gautami 16.11.88 18.10.1992 12,000/ - 933047000782 16.11.2008 Gautami do 23.10.1992 10,000/ - 933047004808 23.10.2009 Greeshma 8.4.88 23.10.1992 10,000/ - 933047004780 23.10.2008 The units purchased in favour of the first complainant is marked as Ex. A.1 and A.3. The units purchased in favour of the second complainant is marked as Ex. A.2. According to the terms of the brochure the maturity amount is payble on the first complainant attaining the age of 20 years i.e. on 16.11.2008 as the units were purchased when she was in the age group of 3 to 4 years. Similarly as the date of the birth of the complainant No. 2 was 8.4.1988, she was in the age group of 4 to 5 years and the maturity amount would have to be paid on 8.4.2008. The Opposite Party, initially, in Ex.A.1 i.e. the certificate issued in respect of purchase of units of Rs. 1200/ - in favour of the first complainant, mentioned 16.11.2008 as maturity date. But, by letter dated 21.4.1993, Ex. A.5, the Opposite Party modified the maturity date from 16.10.2008 to 16.10.2009, in respect of first complainant with regard to certificates, . Exs. A.2 and A.3. In respect of the second complainant the date of maturity was shown as 23.10.2008 instead of 8.4.2008.

3. THE grand -father, guardian of the complainants, wrote to the Opposite Party that according to the terms of brochure the amount becomes payable on attaining the age of 20 years and therefore, requested to rectify the dates of maturity mentioned in the certificate to synchronise with the date of the complainants attaining the age of 20 years. As the opposite party did not effect correction, the complaint was filed to direct the Opposite Party to effect correction of maturity dates.

4. THE version of the Opposite Party as set out in their counter is that depending on the age of the child at the time of purchase of units the lock in period will be for a minimum of 16 years and maximum of 20 years varying from 11,000/ - to 21,000/ - for a minimum amount of Rs. 1000/ - The chart showing the calculation was given in the counter. If the lock -in -period is taken into consideration the date of maturity corrected in Ex. A.1 and mentioned in Exs. A.2 and A.3 are correct. It is, therefore, their case that the brochure was issued erroneously and the printer might have caused some ambiguity in adding the word age instead of mentioning the lock in period. The said brochure and the printed pamphlet according to them were subsequently withdrawn and fresh pamphlets were issued indicating the crucial period as the lock in period ranging from 16 to 20 years depending upon the age. According to them the brochure is not a complete offered document and it must necessarily be read with the provisions of the Scheme which was published in the Gazette of India on 17.4.1993 i.e. Ex. B -3. It is, therefore, their case that the Scheme approved by the board contemplates that the lock in period is crucial and has to considered for maturity of the investment and not the completion of age of 20 years. The dates of maturity were rightly corrected in Ex. A.1 and correctly mentioned in Exs. A.2 and A.3. Hence there is no deficiency on the part of the Unit Trust of India. On behalf of the complainants Ex. A1 to A.6. were filed and on behalf of

the opposite party Exs. B. 1 to B. 7 were marked. Guardian of the complainants was examined as P.W. 1and on behalf of the Unit Trust of India Mr. Anil Anand was examined as D.W.I. On consideration of the evidence on record, the District Forum came to the conclusion that the Unit Trust of India had issued a brochure marked as Ex. B. 5 and pamphlet Ex. B. 4 in which it was clearly mentioned that investment is till the child completes the age of 20 years. It was not mentioned that the lock in period is the basis and that the date of maturity will be from the time of investment. As the guardian relying on the promise and representation made in the brochure and pamphlet purchased the units and was sure that it would become payable on the completion of age of 20 years by the minor. The District Forum, therefore, held that since the guardian acted and purchased units on the representation made in Exs. B. 4 and B. 5 the Opposite Party cannot go back on the said representation and the doctrine of promissory estoppel would apply to this case. Since the guardian invested a sum of Rs. 32,000/ - on the representation made by the Opposite Party that the amount would be payable on attaining the age of 20 years by the complainants 1 and 2, the Opposite Party is now estopped from saying that the dates of maturity are different from that of the attaining the age of 20 years by the complainants. It accordingly directed the rectification of the dates of maturity in originals Exs. A. 1.

5. IN this appeal it is submitted that the Scheme as approved by the board was published in the gazette and the date of maturity depends on the lock in period; whether it is 16 years or 20 years depending on the age at the . time of purchase of units and not attaining the age of 20 years. The date of maturity is not dependent on attaining the age of 20 years. This original Scheme was published in the gazette dated 17.4.93.

6. BUT the Scheme as approved by the Unit Trust was not published and was not known to the complainants guardian. For the first time the said Scheme was published in the gazette on 17.4.1993 but by that time the grand father of the complainants purchased units on the only information available to him and its benefits as mentioned in the brochure and pamphlet Ex. B. 5 and B. 4. It clearly shows that the date of maturity and payment is the completion of attaining the age of 20 years. Therefore, the guardian of the complainants invested money under the scheme as he will get the money after completion of 20 years of the complainants to enable him to perform their marriages etc. He therefore could not have known that the maturity amount will be payable only after completion of block in period and the Scheme contemplated block in period. It also cannot be said that the Scheme as originally published contains any printing error or it was not issued by the Trust. The complainants guardian invested the huge amount believing on the promise made by the Opposite Party that the amount would be paid on completion of the age of 20 years and we are satisfied that the Opposite Party cannot go back on the same and the principles of promissory estoppel would apply. Moreover, under the brochure and pamphlets Exs. B.5 and B.4 the Opposite Party offered that they would pay the matured amounts on completing the age of 20 years. That offer was accepted by the complainants

grand -father and the amount was invested. If the Opposite Party wants to alter the dates or maturity it will amount to deficiency of service on their part. Had the complainants grand father known that the age of the maturity would be after lock in period of 16, 17, 18, 19 & 20 years and then only the amount would be paid, probably he would have invested in some other Schemes or with some third parties where he could be sure of receiving the matured amount on completing the age of 20 years of the complainants.

7. THE District Forum also observed that under Clause XXXII of the Scheme the Chairman or in his absence the Executive Trustee of the Trust, may in order to mitigate hardship or for smooth and easy operation of the Scheme relax or delete any of the provisions of the Scheme wholly or partly.

8. IN these circumstances of the case we are of the view that it is open to the Chairman to exercise that power in favour of the complainants. For all the aforesaid reasons, we are inclined to accept the order of the District Forum. The appeal is accordingly dismissed. No costs. Appeal dismissed.

