

(1998) 03 NCDRC CK 0013

NATIONAL CONSUMER DISPUTES REDRESSAL COMMISSION

Case No: None

SUPERINTENDENT OF POST
OFFICES

APPELLANT

Vs

Jwala Prasad

RESPONDENT

Date of Decision: March 4, 1998

Citation: 1998 2 CPJ 228

Hon'ble Judges: K.C.Bhargava , Banarsi Das J.

Final Decision: Appeals disposed accordingly

Judgement

1. THESE are two appeals. Appeal No.456/S.C./93 and the other Appeal is No. 457/S.C./93 moved on behalf of the Superintendent of Post Offices, Hardoi Division against the common order dated 5.1.1993 passed in Complaint Case No. 587 of Jwala Prasad and Case No. 376 of Adhyaksh Samaydoot Sahkari Shram Samvida Samiti and Case No. 268 of M/s. Kamta Prasad Vishambhar Agrawal against the Senior Superintendent of Post Offices, Sandila and others by the District Forum, Hardoi.

2. THE case in brief is that the complainant Jwala Prasad purchased on behalf of M/s. Bansal Transport Company, National Savings Certificates of VIth Issue of Rs. 7,000/- (Rs. Seven Thousand) for six years and the Adhyaksh Samaydoot Sahkari Shram Samiti for Rs. 1,000/ and on their maturity the National Savings Certificates were presented for encashment but the Post Office concerned refused on the ground that the National Savings Certificates cannot be issued in the name of the Firm or Samiti under Rule 7 of the National Savings Certificates of 6th Issue Rules, 1961.

The District Forum having considered the case of both the parties have come to the conclusion and allowed the complaint and ordered the appellant-opposite party to pay the matured amount of the National Savings Certificate concerned alongwith Rs. 500/- as damages to each of the complainant within a month. Against this order the present appeals have been preferred by the Superintendent of Post Offices, Hardoi Division, Hardoi.

The main contention of the appellant is that according to Rule 7 of the National Savings Certificates (6th) Issue Rules, 1961 an adult, a Co- operative Society or a scheduled Bank or Gazetted Government Officer and an Officer of a Corporation or a local Authority or an Officer of a corporate body like Marketing Committee established under the State Act and authorised by the State Government in this behalf in his official capacity or the Reserve Bank of India can purchase the National Savings Certificates (6th Issue) and if any Certificates have been purchased in contravention of the Rules they are void and no amount of interest due on National Savings Certificates shall be paid. However, it was also pleaded by the learned Counsel Mr. R.D. Agrawal for the appellant that in case the respondent gave in writing an interest available on Savings Bank rate can be allowed and paid.

3. WE have heard Mr. R.D. Agrawal, learned Counsel for the appellant and Mr. R.K. Gupta, Advocate for the respondents in both the above appeals.

The main issue as noticed above is" that whether the National Savings Certificates (6th Issue) could be purchased by the respondents and issued by the Post Office if they being Firms were not competent of purchase it. It was the duty of the Postal Officers or officials who issued the National Savings Certificates in the name of the complainant to clarify at the time of presenting of the application forms with money and refuse the application for issue of the National Savings Certificates in question. Therefore, the departmental Officers who allowed the purchase and issued the National Savings Certificates in question are also responsible for this deficiency on behalf of the Postal Department. Thus it is established that the Department is liable for the negligence and committed deficiency in service while allowing the purchase and issuing the National Savings Certificates (6th Issue) in the name of the complainant-M/s. Bansal Transport Agency, Railway Ganj, Hardoi through Jwala Prasad complainant (Case No. 587/92) and Adhyaksh, Samaydoot Sahkari Shram Samiti (Complaint Case No. 376).

4. SINCE under rules the complainants are not entitled to receive the due amount of the National Savings Certificates at the time of maturity due to the negligence of the appellant staff they are entitled to get interest at the rate meant for Savings Bank Account for the period from the date of the purchase of the National Savings Certificates to the date of the complaint filed before the District Forum, Hardoi, which shall be paid by the appellant to the complainants on their submission of the National Savings Certificates if not already submitted within one month. SINCE the appellant has been held negligent in allowing to purchase and issuing the National Savings Certificates (6th Issue) the appellant is also liable to compensate the complainant for the physical, mental agony and financial loss of interest on their blocked money for six years. Therefore, the appellant shall pay to M/s. Bansal Transport Agency through Jwala Prasad of Rs. 5,000/- and to the Adhyaksh, Samaydoot Sahkari Shram Samiti Rs. 1,000/- as compensation.

We dispose of both the appeals accordingly and order that the appellant shall pay to both the complainants-respondents in both these appeals the interest at the rate of Savings Bank Account from the date of the issue of the National Savings Certificates (6th Issue) to the date of filing of the complaint before the District Forum, Hardoi under Section 12 of the Consumer Protection Act, 1986 and in addition the appellant shall also pay Rs. 5,000/- to Jwala Prasad Agrawal for M/s. Bansal Transport Agency and Rs. 1,000/- to the Adhyaksh Samaydoot Sahkari Shram Samvida Samiti as compensation within a period of one month. If the above amounts due are not paid within the time allowed, complainants shall further be entitled an interest @ 18% per annum till the actual date of payment from due date. The impugned order dated 5.1.1993 passed by the District Forum, Hardoi is modified accordingly.

No order as to costs.

5. THIS order shall govern both the appeals and shall form part of the Appeal No. 456/92 and its certified copy shall be placed on Appeal No. 457/93. Copy of the order be made available to the parties and District Forum concerned. Appeals disposed accordingly. _____