

**NATIONAL CONSUMER DISPUTES REDRESSAL COMMISSION
NEW DELHI**

REVISION PETITION NO. 755 OF 2017

(Against the Order dated 22/12/2016 in Appeal No. 1054/2013 of the State Commission Delhi)

1. PUNJAB NATIONAL BANK
7 BHIKAJI CAMA PLACE,
NEW DELHI

.....Petitioner(s)

Versus

1. SITA DEVI
W/O LATE S.J.R SHARMA,. VPO JASAI THE
BAROH DIST
KANGRA
H.P

.....Respondent(s)

BEFORE:

HON'BLE MR. JUSTICE V.K. JAIN,PRESIDING MEMBER

For the Petitioner : Appearance not marked

For the Respondent : Appearance not marked

Dated : 02 Aug 2017

ORDER

JUSTICE V.K. JAIN, PRESIDING MEMBER

Late Shri Jaishi Ram Sharma, husband of the complainant had a pension account with the petitioner bank with its Kangra Branch in Himachal Pradesh. Shri Jaishi Ram Sharma died on 21.4.2002 where after the arrears of his pension for the period from 1.1.1996 to 21.4.2002 amounting to Rs.91,327/- were transferred on 06.3.2003. The arrears of pension with effect 1.1.1996 to 21.4.2002 were not paid on account of his failure to furnish the life certificate to the petitioner bank. The aforesaid arrears were paid to the complainant only on 29.8.2007.

2. Late Shri Jaishi Ram Sharma had taken two fixed deposits from the petitioner bank, one for Rs.4418/- and the other for Rs.19,879/-. The interest on the aforesaid FDRs from the date of maturity however was paid to the complainant only on 04.1.2008. Being aggrieved from non-payment of interest for the period the pension amount and the FDR proceeds were delayed, the complainant approached the concerned District Forum by way of a consumer complaint.

3. The complaint was resisted by the petitioner bank, alleging therein that though they had a savings account in the name of the deceased and the pension was being credited in that account till June, 1998 the same was stopped with effect from July, 1998 on account of the failure of the

deceased to furnish the life certificate, yearly submission of which is a pre-requisite for payment of the pension. It was further stated in the reply that on receipt of intimation of the death of Late Shri Jaishi Ram Sharma, the arrears of pension were duly paid and interest amounting to Rs.542/- on the aforesaid amount was also paid on 04.4.2008.

4. As regards the fixed deposits, it was stated that the deposit of Rs. 4418/- was to mature on 13.1.1999 whereas the fixed deposit of Rs. 19,879/- was to mature on 01.12.2003. On maturity of the FDRs, interest at savings bank rate was paid on the maturity amount of the first FDR and @ of 5.5% per annum on the amount of the second FDR, as per the circulars applicable at the relevant time.

5. The District Forum vide its order dated 30.8.2013, directed the petitioner bank to pay interest @ 18% per annum on the arrears of pension w.e.f. January, 2003. The petitioner bank was also directed to pay interest @ 12% per annum on the FDR proceeds from the date of maturity, till 04.1.2008. A sum of Rs.50,000/- was awarded as compensation to the complainant.

6. Being aggrieved from the order passed by the District Forum, the petitioner bank approached the concerned State Commission by way of an appeal. The said appeal having been dismissed, the petitioner bank is before this Commission.

7. It is not in dispute that the complainant / respondent had intimated the death of the deceased to the bank on 06.3.2003. However, the arrears of the pension were paid to her only on 29.8.2007, after a delay of more than four years and five months. The bank claims to have paid a meagre amount of Rs.542/- as interest, without explaining how the said figure of Rs.542/- had been arrived at. There was no justification for not paying the aforesaid amount of Rs.91,327/- to the complainant immediately after 6.3.2003 when the death of the deceased was intimated. Therefore, the bank must necessarily reimburse the complainant for the loss of interest between 06.3.2003 to 29.8.2007. However, award of interest @ 18% per annum was not at all justified when the rate of interest applicable on 06.3.2003 on the fixed deposits were not more than 6% per annum as notified vide circular dated 03.9.2003 available at page-97A of the paper book. The petitioner bank, in my view, should pay interest to the complainant @ 6% per annum on the amount of Rs.91,327/- for the period from 06.3.2003 to 29.8.2007, after adjusting the amount of Rs.542/-.

8. As far as interest on the maturity amount of the fixed deposits are concerned, a perusal of the reply filed by the petitioner bank before the District Forum would show that the FDR of Rs.4418/- expired on 13.1.1999. There is no evidence of deceased Jaishi Ram Sharma having approached the bank at any point of time on or after 13.1.1999 for the renewal of the said FDR. Without instructions from him, the bank could not have renewed the FDR. At best, it could have credited the maturity amount to the savings bank account of the deceased. The reply filed by the petitioner bank would show that the interest on savings bank account was actually paid to the complainant on the maturity amount of the FDR of Rs.4418/-, the said maturity amount being Rs.4759/-.

As regards the FDR of Rs.19879/- which matured on 01.12.2003 with maturity amount of Rs.26,735/- there is no evidence of the complainant having approached the bank at any point of time after the said FDR had matured, seeking its renewal. Therefore, the direction for payment of interest @ 12% per annum on the aforesaid maturity amount cannot at all be justified. The petitioner bank has already paid interest from the date of maturity till the date of payment @ 5.5%

per annum which was the interest rate applicable in respect of the FDRs of more than three years, at the time the said FDR matured.

9. The learned counsel for the respondent / complainant while defending the orders passed by the fora below relied upon the decision of this Commission in **India Overseas Bank Vs. R.K. Sharma, RP No. 3414 of 2016 decided on 02.1.2017**. The aforesaid judgment has absolutely no applicability to the facts of the present case. In the case relied upon by the learned counsel for the respondent / complainant there was unjustified delay on the part of the bank in crediting the proceeds of a cheque to his savings account. No such deficiency in the present case has been shown.

10. The learned counsel for the complainant has also relied upon the decision of this Commission in **Puneet Kaur Vs. Hindustan Financial Management Ltd. III (2003), CPJ 95 (NC)**. In the aforesaid case, the bank had not responded after maturity of the FDR despite the complainant having approached it for the purpose and therefore interest at the rate of 12% per annum was awarded. Again, the facts are altogether different since there is no evidence of the complainant having approached the bank for payment of the maturity amount soon after the FDR had matured. In any case, as far as the second FDR is concerned, the complainant has already been paid interest at the rates applicable on fixed deposits of more than three years at the relevant time, as per the circular issued by the bank, whereas as far as the first FDR is concerned, there is no evidence of the complainant having approached the bank earlier than the date on which the maturity amount was credited to her account.

The learned counsel for the respondent / complainant also relied upon the observations made by the Hon'ble Supreme Court in **Gurgaon Gramin Bank Vs. Khazani & Anr., IV (2012) CPJ 5 (SC)**, whereby the Hon'ble Supreme Court felt that unless serious question of law on general importance arises for consideration or the question affects a large number of persons or the stakes are very high, its jurisdiction could not be invoked for resolution of small and trivial matters. The Hon'ble Supreme Court also did not approve the bank incurring expenditure of Rs.12,950/- in a matter involving a paltry amount of Rs.15,000/-.

In nutshell the contention of the learned counsel was that considering the small amount involved in the matter this Commission should not interfere with the orders passed by the fora below in exercise of its revisional jurisdiction. I however, find that considering the quantum of interest awarded by the fora below along with the compensation quantified at Rs.50,000/- the amount involved cannot be said to be a paltry amount justifying outright dismissal of the revision petition on this account alone.

11. For the reasons stated hereinabove, the revision petition and the complaint are disposed of with the following directions:

(i) The petitioner bank shall pay interest to the complainant on the pension arrears of Rs. 91,327/- @ 6% per annum for the period from 06.3.2003 to 29.8.2007, after adjusting the sum of Rs.542/-;

(ii) No further interest in respect of the maturity amount of the FDRs shall be payable by the petitioner bank to the complainant;

(iii) The petitioner bank shall pay a sum of Rs.25,000/- as compensation and cost of litigation to the complainant / respondent.

.....J
V.K. JAIN
PRESIDING MEMBER