Complaint No.:	13 / 2023
Date of Filing:	17.01.2023
Date of Order:	23.05.2026

DISTRICT CONSUMER DISPUTES REDRESSAL COMMISSION, MATHURA

PRESENT: Navneet Kumar, President.

Chhavi Singhal, Member.

Dr. Rajendra Kumar Varshney, aged about 63 years, son of Shri Jagdish Sharan Varshney, Resident of M.No. 41, Manas Nagar, Maholi Road, Mathura – 281001 (U.P.)

...........Complainant

Versus

1. Secretary, Union of India, through the Post, Post Bhawan, New Delhi.

2. Chief Postmaster General, North East Circle, Shillong (Meghalaya) – 793001.

3. Director, Postal Services, Arunachal Pradesh Postal Division, Itanagar – 791111.

4. Head Post Master, Head Post Office, Arunachal Pradesh Postal Division, Itanagar – 791111.

5. Sub Postmaster, Sub Post Office Chaukham, District – Namsai, through Smt. Ranjana Singh, wife of Shri Balraj Singh, Address – Sub Post Office Chaukham, District Namsai (Arunachal Pradesh).

..............Opposite Parties

JUDGMENT

1. The present consumer complaint filed under Section 35 of the Consumer Protection Act, 2019 (hereinafter referred to as "the Act") was instituted on 17.01.2023.

2. Arguments of both parties have been heard. The affidavit evidence available on the record and the documentary evidence on file have been perused.

3. The brief summary of relevant facts for adjudication of the complaint (averments by both sides) is as follows:

> The present consumer complaint filed by Dr. Rajendra has been preferred against the Opposite Parties for obtaining redressal on account of serious "deficiency in service," negligence, breach of trust, fraud, and dishonest conduct in operating the postal savings schemes.

<u>1. Brief Facts of the Complaint</u>

The complainant states that he had opened a savings bank account bearing No. 222560 on 16.06.2007 at the post office of Opposite Party No. 5. In addition to this, on 08.04.2013, an MIS (Monthly Income Scheme) account bearing No. 1049 was opened by depositing a sum of Rs. 4,00,500/–, which had a tenure of five years and carried interest of Rs. 2,803/– per month.

According to the complainant, out of the said monthly interest, Rs. 2,800/– per month was to be automatically credited to RD (Recurring Deposit) account No. 63043, and the remaining Rs. 3/– was to be credited to the savings account. Thus, the MIS account and the RD account were being operated in a mutually linked manner. Further, another RD account No. 62628 of the complainant was opened on 04.08.2010, which matured on 04.08.2015. The maturity amount of the said account was Rs. 7,31,330/–. The complainant instructed that out of this amount, Rs. 3,31,330/– be transferred to the savings account of his wife, Smt. Usha Varshney, and that the remaining Rs. 4,00,000/– be used to open a TD (Time Deposit) account.

The complainant states that for this purpose, he handed over the passbooks of his MIS and RD accounts to Opposite Party No. 5 for making the necessary entries. Opposite Party No. 5 stated that the passbook could be collected after a few days. However, when the complainant came back, he was put off with excuses and a new pretext was offered each time.

According to the complainant, he later became suspicious and lodged a complaint with the higher authorities. During the departmental inquiry, it came to light that Opposite Party No. 5 had forged the complainant's signatures and prematurely closed MIS account No. 1049 and transferred the amount of Rs. 4,00,500/– to account No. 2580 in the name of her daughter Garista Gurmeet Kaur. It also came to light that since the amount from the MIS account was being automatically credited to RD account No. 63043, the unauthorized closure of the MIS account caused the RD account to be hindered and was subsequently treated as closed.

The complainant also stated that in connection with the said act, a criminal case bearing Crime No. 127/16 was registered at Police Station Namsai under Sections 409, 420, 467, 471 of the Indian Penal Code and under Section 13(2) read with Section 13(1)(d) of the Prevention of Corruption Act, which was later transferred to the CBI.

The complainant states that after the departmental inquiry, payment in relation to the TD account was made on 19.08.2020, and hence there is no dispute in that regard. However, the Opposite Parties did not make full legal payment in respect of the MIS and RD accounts. The complainant contends that the Opposite Parties returned a sum of Rs. 3,92,490/– with a 2% premature deduction, which he accepted under protest. Whereas in reality, MIS account No. 1049 cannot be considered to have been prematurely closed on its own, as the closure was done through fraud and embezzlement.

According to the complainant, MIS account No. 1049 should be deemed to have continued till its actual maturity date of 08.04.2018, and RD account No. 63043 should also be treated as having been regularly operated and matured on that basis — with its maturity amount of Rs. 2,08,467/– being due and payable. Additionally, Rs. 8,010/– is also payable as special benefit.

On this basis, the complainant has claimed a total sum of Rs. 2,16,477/– along with interest, compensation for mental anguish, and litigation costs.

2. Case of the Opposite Parties

It is apparent from the record that the Opposite Parties could not file their written statement within the prescribed period. Consequently, ex-parte proceedings were directed against them on 15.03.2023. Although a belated written statement was submitted on 30.11.2023, the same is not legally admissible. Nevertheless, in the interest of justice, the Commission afforded the counsel for the Opposite Parties an opportunity of hearing.

The main argument advanced by the Opposite Parties is that payment has been made to the complainant and necessary action has also been taken at the departmental level.

3. Findings and Conclusions

The Commission has carefully perused the affidavit filed by the complainant, copies of passbooks, documents relating to the departmental inquiry, payment records, and other documents on the record. It is not in dispute that the amount in MIS account No. 1049 was withdrawn without the genuine signatures of the complainant, and that departmental inquiry and criminal prosecution were initiated in this regard. Had the complainant voluntarily closed the account himself, there would have been neither the need for a departmental inquiry nor the registration of a criminal case under serious provisions. The Postal Department is a public institution where ordinary citizens deposit their lifetime savings in trust.

In such a situation, the departmental employees bear a high degree of responsibility for caution, transparency, and honesty.

Opposite Party No. 5, by misusing her position and forging the complainant's signatures, closing the account fraudulently, and causing unauthorized transfer of money, has committed an act of extreme misconduct. Such conduct falls not only under the category of "deficiency in service" but is also a clear instance of breach of trust with the consumer.

The Commission does not agree with the argument that the liability of the Opposite Parties comes to an end merely by treating it as a premature closure and returning the amount after deduction. When the premature closure itself was illegal and fraudulent, any deduction made on that basis cannot be justified.

It is also clear that RD account No. 63043 was being operated through auto-credit from the MIS account. Therefore, had the MIS account not been illegally closed, the RD account would have continued operating regularly and would have matured on the scheduled date.

Accordingly, the considered opinion of the Commission is as under:

- MIS account No. 1049 should be deemed to have continued till its actual maturity date of 08.04.2018.
- RD account No. 63043 should also be deemed to have been regularly operated and matured.
- The 2% deduction made by the Opposite Parties is illegal and unjustified.
- The conduct of the Opposite Parties amounts to serious deficiency in service, negligence, and unfair trade practice.
- The complainant has had to face financial loss as well as mental agony, harassment, and unnecessary litigation.
- Regarding the complainant's claim for interest at 18% per annum and penalty of Rs. 300/– per day, the Commission is of the opinion that it would be appropriate to award simple and balanced interest in the interest of justice.

ORDER

The complaint is partly allowed in favour of the complainant. The Opposite Parties, jointly and severally, shall comply with the following directions:

(i) The Opposite Parties shall pay the complainant the maturity amount of RD account No. 63043, i.e., Rs. 2,08,467/–.

(ii) The Opposite Parties shall pay the complainant Rs. 8,010/– as residual principal amount that remained unpaid on account of the illegal deduction from MIS account No. 1049.

(iii) On the total amount of Rs. 2,16,477/–, simple interest at 5% per annum shall be payable from 08.04.2018 till the date of actual payment.

(iv) The Opposite Parties shall pay Rs. 50,000/– to the complainant as compensation for serious deficiency in service, negligence, fraudulent conduct, and mental harassment.

(v) The Opposite Parties shall pay Rs. 25,000/– to the complainant as litigation costs.

All the above amounts shall be paid to the complainant by the Opposite Parties within **45 days** from the date of receipt of the certified copy of this judgment.

If payment is not made within the stipulated period, simple interest at **7% per annum** shall be payable on the entire amount due from the date of the judgment till the date of actual payment.

The Opposite Parties shall also ensure that:

(a) MIS account No. 1049 be recorded in the official records as "Unauthorized/Fraudulent Premature Closure";

(b) RD account No. 63043 be treated as a regular matured account;

(c) All records related to the complainant's accounts be corrected within **60 days**.

The complainant shall be at liberty, in the event of non-compliance of this order, to initiate legal proceedings for execution of the order under Sections 71 and 72 of the Consumer Protection Act.

Free certified copies of the judgment shall be provided to both parties as per rules. The record be consigned to the record room.

(Chhavi Singhal)
Member
District Consumer Disputes
Redressal Commission, Mathura
Date: 23.05.2026

(Navneet Kumar)
President
District Consumer Disputes
Redressal Commission, Mathura
Date: 23.05.2026

Pronounced, signed, and dated in open forum on this day, 23.05.2026.