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IN THE HIGH COURT AT CALCUTTA
CONSTITUTIONAL WRIT JURISDICTION
APPELLATE SIDE

W.P.A. No. 2695 of 2024

Deepak Choudhury & Anr.
Vs.
Union of India & Ors.

Mr. Suddhasatva Banerjee,
Ms. Rituparna Chatterjee,
Mr. Shaunak Mukhopadhyay,
Ms. Khushboo Choudhury
...for the petitioners

Mr. Kalyan Kumar Chakraborty,
Ms. Sabita Roy,
...for the Union of India

1. The petitioners have claimed that the petitioner no. 1 was permitted to open a joint account with this mother. On the demise of this mother, the petitioner no. 1 wrote a letter for closure of the account on August 26, 2022. In reply, however, the concerned Sub Postmaster wrote back to the petitioner no. 1 that the account was opened in contravention of Government Savings Promotion Rules, 2018 (GSPR 2018)/National Savings Scheme, 2019. As no interest is admissible on the deposits in such account vide Rule 9(2) of the GSPR 2018, the petitioner no. 1 was requested to close the account immediately.

2. An intention was expressed by the respondent-authority that if the petitioner no. 1 fails to close

the account within 30 days of the issuance of the notice, the amount will be remitted to the petitioner no. 1 by cheque after deduction of amount of interest if paid any and the postage charges from the amount at credit.

3. Learned counsel appearing for the petitioners argues that at the juncture of opening the joint account in the year 2019, the Rules were not mentioned to the petitioner no. 1 and his mother, since deceased. That apart, it is argued that since the amount was permitted to gather interest over four long years and the impugned intimation was made only when the petitioner no. 1 approached the Post Office for closure of the account, the respondents are liable to pay the entire amount to the petitioner no. 1.

4. It is further pointed out that during the subsistence of the account, before the petitioner no. 1 sought for closure, the Rule was never relied on by the respondent-authorities, giving a go-bye to the said Rules.

5. Learned counsel appearing for the respondent-authorities argues that as per Rule 26 of the Post Office Savings Bank (CBS) Manual, if an account is opened in contravention of Government Savings Promotion General Rules, 2018 and National Savings Schemes, 2019, no further transaction should be allowed and the account should be

closed immediately. No interest shall be payable on such account. If any interest has been credited/paid in the account, it should be adjusted at the time of closure of the account by inserting interest table TZERO from the date of opening through HINTTM menu.

6. The said Rule further provides that a written notice in the form given thereunder should be sent by Registered Post to the depositor indicating the irregular opening with a request to close the account within 30 days of issue of notice and take the withdrawn payment personally or through an agent.

7. Learned counsel also points out that in terms of Rule 110(2) of the said Manual, the account may be opened in individual capacity or jointly with spouse (spouse means husband or wife). In case of joint account, the account may be either Joint-A type or Joint-B type. It is further stipulated that this may be indicated on the top of the application form.

8. Relying on the said provisions, it is argued by the respondents that the petitioner no. 1 opened the account with his mother knowing fully well the terms and conditions of the same as must have been indicated on the top of the application form and cannot take undue advantage of his own wrong.

9. Heard learned counsel for the parties.

10. A perusal of the Rules cited by the respondent authorities indicates that Rule 26(1), in specific terms, provides that if an account is opened in contravention of the 2018 Rules or the 2019 Scheme, *no further transaction should be allowed and the account should be closed immediately.*

11. Thus, even as per the said Rule, not a single further transaction should be allowed in the event such an account is opened in contravention of the Rules or the Scheme and the account should be closed "immediately". Only in such context, the succeeding sentence provides that no interest shall be payable on such accounts.

12. In the present case, however, the respondents have chosen to read the said Rule selectively. The respondents contend that it was the petitioner no. 1, who should have been aware of the Rules. However, the position ought to be to the contrary. In the present case, the Postal Authorities are the Authorities who are bound by the Rules and, as such, ignorance of law cannot be a valid ground for said Authorities to give a go-bye to their obligations.

13. The Postal-Authorities kept their eyes conveniently shut when the account was opened jointly by the petitioner no. 1 and his mother and the amount which was deposited was retained for four long years by the Postal-Authorities, throughout the tenure of the deposit.

14. If the petitioner no. 1 was intimated about the closure of the account immediately after the opening of the same, the petitioner no. 1 could very well have invested the same in some better deposit and/or equivalent deposit on which interest would have accrued for the four years in favour of the petitioner no. 1.

15. The Postal-Authorities having not done so immediately, as per Rules, cannot claim advantage of the rest of the Rules. The different portions of Rule 26(1) have to be read in conjunction with each other and cannot be culled out in isolation according to the whims and fancies of the Authorities.

16. Thus, the Postal Authorities themselves having not complied with the mandate not to allow further transaction after opening of the account and not closing the account immediately, the cannot now take unfair advantage of their own wrong.

17. Also, the principle of promissory estoppel comes into play inasmuch as the petitioner no. 1 was permitted to open the account jointly with his mother, although under a wrong scheme, and was permitted to hold the account throughout the period during which the other account holder, that is, the petitioner no. 1's mother, was alive.

18. The conduct of the Postal-Authorities is deplorable since only upon the demise of the other

joint account holder and the petitioner no. 1 seeking to close the account, the postal authorities grew alive to the state of affairs and claimed closure of the account.

19. Hence, after the entire joint account was retained by the Postal-Authorities throughout the lifetime of the other joint account holder and at the juncture of closure, the issue was raised. Thus, it was then too late in the day for the Postal Authorities to raise the issue, since the account had already reached its culmination and was sought to be closed.

20. Although the respondents are not permitted under the Scheme-in-question to grant interest to the petitioner no. 1 at the rate as stipulated therein, for the ends of justice and in terms of the principle of promissory estoppel, the petitioner no. 1, the surviving account holder, should be reimbursed the entire matured amount along with interest at the rate under which it was payable under the Scheme, if not under the Scheme, under the general law.

21. Accordingly, W.P.A. No. 2695 of 2024 is allowed on contest, setting aside the impugned notice dated May 17, 2023 and directing the respondent-authorities to disburse the entire maturity amount under the Scheme-in-question in favour of the petitioner no. 1 along with interest at the rate at

which it was payable under the Scheme, in which the account was opened.

22. Such disbursal shall be made within four weeks from date.

23. Since no affidavits have been directed, it is deemed that none of the allegations made in the writ petition are admitted by the respondents.

24. There will be no order as to costs.

25. Urgent photostat certified copies of this order, if applied for, be made available to the parties upon compliance of all necessary formalities.

(Sabyasachi Bhattacharyya, J.)