



W.P.No.25139 of 2021

IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated : 28.02.2024

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THE HONOURABLE MRS.JUSTICE J.NISHA BANU

W.P.No.25139 of 2021
and WMP.No.26506 of 2021

1.R.Meenakshi
2.V.Rajini

... Petitioners

vs.

1.The Postmaster General,
Chennai City Region,
Chennai 600 002.

2.The Assistant Director (SB&FS),
O/o.Chief Postmaster General,
Tamil Nadu Circle,
Chennai 600 002.

3.The Post Master,
Kodambakkam Post Office,
No.39, Railway Border Road,
Kodambakkam, Chennai 600 024.

... Respondents

Prayer: Writ Petition filed under Article 226 of the Constitution of India to issue a Writ of Certiorarified Mandamus to call for the records pertaining to the impugned order passed by the 1st respondent herein in Memo No.SB/CC-02/2021/DIGs dated at Chennai 600001 the 31.08.2021, quash the same and consequently direct the 1st respondent to pay 7.2% interest for the 3 accounts opened by the petitioners w.e.f., 20.03.2020.

For Petitioner : Ms.D.Geetha

For RR1 : Mr.R.Rajeshvivekananthan
ASGI



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ORDER

This Writ Petition has been filed to quash the impugned order of the 1st respondent, rejecting the representation of the petitioners seeking higher rate of interest at 7.2% and to direct the 1st respondent to pay the said rate of interest for the 3 accounts opened by the petitioners.

2. It is averred in the writ petition that based on the advertisement given by the respondents-Postal Department, the 2nd petitioner decided to open a Recurring Deposit account in the 3rd respondent Post Office. The petitioners submitted application form on 20.03.2020 along with three cheques to open three Recurring Deposit accounts at the interest rate of 7.2% for Rs.50,000/- each.

3. Due to pandemic situation, the petitioners were not able to get the pass book. On 06.05.2020, when they approached the 3rd respondent for Passbook, it was informed that RD account was not opened and cheques were also not sent for clearance. The 3rd respondent further informed that after continuous efforts, cheques were represented and three accounts were opened with an interest rate of 5.8% which was relevant interest at that point of time.



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4. Aggrieved by the delayed opening of RD accounts, and lower interest rate, the petitioners made representations to the respondents requesting to consider the interest rate as 7.2% taking into date of application and cheque dated 20.05.2020. Since the said request was not considered, they approached this Court by filing WP.No.8882/2021. The said writ petition was disposed of on 02.07.2021 with a direction to the 1st respondent to consider the petitioners' representation. Thereafter, the petitioners representation was considered and the impugned rejection order was passed. Challenging the same, the present Writ Petition is filed.

5. The learned counsel for the petitioners submitted that the petitioners have presented the cheques on 20.03.2020 itself and the lockdown was announced only from 25.03.2020. There are four working days from 20.03.2020 to 24.03.2020. The delay occurred in realising the cheques was purely on the part of the respondent Department and therefore the interest rate that was existing as on the date of presentation of the cheques, ought to have been fixed for the recurring deposits.

6. Respondents filed counter affidavit and the learned Additional



Solicitor General of India appearing for the 1st respondent submitted that the cheques were received at T.Nagar HO and efforts were taken to clear the cheques. Since there was an image error, the cheques were returned with remark 'Failed at CHI'. Due to this technical issue, the cheques were not cleared. Immediately thereafter, due to pandemic situation, all the cheques received by T.Nagar HO during the period from 23.03.2020 to mid of April 2020 were not cleared. Meantime, interest rates of RD was reduced from 7.2% to 5.8%. Subsequently, the petitioners cheques were represented and accounts were opened on 21.05.2020. As per the provisions contained in "Government Savings Promotion General Rules, the date of opening of the account would be the date of realisation of cheque. Therefore, as on the date of opening of account, the petitioners are only eligible for the revised interest rate of 5.8%.

7. Heard both sides and perused the materials available on record.

8. It is evident that cheques were received by the respondent Department on 20.03.2020 and they forwarded to T.Nagar HO for realisation of the cheque amount. However, due to the technical issue on the side of T.Nagar HO, the cheques were returned. According to the



respondent Department the delay occurred in opening the three RD account was purely due to technical issue in realisation of cheque. But the fact is that the petitioners have presented the cheques much before the pandemic period. Therefore only due to the failure on the part of the respondent Department to immediately act on the realization of cheque amount, the petitioner was put to loss in interest rate and hardship. For such reasons, this Court earlier in W.P.No.8882/2021, directed the respondent / Department to consider the petitioner's representation. However, the respondent without considering the petitioner's grievance and without looking into the date of presentation of cheques by the petitioner and their application for opening of RD accounts, passed the rejection order. Therefore, the order passed by the 1st respondent is unsustainable and it requires interference of this Court.

9. For the reasons stated above, the impugned order passed by the 1st respondent is set aside. The 1st respondent is directed to pay 7.2% interest for the 3 accounts opened by the petitioners w.e.f., 20.03.2020.

10. This Writ Petition is allowed with the above directions.

28.02.2024

Index : Yes/No



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Speaking /Non speaking order
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J.NISHA BANU, J.

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To

- 1.The Postmaster General,
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Chennai 600 002.
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