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W.P.Nos.28214 of 2021 and 21117 of 2024

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 20.09.2024

CORAM:

THE HONOURABLE MR.JUSTICE M.DHANDAPANI

W.P.Nos.28214 of 2021 & 21117 of 2024

and

W.M.P. Nos.29811 of 2021 & 23049 of 2024

Ronak Jain.G

... Petitioner
(in W.P. 28214/2021)

Sneha Jain

... Petitioner
(in W.P. 21117/2024)

Versus

- 1.The Union of India,
Rep.by its Secretary,
Ministry of Finance,
Department of Economic Affairs,
North Block,
New Delhi – 110 001.
- 2.The Post Master General,
Chennai City Region,
Mount Road, Chennai – 600 002.
- 3.The Senior Superintendent of Post Offices,
Chennai City North Division,
Egmore, Chennai – 600 008.
- 4.The Sub-Post Master,
High Court Buildings Post Office,
Chennai – 600 104.

... Respondents
(in both W.Ps.)



W.P.Nos.28214 of 2021 and 21117 of 2024

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Prayer in W.P.No.28214 of 2021 : Writ Petition is filed under Article 226 of the Constitution of India for issuance of a Writ of Certiorarified Mandamus, to quash the letter in SB/PPF/EXCES DEP/DLGS/AT Chennai – 600 104, dated 02.11.2021 on the file of the 4th respondent as perverse, arbitrary and ex-facie illegal and further direct the respondent to not close the PPF account of the petitioner arbitrarily without payment of interest.

Prayer in W.P.No.21117 of 2024 : Writ Petition is filed under Article 226 of the Constitution of India for issuance of a Writ of Certiorarified Mandamus, to call for the records and quash the proceedings in Letter/Memo SB/PPF EXCESS DEPOSIT-SNAHA/HCB/DLGS 2022 at Chennai 600 104, dated 19.05.2022 on the file of the fourth respondent as perverse, arbitrary and ex-facie illegal and further direct the respondent to not close the PPF account No.1327657786 of the petitioner arbitrarily without payment of interest up to date and extend all the benefits under the PPF rules to the petitioner.

For Petitioners : Mr. V. Raghavachari, Senior Counsel.
for Ms. V. Srimathi.

For Respondents : Mr. V. Balasubramanian, (in W.P.No.21117 of 2024)
Senior Panel Counsel (Govt. of India)

: Mrs. V. Sudha (in W.P. No.28214 of 2021)



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W.P.Nos.28214 of 2021 and 21117 of 2024

COMMON ORDER

Challenging the letter dated 02.11.2021 and 19.05.2022 issued by the fourth respondent, the petitioners have filed the above Writ Petition.

2. Since the issues involved in these writ petitions are one and the same, the cases are heard together and disposed of by this common order.

3. The case of the petitioner is that the petitioners' father, namely, Mr. N. Gyanchand Jain is a practicing Advocate. He has initially made a deposit under the scheme of the Public Provident Fund (in short "PPF") account maintained by the fourth respondent in the year 1991, to the tune of Rs.70,000/-. At later point of time, he had also opened two PPF accounts for his minor children/petitioners, namely, Mr.G. Ronak Jain and Ms. Sneha Jain, in the same post office in the year 2006. After lapse of 17 years, the impugned orders were issued by stating that the investment made to the petitioners/minor children is contrary to MOF (DEA)



W.P.Nos.28214 of 2021 and 21117 of 2024

Notification No.GSR 908(E), dated 06.12.2000, under Chapter 2 of the Public Provident Fund Scheme, 1968 in Clarifications, since they are minors. Challenging the said impugned orders passed by the fourth respondent, the petitioners have come up with these present writ petitions before this Court.

4. Learned Senior Counsel submitted that Regulation No.3 makes it clear that any individual may on his own or on behalf of his minor children of whom he is the guardian subscribe to the Public Provident Fund any amount not less than Rs.70,000/- in a year. However, such regulation did not restrict that only one person is entitled to open an account under PPF scheme and in the absence of such restriction relying upon Notification No.GSR 908(E), dated 06.12.2000, which was prior to six years of the petitioners deposit and refusing to pay the interest for the deposit is erroneous. Accordingly, he prayed for appropriate orders.

5. Per contra, learned Standing Counsel appearing for the respondent would submit that the petitioners' father being a practicing advocate, knows all the rules of the PPF scheme and all postal rules and



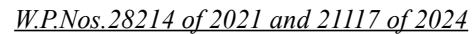
W.P.Nos.28214 of 2021 and 21117 of 2024

WEB COPY

regulations. He had initially deposited a sum of Rs.70,000/- under PPF scheme in the year 1991. By knowing very well, he is not entitled to open another account for his minor children, as per Notification No.GSR 908(E), dated 06.12.2000, in the year 2006, he opened multiple accounts, though, the maximum restriction amount that could be deposited is only Rs.70,000/-. Already the maximum amount of Rs.70,000/- was deposited by the petitioners' father and he had opened two PPF accounts in the name of the petitioners and made deposits over the maximum permissible limit, which is contrary to the rules and regulations under GSR 908(E), dated 06.12.2000, and he prayed for dismissal of the writ petition.

6. Heard the learned Senior Counsel for the petitioner and the learned Special Government Pleader appearing for the respondents and perused the materials available on record.

7. The facts that revealed from the submissions of both counsel is that the petitioner's father made the deposit under PPF scheme to the tune of Rs.70,000/-, to the petitioners in the year 2006 with the fourth respondent. However, it is the main contention of the fourth respondent



8. Be that as it may, however the fact remains that if making deposit of minor children is contrary to GSR 908(E), dated 06.12.2000, during year 2000 itself, the fourth respondent could have informed the same to the petitioners or atleast at the time of opening another two accounts in year 2006 itself (i.e. 22.06.2006). If it had been informed, the petitioners' father would very well deposited the said sum to some other bank. Instead, keeping the deposit for more than 17 years and later demanding payment of interest citing the aforesaid Notification No.GSR 908(E), dated 06.12.2000 resulting in passing the the impugned order is not sustainable. In view of the same, the impugned order issued by the fourth respondent is liable to be set aside.



W.P.Nos.28214 of 2021 and 21117 of 2024

WEB COPY

9. Accordingly, the Writ Petitions are allowed in the following terms:-

(a) the impugned order issued by the fourth respondent is hereby set aside;

(b) the fourth respondent is directed to pay the applicable interest on the deposit to the petitioners under the PPF scheme from 22.06.2006 to 20.09.2024, viz., the date of passing of this order, within a period of four weeks from the date of receipt of a copy of this order, along with principal amount. If the fourth respondent fails to pay the amount within the period aforesaid, the petitioners would be entitled to interest from 22.06.2006 till the date of payment of interest along with principal;

(c) there shall be no order as to costs;

(d) consequently, the connected miscellaneous petitions are also closed.

20.09.2024

Index: Yes/No

Internet: Yes/No

Speaking/Non-Speaking order



W.P.Nos.28214 of 2021 and 21117 of 2024

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To

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M.DHANDAPANI, J.,

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