

DISTRICT CONSUMER DISPUTE REDRESSAL COMMISSION
KOLKATA UNIT-III(South),West Bengal
18, Judges Court Road, Kolkata 700027

Complaint Case No. CC/50/2022
(Date of Filing : 27 Jan 2022)

1. Smt. Rina Roy.

W/o Bikash Chandra Roy, residing at 230B, Talpukur Road, Kol-700061, P.s.-Sarsuna, P.O.-Sarsuna, Dist-South 24 Parganas.

2. Kanakava Roy

S/O Bikash Chandra Roy, Residing At 230B, Talpukur Road, Kol-700061, P.S.-Sarsuna, P.O.-Sarsuna, Dist-South 24 Parganas.

3. Sri Arunabah Roy

S/O Bikash Chandra Roy, Residing At 230B, Talpukur Road, Kol-700061, P.S.-Sarsuna, P.O.-Sarsuna, Dist-South 24 Parganas.

.....Complainant(s)

Versus

1. UCO Bank

Sarat Bose Road Branch. No. 136A Rashbehari Avenue, Sarat Bose Road, Kol-700029, P.s.-Lake, Dist-South 24 Parganas.

2. The Manager, (Dhiraj Kumar) Uco Bank.

Sarat Bose Road Branch. No. 136A Rashbehari Avenue, Sarat Bose Road, Kol-700029, P.s.-Lake, Dist-South 24 Parganas.

3. The Zonal Manager, Kolkata Zonal office Uco Bank.

No. 3 & 4, DD Block, Sector-1, Bidhannagar, Kol-64.

4. Customer Grievance Cell, General Manager Strategic planning Department, H.O.

UCO Bank, 2nd floor, 10BTM Sarani, Kol-700001.

.....Opp.Party(s)

BEFORE:

HON'BLE MRS. Monihar Begum PRESIDING MEMBER

HON'BLE MR. Manish Deb MEMBER

PRESENT:

Dated : 05 Apr 2024

Final Order / Judgement

Date of Filing : 27/01/2022

Date of Judgement : 05/04/2024

Mr. Manish Deb, Hon'ble Member

The instant complaint filed by complainants u/s 35 of Consumer Protection Act, 2019 herein after called the said Act, against the opposite parties.

The facts of the case is that the complainants are customers of opposite parties Bank having a Fixed Deposit Account No.14810310026427 of Rs.4,150/- dated 30.10.2009 in UCO Bank, Sarat Bose Road Branch, Kolkata 700029, said Fixed Deposit was also renewed and finally it matured on 07.11.2021 and matured value of the fixed deposit was Rs.7,337/- whereas on maturity of the Fixed Deposit, complainants visited the OPs Bank to collect the matured amount and requested the OP1, the Branch Manager, UCO Bank, Sarat Bose Road Branch to credit the said matured amount of the FD to savings account being No.0592010068192, which has been maintaining at UCO Bank, Behala Branch where the complainants already submitted their KYC documents like PAN Card, Aadhaar Card etc. on two months back prior to request for credit of the matured amount of the fixed deposit to their savings account maintained at UCO Bank, Behala Branch.

Whereas the complainant No.3 personally requested the Manager the OP1 opposite party to credit the matured fixed deposit amount to the complainant's Savings Accounts, through a letter and attached the original fixed deposit certificate/documents, but the opposite party No.1, the Branch Manager did not credit the fixed deposit matured amount to the complainant's savings account in UCO Bank, Behala Branch, Kolkata, stating that the customer ID of the Savings Account and fixed deposit account maintained at Sarat Bose Road Branch has no KYC details in respect of fixed deposit account, therefore they were unable to match the customer ID to another account as customer ID of fixed deposit account has no KYC details.

The complainants made several visit to the opposite parties Bank and made verbal representation but all their efforts went in vein. The complainants have also raised the issue before opposite parties OP2 to OP4 but they have also did not take any step to resolve the grievance of the complainants.

Being aggrieved by the repeated refusal of the opposite parties, the complainants filed

this complaint before commission seeking direction upon opposite parties to pay the maturity proceeds of fixed deposit with interest, harassment/compensation cost of Rs.3,00,000/- and litigation cost of Rs.15,000/- and other orders by this Commission.

The opposite parties have entered in the case and filled their written version also denied the all allegations of the complainants, also submitted that they have several times requested and demanded for KYC documents from the complainants for credit the matured Fixed Deposit Amount to the Savings Accounts of the complainants, but the opposite parties did not file any documents in support of their contention, did not adduce any evidence on lapse of several opportunities which given to the opposite parties by this commission.

The complainants have submitted their Evidence, Brief Note on Argument stating that the opposite party Bank neither credit the Fixed Deposit matured amount to the Savings Account of the complainants nor they have returned the original Fixed Deposit Certificate or documents to the complainants.

Complainants made several request and visited the opposite parties Bank and made verbal representation. The complainants submitted copy of the fixed deposit as annexure with their compliant petition.

Points for decision are

- Whether the complainants are consumers.
- Whether there is deficiency of service.
- Whether the complainants are entitled to any relief.

As we are observed after perusal of the complainants, written version of the opposite parties, where main disputes of bone of contention was submission and obtaining of KYC documents to credit the matured amount of the fixed deposit to the savings account of the complainants.

If we observe that the Core Banking Solution (CBS) system is the networking of bank branches which allows customers to manage their Accounts and the use various Banking facilities from any part of the world. In simple terms, there is no need to visit customers own branch to do banking transaction. Customer can do it at any location, any time. Customer can enjoy Banking Services from any branch of the Bank which is on the CBS network, regardless of the branch customer has opened his/her accounts. For the Bank which implements CBS, the customer becomes the Bank's customer instead of the customer of a particular branch. Execution of core banking system across all branches helps to speed up most of the common transaction

of Bank and Customer. In core banking all branches across banking application from a centralized server which is hosted in a secured data center, Banking software/application performs basic operation like maintaining transactions, the balance of withdrawal, payment, interest calculation on deposit and loans etc. This banking application is deployed on a centralized server and can be accessed using the internet from any location.

In spite of that it is mandatory for Bank customers to do periodic updation of Know Your Customer (KYC) details. Banks may ask customers for re-KYC to keep their records updated. The Reserve Bank of India (RBI) has simplified the periodic updation of the KYC (re-KYC) process. Banks may be required to conduct a fresh KYC in some instances such as when the KYC documents with the banks do not confirm the officially valid documents list or validity of the submitted KYC documents has expired. Customers can do fresh KYC by visiting the Bank Branch.

Even bank should keep in mind the spirit of instructions given by the Reserve Bank of India and avoid undue hardships to individual; Banks are advised that KYC once done by one branch of the Bank should be valid for transfer of the account within the bank as long as full KYC has been done for the concerned account. The customer should be allowed to transfer his account from one branch to another branch without restrictions. In order to comply with KYC requirements of correct address of the person and identification of the account holder and fresh address of the person, fresh address proof may be obtained from him/her upon such transfer by the transferee branch.

It is a fact that under core banking solution (CBS) accounts from one branch to another branch of the same bank can be transferred, even the closure proceed of one account can be credited to another account of the same customers.

However, as per RBI guidelines, re-KYC is must for different categories of customer, as in that particular case, fixed deposit was opened on declaration basis and no KYC was done, may be as the amount was very small, but as per present guidelines of RBI, re-KYC has to be done before payment, hence the complainants have to complete the re-KYC at the branch where the fixed deposit was opened.

In the present case complainants approached to the opposite parties with a letter and original fixed deposit documents but the OP No.1 the Branch Manager declined to credit the fixed deposit matured amount to the complainants savings account in the UCO bank, Behala Branch, Kolkata stating that the customer ID of the savings account and customer ID of fixed deposit account maintained at Sarat Bose Road Branch are not matched as fixed deposit account has no KYC details. Therefore, they

were unable to merge the both customer ID. In this point of view opposite parties were right and did nothing wrong. But the opposite parties failed to provide their services to the complainants as customers, inspite of they have got sufficient means or ways to resolve the grievances of the complainants, whereas the complainants were harassed by the opposite parties several times, thus the complainants are entitled to get relief in respect of harassment point.

DECISION

The complainants are consumers beyond any doubts under provision of the section 7(ii) of the consumer protection act 2019, since the opposite parties did not fulfill their obligation towards their customers by providing proper service and there was deficiency of service on their part.

The only points required to be determined here, whether the complainants are entitled to the relief(s) as prayed for.

After perusal of complaint petition of the complainants, written version of the opposite parties, our observation is that main disputes and bone of contention was submission and obtaining of KYC documents for the Fixed Deposit accounts which maintained at a different station/branch of the opposite party UCO Bank. The Opposite parties failed to provide their services to the complainants in spite of there was a provision of Core Banking Solution (CBS) system, which is prevailing in all branches of the complainants, the opposite parties could easily utilize the service of system of Core Banking Solution (CBS).

During the course of the trial the complainants filed evidence the opposite parties have filed written version and brief note of arguments on behalf of the complainants also heard complainants, opposite parties did not filed any brief note of argument.

On perusal of the documentary evidence available in the record and verbal submission of the complainants and on the substances of the complainants which was unchallenged by the opposite parties, we are in opinion that the complainants are entitled to get relief as prayed for partly. We have found that there was deficiency in service on the part of the opposite parties, as they have declined to credit the matured fixed deposit amount to the account of the complainants, as there was/is scope of utilization of service of Core Banking Solution (CBS) system.

On the other hand as per RBI guideline re-KYC had to be done by the complainants before making any prayer for payment or credit of such kind of matured amount of fixed deposit which originated from a different account, having different customer ID,

in this aspect we can say that opposite parties were not wrong in their decision by demanding KYC from complainants, the complainants were duty bound to file the re-KYC on demand it was fault, above all; the opposite parties have harassed their customer i.e. complainants unnecessarily.

ORDERED

For the reasons recorded above the complaint is partly accepted with cost and opposite parties are directed as under:-

- a. To transfer the matured amount of fixed deposit with interest as mentioned in the fixed deposit certificate, by maintaining the RBI's guide lines, also following the re-KYC formalities before the branch where fixed deposit are opened.
- b. To pay compensation for causing mental agony and harassment, deficiency in providing service also cost of litigation in lumpsum to the tune of Rs.20,000/- (Rupees twenty thousand) only to the complainants within a period of 60 days from the date of this order failing which the amount of Rs.20,000/- shall carry interest @9% p.a. from the date of passing of this order till realization.

The complaint case is hereby disposed of.

Directed and corrected by me

Member

[HON'BLE MRS. Monihar Begum]
PRESIDING MEMBER

[HON'BLE MR. Manish Deb]
MEMBER