

R-11017/46/2025-OMB/CRCS
Office of Cooperative Ombudsman
Ministry of Cooperation
Government of India

9th Floor, Tower-E, World Trade Centre,
Nauroji Nagar, Delhi-110029

Dated: 10th October 2025

Hearing in the matter of Smt. A. Rajeswari Devi Vs. The Citizen Cooperative Society Ltd., Hyderabad before the Cooperative Ombudsman

Smt. A. Rajeswari Devi

Complainant

The Citizen Cooperative Society Ltd., Hyderabad

Respondent

ORDER

1. Smt. A. Rajeswari Devi, in her complaint dated 02nd April 2025, has stated that after the death of her father Shri R.V. Krishna Murthy on 20th September 2019, she and other legal heirs executed a Family Settlement on 21st September 2022 and submitted it to the Citizen Cooperative Society Ltd. on 05th March 2023 for settlement of accounts. However, the society, after receiving an objection from one of the legal heirs vide letter dated 19th June 2023, stopped processing the claim and advised the claimants to resolve their dispute amicably.
2. In response to notice dated 24th April 2025 issued by the office of the Cooperative Ombudsman, the respondent society in reply dated 09th May 2025 informed that they were unable to process the claim due to internal disputes among the family members.
3. Complainant and respondent were summoned for a hearing before the Cooperative Ombudsman through video conferencing on 09th July 2025. Smt. A. Rajeswari Devi, complainant along with her son Shri Prithvi and Shri P.V. Subbaiah Chowdhary, Chief General Manager of the respondent society attended the hearing.
4. The complainant reiterated her stand largely in line with her complaint and requested for settlement of claim on the basis of nomination and family settlement. The respondent society stated that due to dispute among the legal heirs of the deceased, they have to stop processing the claim.
5. Cooperative Ombudsman directed the respondent society to call the complainant and to try to resolve the issue strictly in accordance with applicable guidelines and prescribed procedure. The respondent society was also told that no directions were being issued for settlement of death claim in any particular manner and it was for them to ensure that there was no violation of law/procedure on their part.



6. The respondent society vide letter dated 29th August 2025 further informed that in pursuance to the advice of the Cooperative Ombudsman to dispose the matter as per society's rules in force, they have advised the legal heirs of the deceased, vide letter dated 30th July 2025, to settle the dispute among themselves.
7. The complainant in her submission vide letter dated 18th August 2025 has claimed that the society was highlighting the presence of disputes to hide the procedural and administrative lapses from their end in claim settlement.
8. On perusal of facts and available records, following aspects emerge:
 - i. After the death of Shri R. V. Krishna Murthy in September 2019, his legal heirs arrived at Family Settlement in September 2022 and submitted it to the society in March 2023 for processing the claim. Subsequently, one of legal heirs requested the society in June 2023 to stop disbursing the amount. There seems to be inherent dispute among the legal heirs.
 - ii. The respondent society, after receiving the request in March 2023 should have acted promptly to process the claim as per extant guidelines and procedure. However, they did not take any action on the same for more than three months.
9. After due consideration of the representations made, documents submitted and the relevant provisions of law, the matter is hereby disposed off with following directions:

The Citizen Cooperative Society Ltd., Hyderabad should ensure that there is no delay on their end in releasing the money to the rightful/legitimate claimants in accordance with law and after fulfilling all necessary legal conditions.


(Alok Agarwal)
Cooperative Ombudsman

New Delhi

Complainant:

Smt. A. Rajeswari Devi, Flat No. G-3, Meghna Residency, H. No. 19-147/2, Street No.2, Gautham Nagar, Malkajgiri, Hyderabad-500 047.

Respondent:

Chairman, The Citizen Cooperative Society Ltd., 7-133/1, Huda Colony, Saroor Nagar, Hyderabad- 500 035.

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