

(1993) 05 NCDRC CK 0033**NATIONAL CONSUMER DISPUTES REDRESSAL COMMISSION****Case No:** None

BRANCH MANAGR, CANARA
BANK

APPELLANT

Vs

MAKARA PRUSTY

RESPONDENT

Date of Decision: May 17, 1993

Citation: 1993 2 CPR 372 : 1993 3 CPJ 1331

Hon'ble Judges: S.C.Mohapatra , R.N.Panigrahi , J.Patnaik J.

Final Decision: Appeal allowed

Judgement

1. OPPOSITE Party No. 1 is appellant against a direction under Section 14(1)(d) of the Consumer Protection Act. 2.Complainant had invested money in the bank under the Loan Linked Deposit Scheme. He was to deposit Rs. 500/- per month for three years and on full payment would get a loan three times of the maturity value of the amount. While complainant was depositing the said amount, he became co-obligant in respect of a loan taken by one Surendra Prusty on basis of which bank advanced. When notice was sent to Surendra Prusty to pay the loan amount he did not pay. Thereupon, appellant issued a notice to the complainant that the amount shall be adjusted from out of L.L.D. Account. Apprehending adjustment of loan amount he was the co-obligant, complainant has filed the complaint praying for payment of the maturity value including interest to the complainant and for a direction to grant the promised loan. Along with it complainant prayed for compensation of Rs. 10,000/- in the minimum for mental and financial suffering and Rs. 2,000/- towards the cost of proceeding. District Forum having directed the opposite parties to pay the maturity value of the L.L.D. Account with interest at the rate of 10 per cent till the date of order and at the rate of 12 per cent per annum until the date of payment together with compensation of Rs. 2,000/- and litigation cost of Rs. 500/-, this appeal has been filed by opposite party No.1. 3. Once complainant is having one Loan Linked Deposit Account, he is getting the banking service from the opposite parties and is a consumer. If the loan agreed to be granted is refused, a question of deficiency in service would arise provided sufficient

explanation is not available to be given by opposite parties. If the deficiency in service is on account of negligence of opposite parties, direction under Section 14(1)(d) can be given. As the language of Section 14(1)(d) stands, there is no scope for a direction for refund of the amount with interest although the same can be directed as a chance to the opposite parties to mitigate the grievance failing which compensation can be granted. Redressal agencies under the Consumer Protection Act being Tribunals created under statute have limited jurisdiction as provided in the statute and they are to exercise the power vested in the statute and no more. This is to be kept in mind. 4. When there was an account of the complainant and complainant was co-obligant in respect of another loan, there is a general banker's lien. Whether such a lien was there would be a better material which has to be decided by law Courts. If a banker believing that it has the general power of lien, issues notice to adjust the amount due from that loan, it cannot be said to be a negligence as the view cannot be said to be only unreasonable. In such circumstances, complainant cannot get any redress from a Redressal Forum and he has to approach the appropriate forum under the general law for redressal of his grievance. 5. In result, appeal is allowed and the order of the District Forum is reversed. Appeal allowed.