(1993) 01 NCDRC CK 0001

In the National Consumer Disputes Redressal Commission

SUSHMA JAIN APPELLANT

Vs

Central Bank of India RESPONDENT

Date of Decision : 20-01-1993

Acts Referred:

Citation : 1993 1 CPJ 349 : 1993 2 CLT 350

Hon'ble Judges : S.S.Sandhawalia , Basanti Devi , S.Kulwant Singh J.

Final Decision : Preliminary objections dismissed

Judgement

1. FOR the limited purpose of disposing of the preliminary jurisdictional objections raised by the opposite party, it is wholly unnecessary to delve into the facts deeply. It suffices to mention that the complainant Smt. Sushma Jain after securing her masters Degree had approached the District Industries Centre, Kurukshetra for a loan of Rs. 25,000/- under the scheme of self-employment for educated unemployed youth. Her case was duly recommended to the opposite party Central Bank of India, Jhansi (hereinafter referred to as the ''Bank'') for further necessary action. Consequent thereto, the requisite subsidy was released to the complainant after she had filed her original educational certificates with the District Industries Officers which were duly forwarded to the Bank herein. In the consumer jurisdiction, her primal grievance is against the wrongful retention of the said certificates leading to loss of valuable employment opportunities.

2. IN the written statement filed on behalf of the Bank as many as four purported preliminary objections have been taken. However, the primal one pressed by Mr. R.K. Aggarwal, the learned Advocate for the Bank is that the complainant does not come within the definition of a ''consumer'' and consequently the proceedings are not maintainable. It was argued that the Bank in acting under the scheme of self-employment for the educated unemployed youth, had only extended a loan to the complainant. The stand taken was that the relationship between the complainant and the Bank was one of a debtor and creditor and no question of the hiring of any Banking services arises herein. We are unable to find any modicum of merit in the somewhat hyper-technical plea

aforesaid. It is manifest that Banking has been in express terms included in the definition of'' service under the Act. It is specifically alleged in the complaint that there was a hypothecating of the typing machines to the Bank and consideration was also paid by way of guarantee fees of Rs. 1 percent every year on the balance as on 31st March. It is somewhat plain that herein the complainant had clearly availed of the services of the Bank through the District Industries Centre and the relationship of a Banker and customer is plain on the record. It is elementary that extending loans to its customers is one of the integral functions of banking as such, and cannot possibly be divorced therefrom. Mr. Aggarwal''s tenuous plea that as a scheduled Bank of standing the opposite party in extending the loan was not rendering banking services or come within the ambit of the definition thereof is in our view patently untenable.

In all fairness we must notice Mr. Aggarwal''s tenuous reliance on the Division Bench judgment AIR 1960 Punj.1 Firm Jaikishen Dass Jinda Ram & Others v. Central Bank of India through Manager''. However, we are unable to see how the said authority in any way aids or advances the opposite party''s case. Herein, we are concerned with the subsequent statute of the Consumer Protection Act, 1986 and the newly introduced concept of the hiring of services and deficiencies therein qua the consumers. This was not and indeed could never be a matter of consideration in the aforesaid judgment.

3. FOR the foregoing reasons, the preliminary objections raised must fail and are hereby dismissed. The complaint will now proceed for trial on its merits. Preliminary objections dismissed.