

**IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH**

CWP No. 25188 of 2012 (O&M)

Date of decision : 8.2.2016

M/s Metals India

.. Petitioner

versus

Corporation Bank and others

.. Respondents

Coram: Hon'ble Mr. Justice Rajesh Bindal

Present: Mr. Rohit Ahuja, Advocate, for the petitioner.

Mr. Tribhawan Singla, Advocate, for respondent nos. 1 and 2.

Rajesh Bindal, J.

Challenge in the present petition is to the communication dated 25.6.2012 vide which the appeal of the respondent-bank filed before the Appellate Authority against the order passed by the Banking Ombudsman in complaint no.201112014001433, was allowed.

The point raised by learned counsel for the petitioner was that in a detail award, the Banking Ombudsman accepted the complaint made by the petitioner against the bank for award of ₹ 9,79,386.70 along with applicable interest. Being aggrieved against the award, the respondent bank preferred appeal. The submission is that without even issuing notice in the appeal for affording opportunity of hearing, the same was accepted by the Appellate Authority and merely a communication was sent regarding acceptance of appeal without there being any order passed.

Referring to Clause 14(2) of the Banking Ombudsman Scheme 2006 (for short, 'the Scheme'), as framed in exercise of the powers conferred under Section 35A of the Banking Regulation Act, 1949 (10 of 1949), it was submitted that the Appellate Authority is bound to afford reasonable opportunity of hearing to the parties before dealing with the appeal. The prayer is that the impugned order be set aside and the matter be remitted back to the Appellate Authority for fresh decision after affording opportunity of hearing.

Considering the aforesaid factual matrix, in my opinion, the communication dated 25.6.2012 vide which the appeal filed by the

respondent-bank was accepted by the Appellate Authority deserves to be set aside.

Ordered accordingly.

The matter is remitted back to the Appellate Authority to be decided afresh in accordance with law after affording opportunity of hearing to both the parties. The parties are directed to appear before the Appellate Authority on 21.3.2016.

The petition stands disposed of.

8.2.2016
vs

(Rajesh Bindal)
Judge