



BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 22.10.2019

CORAM:

THE HONOURABLE MR.JUSTICE M.GOVINDARAJ

W.P (MD) No.22262 of 2019

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Arun Spinning Mills P Ltd.,
S.F.No.384/2, Thottiapatti Road,
Rajapalayam - 626 117,
rep.by its Managing Director
P.Subbaraman

.. Petitioner

Vs.

The Banking Ombudsman
C/o.Reserve Bank of India,
Fort Glacis,
Chennai - 600 001.

... Respondent

PRAYER: Writ Petition filed under Article 226 of the Constitution of India praying for the issuance of a writ of mandamus directing the respondent to take up the petitioner's complaint dated 29/10/2018 for hearing and to dispose of the said complaint as per the provisions of Banking Ombudsman Scheme, 2006 issued under Section 35A of the Banking Regulation Act, 1949.

For Petitioner : Mr.S.P.Parthasarathy

ORDER

This writ petition is filed seeking a direction to the respondent taken up the petitioner's complaint dated 29.10.2019 and dispose of the same as per the provisions of Banking Ombudsman Scheme, 2006 issued under Section 35A of the Banking Regulation Act, 1949.

2.In view of the nature of order going to be passed hereunder, notice need not be sent to the respondent and the writ petition is taken up for final disposal at the stage of admission itself.

3.In exercise of powers conferred under Section 35-A of the Banking Regulation Act, 1949, the Reserve Bank of India framed a scheme, called the Banking Ombudsman Scheme, 2006. The Banking Ombudsman was appointed by the Reserve Bank of India to carry out the functions entrusted to him by or under the Scheme. Since the Banking Ombudsman is the creature of the statute, he shall exercise his powers of superintendence and control over his office



in consultation with Reserve Bank of India.

4. In the matter of deficiency of service by banks, the petitioner filed one such application before the Ombudsman. However, he refused to entertain the petition by his letter dated 05.12.2018 on the ground of pecuniary jurisdiction. Aggrieved over the same, the petitioner is before this Court.

5. The learned counsel appearing for the petitioner would contend that no such pecuniary limit is fixed for the Ombudsman and therefore, a direction should be issued to entertain the appeal.

6. Clause 14 of the Scheme provides for appeal before the appellate authority, against an award or rejection of a complaint. Clause 13 of the Scheme specifies the grounds, on which, a complaint can be rejected, against which, the above said appeal remedy is available. Clause 13 reads as under:

"13. Rejection of the complaint.- The Banking Ombudsman may reject a complaint at any stage if it appears to him that the complaint made is:-

(a) Not on the grounds of complaint referred to in clause 8; or

(b) beyond the pecuniary jurisdiction of Banking Ombudsman prescribed under Clause 12; or

(c) frivolous, vexatious, malafide; or

(d) without any sufficient cause; or

(e) that it is not pursued by the complainant with reasonable diligence; or

(f) in the opinion of the Banking Ombudsman there is no loss or damage or inconvenience caused to the complainant; or

(g) requiring consideration of elaborate documentary and oral evidence and the proceedings before the Banking Ombudsman are not appropriate for adjudication of such complaint."

7. Sub clause (b) of Clause 13 specifies that a complaint may be rejected when it is beyond the pecuniary jurisdiction of Banking Ombudsman prescribed under Clause 12. Therefore, the complaint cannot be rejected on pecuniary jurisdiction. However, when there is appeal remedy available against the rejection of the letter of Banking Ombudsman, the petitioner shall approach the appellate authority under Clause 14 of the Scheme. Therefore, the petitioner is directed to approach the appellate authority. Further a direction is given to the appellate authority to entertain the appeal preferred by the petitioner without insisting on



limitation period.

8.The writ petition is disposed of with the above direction. No costs.

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Sd/-

Assistant Registrar ()

// True Copy //

Sub Assistant Registrar(CS)

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+1 CC to M/s.R.S.PANDIYARAJ, Advocate (SR-93820[F] dated 23/10/2019)

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22.10.2019

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