



WEB COPY



WP No.637 of 2024

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 21.07.2026

CORAM

THE HON'BLE MR.SUSHRUT ARVIND DHARMADHIKARI,
CHIEF JUSTICE

AND

THE HON'BLE MR.JUSTICE G.ARUL MURUGAN

WP No.637 of 2024
and WMP No.647 of 2024

Ambica Agarbathies Aroma and Industries Limited,
Rep. By its Director and Authorized Signatory,
Shri.A.G.N.V.S.Ambica Ramachandra Rao.
Having office at Shankar Towers, Power Pet,
Eluru, West Godavari, Andhra Pradesh 534 002.
and having branch office at: Ambica Empire,
No.79, 100 Feet Road, Thiru Nagar Colony,
Vadapalani, Chennai 600 026.

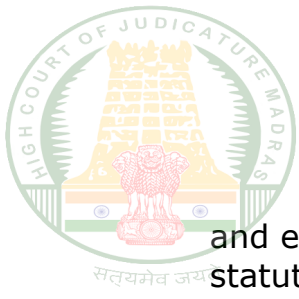
.. Petitioner

-VS-

1. Department of Supervision,
Reserve Bank of India,
Rep. By Chief General Manager-in-Charge,
Centre I, World Trade Centre,
Mumbai 400 005.
2. Authorized Officer,
LIC Housing Finance Limited,
"Harrington Chambers", No.30/1A,
Block A (First Floor) & Block C
Abdul Razack 1st Street,
Saidapet, Chennai 600 015.

.. Respondents

Prayer: Petition filed under Article 226 of the Constitution of India for
issuance of a Writ of Mandamus directing the 2nd respondent to follow
Page 1 of 6



WP No.637 of 2024

and extend the benefit of the non-discriminatory and non-discretionary statutory Framework and Guidelines issued by the 1st respondent in DOR.No.BP.BC/3/21.04.048/2020-21 ("Resolution Framework for COVID related Stress") r/w FIDD.MSME & NFS.BC.No.21/06.02.31/201516 ("Framework for Revival and Rehabilitation of Micro, Small and Medium Enterprises"), RPCD.CO.MSME & NFS.BC.40/06.02.31/2012-2013 ("Guidelines for Rehabilitation of Sick, Micro and Small Enterprises"), RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 ("Master Direction - Non-banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021") and "GUARANTEED EMERGENCY CREDIT LINE (GECL) 1.0. 2.0 & 3.0" and consider the representation of the petitioner dated 02.12.2020 and undated _/01/2021.

For Petitioner : Mr.B.Aravinth Sittharth

For Respondents : Mr.C.Mohan
for Mrs.a.Rexy Josephine Mary
for M/s.King & Partridge
for R-1
: Mr.R.Imayavaramban
for M/s.Ramalingam Associates
for R-2

* * * * *

ORDER

(Order of the Court was made by the Hon'ble Chief Justice)

The present writ petition filed under Article 226 of the Constitution of India seeks for issuance of a direction to the second respondent to follow the statutory framework and guidelines issued in respect of MSME.



WP No.637 of 2024

WEB COPY

2. Learned counsel appearing for the respondents submits that the relief sought for in this writ petition is squarely covered by the judgment of the Hon'ble Supreme Court in the case of ***Small Scale Industrial Manufacturers Association (Regd.) vs. Union of India, (2021) 8 SCC 511***, as the very same framework and guidelines were the subject matter of the writ petitions before the Hon'ble Supreme Court. He has pointed out that the Hon'ble Supreme Court has held that no positive direction can be issued to the bankers to implement the Circulars/Notifications in a particular manner and it should have been left to the bankers, as the bankers are commercial entities and since the customer profile, organisational structure and spread of each lending institution is widely different from others, each lending institution is best placed to assess the requirements of its customers and therefore, the discretion was left to the lending institutions concerned and any borrowing arrangement is a commercial contract between the lender and borrower. RBI and/or the Union of India, can provide for broad guidelines while recommending to give the reliefs. In view of the same, the learned counsel submitted that no mandamus can be issued to the petitioner in this regard.



WP No.637 of 2024

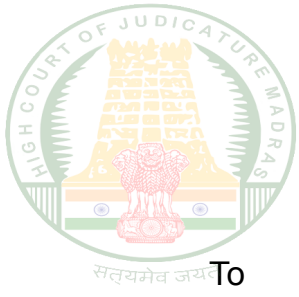
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3. In view of the judgment of the Hon'ble Supreme Court in ***Small Scale Industrial Manufactures Association*** (supra), no such direction can be issued as prayed for in this writ petition.

Accordingly, this writ petition stands dismissed. There shall be no order as to costs. Consequently, the interim application stands closed.

(SUSHRUT ARVIND DHARMADHIKARI, C.J.) (G.ARUL MURUGAN, J.)
21.07.2026

Index : Yes/No
Neutral Citation : Yes/No
sra



WP No.637 of 2024

WEB COPY

- To
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THE HON'BLE CHIEF JUSTICE
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(sra)

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