IN THE HIGH COURT OF JUDICATURE AT PATNA
Civil Writ Jurisdiction Case No.4046 of 2009

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Sanjay Singh, son of Sri Bharat Singh, resident of Village Bajitpur (Chaturpur), Post Office Gopalpur, P.S. Nayagaon, Dist. Saran.

.... Petitioner/s

Versus

1. The Central Bank of India through its Chairman, Central Office, Chandramukhi, Nariman Point, Mumbail.
2. The Regional Manager, Central Bank of India, Siwan, Dist. Siwan.
3. The Branch Manager, Central Bank of India, Pahleja, Dist. Saran.

.... Respondent/s

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Appearance :
For the Petitioner/s : None
For the Respondent/s : Mr. Ajay Kumar Sinha, Adv.

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CORAM: HONOURABLE MR. JUSTICE MIHIR KUMAR JHA
ORAL ORDER

3 22-01-2015 No one appears for the petitioner.

The prayer of the petitioner in this writ application reads as follows:-

"1. ---- for quashing the notice dated 18.02.2009 issued by Respondent no.3 (Annexure-5) whereby and whereunder petitioner has been directed to pay loan amount of Rs. 390000/-.

This Court on perusal of the writ application would find that the petitioner had assailed the demand notice of the Central Bank of India (hereinafter to be referred to as 'the Bank') primarily on two grounds, namely, that the Bank was itself responsible for the damage to the vehicle by not getting it insured and secondly that the waiver of loan as permissible and admissible was not sanctioned by the Bank.

In this case, a counter affidavit has been filed wherein the respondents have explained both the grievances of the petitioner and, to that extent, it would be relevant to quote paragraph no.5, 6, 9 & 11 which reads as follows:-

"5. That the respondent Bank craves leave of this Hon'ble Court to bring on record the statement of Tractor Loan A/C of the petitioner from 28.11.2003 to 27.3.2009 which shows that against the aforesaid tractor loan of about Rs. 3 lacs t he petitioner has paid only a meager amount in about 6 years i.e. about Rs. 60,000/- and odd, which shows the petitioner neglected to repay the amount. Statement to the contrary made in the writ petition is thus denied.

6. That there is no obligation on the part of the respondent Bank to get the vehicle insured from its own fund rather the petitioner was under legal obligation to get the vehicle insured as stipulated in paragraph 10 of Hypothecation agreement. However the Bank got the vehicle insured upto 2006-2007 though the A/c remained irregular and thereafter considering the petitioner failure to regularize the amount and failure to pay even the interest amount the Bank did not get the vehicle insured thereafter. The grievance to the contrary made by the petitioner is ill founded.

9. That as regard statements made in paragraph 6 it is stated that the petitioner has not paid Rs. 1 lac till date. He has uptill now deposited a total sum of Rs. 60,000/- and odd and a sum of Rs. 30,000/- has been credited in his A/C as subsidy.

11. That the Bank has charged contractual rate of interest which is permissible in law. Statement and submission to the contrary made in paragraph 8 &

9 are denied. It is stated that the petitioner was to repay the entire loan in 18 half yearly instatements of Rs. 16,389/- each with first installment falling due on 28.5.2004. Thus till 28.11.2009 petitioner was to pay Rs. 1,72,668/- in 12 installments but has paid only Rs. 93,300/- so far which shows that he has no intention to repay the loan."

From the aforesaid stand of the Bank in the counter affidavit which has also not been controverted by the learned counsel for the petitioner by filing any rejoinder affidavit on behalf of the petitioner despite its service on him on 13.5.2010, the demand notice cannot be interfered by this Court when it is an admitted position that the petitioner had taken loan and had not repaid the same as per terms and conditions of the agreement.

As noted above, the Bank was under no obligation to get the insurance of the vehicle done under the said agreement nor the petitioner was entitled for waiver of loan because it had never deposited 25% over-dues amount so as to be given benefit for waiver of the remaining 75% of the overdue amount.

Thus, for the reasons indicated above, this writ application must fail and is, hereby dismissed.

(Mihir Kumar Jha, J)

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