IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated: 04.02.2016

Coram:

The Honourable Mr.SANJAY KISHAN KAUL, CHIEF JUSTICE
and
The Honourable Mr.Justice M.M.SUNDRESH

W.P.No.39329 of 2015

M.Hyder Ali .... Petitioner

versus

1.The Regional Director,
Reserve Bank of India,
South Zone,No.16, Rajaji Street,
Fort Glasis, Chennai 1.

2.Union of India,
represented by its
Secretary,
Department of Financial Services,
Ministry of Finance,
New Delhi.

3.State rep. By its
Principal Secretary,
Department of Finance,
Fort, Chennai 600 006. ... Respondents

Petition filed under Article 226 of the Constitution of India praying for the issue of a writ of Mandamus, to direct the respondents particularly the 1st respondent to issue an order or circular to all the financial banks in Chennai, Kancheepuram, Thiruvallur Districts exempting the borrower from paying the EMI for next six months which is due in principal amount and also direct not to levy any penal interest for six months period.

For Petitioner ::: Mr.N.G.R.Prasad
for M.Mujbur Rahiman

For Respondents:::Mr.Su.Srinivasan ASGI for R.2
Mr.S.T.S.Murthi GP
assisted by
Mr.V.R.Kamalanathan AGP
Mr.V.Shanmugasundar GA
for R.3
Mr.T.Poornam for R.1

O R D E R

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

Counter affidavit has been filed by the first respondent/Reserve Bank of India stating that the moratorium period for different lengths of time has been given depending on the nature of the loan. In this behalf, reliance has been placed on the Master circular dated 18.12.2015 read with minutes of the meeting of the State level Bankers Committee held on 07.02.2015. For convenience of reference, the relief package is set out in Page-14 as under:

''Housing Loan:
a) Reschedulement of the existing loans in the affected areas with 1 year moratorium.
b) Top up loans for repairs and renovation up to 25% of the loan limit with a ceiling of Rs.5.00 lacs, repayable in 5 years including a moratorium of 1 year.
c) Interest rate at Base Rate will be charged.
Vehicle Loan:
a) Reschedulement of the existing loans in the affected areas with 6 months moratorium.
b) Top up loans up to 25% of the loan limit or 100,000/- whichever is less repayable in 36 months including a moratorium of 6 months.
c) Interest rate at Base Rate will be charged.
Education Loans:
a) A moratorium of 6 months for loans in affected areas where repayment has commenced.
Consumption Loans:
a) Reschedulement of the existing loans in the affected areas with 6 months moratorium.
b) Repayable in 30 months.
c) Interest rate at Base Rate will be charged.
d) The overdraft under PMJDY may be increased up to Rs.10,000/- as against the present level of maximum of Rs.5000/- keeping other conditions stipulated by IBA as same except maximum limit as Rs.10,000/- to be arrived at as per eligibility.

e) The fresh consumption loans may be considered up to Rs.1.00 lac as against the originally proposed limit of Rs.10,000/- for purchase of household articles damaged by floods at concessional rate.''

2. A communication dated 25.12.2015 has also been issued by the State Government notifying that the Government of India

has declared the recent devastation caused due to torrential rains and floods in Tamil Nadu as ''Calamity of severe nature''.

3. In view of the aforesaid stand of the first respondent/ RBI, the proposal of the petitioner in a sense stands adopted.

4. The writ petition stands closed. No costs.

Sd/-
Asst.Registrar (CO)

/true copy/

Sub Asst. Registrar

ksr

To:

1.The Regional Director, Reserve Bank of India,
South Zone, No.16, Rajaji Street,
Fort Glasis, Chennai 1.

2.Union of India, represented by its
Secretary, Department of Financial Services,
Ministry of Finance, New Delhi.

3.The Principal Secretary,
Department of Finance, Fort, Chennai 600 006.

1 cc to Mr. Mujibur Rrahman, Advocte, Sr. 7289
1 cc to Mr. Su. Srinivasan, Advocate, sr. 7347
1 cc to mr.T. Poornam, Advocate, Sr. 7339
1 cc to Mr.S. Sathish Kumar, Advocate, Sr. 8033

W.P.No.39329 of 2015

VGI (CO)
kk 6/2