IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 05.01.2017

CORAM:

THE HONos.URABLE MR. JUSTICE D.KRISHNAKUMAR

W.P.Nos.2048 of 2011
and
M.P.No.1 of 2011

S.Paramasivam .. Petitioner

vs.

1. The Governor,
   Reserve Bank of India,
   Mumbai.

2. The Deputy Governor,
   Reserve Bank of India,
   Chennai.

3. The Banking Ombudsman,
   Reserve Bank of India Building,
   Chennai.

4. The Citi Financial Consumer Finance India Ltd.,
   New Delhi, by its
   Chairman/Managing Director.

5. The City Financial Consumer Finance India Ltd.,
   Mahatma Gandhi Road,
   Puducherry, by its Authorised Officer. .. Respondents

Writ Petition filed under Article 226 of the Constitution of India to issue a Writ of Mandamus directing the respondents 1 to 3 to ensure that private financial institutions including respondents 4 and 5 do not charge interest at rates beyond those permitted under The Money Lenders Act and the Prohibition of Charging of Exorbitant Interest Act, 2003 and similar enactments and regulations.

For petitioner : Mr.R.Gururaj
For respondents 1 to 3 : Mr.T.Poornam
Standing Counsel
For respondents 4 : No appearance
For Respondent No 5 : Dismissed for Default

ORDER

This Writ Petition has been filed by the petitioner for a direction to the respondents 1 to 3, viz., Reserve Bank of India, as stated in the prayer.

2. Heard the learned counsel for the petitioner and the learned Standing Counsel for respondents 1 to 3.

3. Counter Affidavit has been filed by the respondents 1 to 3 wherein in Paragraph 3(f), it has been stated as under:-

> "3(f) The Bank is not the authority to administer the provisions of the Tamilnadu Prohibition of Charging of Exorbitant Interest Act, 2003 and has not been conferred any powers to take action in the case of violation of its provisions. The State Government of Tamilnadu is the authority to administer the provisions of the Act and also to initiate action in case of violation of any statutory provisions or the rules framed thereunder. The petitioner has not impleaded the State Government of Tamilnadu as a respondent and hence, the relief sought for against the Bank to initiate action as per the provisions of the Tamilnadu Prohibition of Charging of Exorbitant Interest Act, 2003 is not maintainable against the Respondent Nos.1 to 3 and the petition may be dismissed on that sole ground.

4. The learned standing counsel appearing for the respondents 1 to 3 reiterating the averments made in the counter affidavit submitted that the relief sought against the respondents 1 to 3 is not maintainable and it is open to the petitioner to file a complaint for the violation of the provisions of the Money Lenders Act and the Prohibition of Charging of Exorbitant Interest Act, 2003 before the competent authority under the provisions of the Act. Hence, the Writ Petition is not maintainable and the same deserves to be dismissed.

5. The aforesaid fact is not disputed by the petitioner. In the light of the above submission, the Writ Petition is dismissed. The petitioner is given liberty to make any complaint for violation of the provisions of the aforesaid Acts before the competent authority under the Provisions of the Acts. If any complaint is received by the respondents 1 and 2 with regard to the violations of the aforesaid Acts, it is open to

them to forward it to the authority concerned under the provisions of the aforesaid Acts.

6. With the above observation, the Writ Petition is dismissed. Connected Miscellaneous Petition is closed. No costs.

s/d-
Assistant Registrar

//True Copy//

Sub-Assistant Registrar

To

1. The Governor,
   Reserve Bank of India,
   Mumbai.

2. The Deputy Governor,
   Reserve Bank of India,
   Chennai.

3. The Banking Ombudsman,
   Reserve Bank of India Building,
   Chennai.

+1 CC to Mr. R. Gurudas, Advocate sr 1132
+1 CC to Mr. T. Poornam, Advocate sr 1103

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NRJK(CO)
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