IN THE HIGH COURT OF JUDICATURE AT PATNA

Civil Writ Jurisdiction Case No.12164 of 2013

==

M/S Nav Durga Enterprises, At - Purabsarai, Durga Asthan, Near Mano Sha Shop, P.S. - Kotwali, Distt/Town - Munger-811201 through its Proprietor Nawin Nishchal S/O Late Sukhdeo Prasad Keshri C/O Sri Binay Kumar Keshri

... ... Petitioner/s

Versus

1. Canara Bank, Branch at Munger, P.S. -Town, Distt/Town - Munger, through its Branch Manager
2. The Regional Manager, Canara Bank, Lav-Kush Tower, Exhibition Road, Distt/Town - Patna

... ... Respondent/s

==

Appearance :

For the Petitioner/s : Mrs. Renu Jha, Adv

For the Respondent/s : Mr. Shivendra Kumar Roy, Adv

==

CORAM: HONOURABLE MR. JUSTICE VIKASH JAIN

ORAL JUDGMENT

Date : 20-11-2018

The present writ petition has been filed for a direction to the respondents to reconcile the petitioner’s cash credit account standing in the said respondent-bank and to refund/release the petitioner’s deposited Kisan Vikas Patras (KVPs.) and Kamdhenu Deposit Receipts (KDRs.) along with interest up-to-date.

2. Learned counsel for the petitioner submits that the bank has charged excessive interest and realized amount in excess of legitimate dues in the cash credit account no. 0141261010043 of the petitioner for Rs. 5,00,000/- taken in the month of July, 2001 and thereafter extended to Rs. 7,00,000/-. It is submitted that the petitioner had pledged three KVP certificates with maturity amount Rs. 20,000/- each, KDR receipts for a total

maturity of Rs. 3,04,839/- apart from hypothecation of stocks which were insured for Rs. 13,50,000/- as well as furniture for Rs. 50,000/-. It is submitted that pursuant to a fire in the business premises on 22.04.2007 the petitioner was unable to make regular deposits and the last deposit was made for an amount of Rs. 10,000/- on 25.06.2007. In accordance with Reserve Bank of India (RBI) norms the account ought to have been treated as NPA on 31.10.2007 on which date the outstanding amount was Rs. 7,30,188.18 recoverable from the petitioner. It is submitted that as against this amount, the bank has recovered LIC (Rs. 20,000/-) + cash deposit (Rs. 55,000/-) + insurance claim (Rs. 6,69,500/-), aggregating to Rs. 7,44,500/-. A perusal of the account statement brought on record by the respondent-bank (Anneuxre-A to the counter affidavit) discloses that the maturity amount of the KDRs has been deposited in the account as late as on 27.09.2009 for a total amount of Rs. 3,04,839/-. It is submitted that the fate of the KVPs has also not been informed by the Bank nor their maturity value adjusted in the account.

3. Learned counsel for the respondent-bank submits that the maturity value of the KDRs has already been adjusted for the value of Rs.3,04,839/- on 27.09.2009 and it is not the case of the petitioner that there was any further amount in this regard to which he was entitled. A specific stand has been taken in para 17 of the counter affidavit that the records do not show that any KVP

was pledged with the Bank for grant of loan and hence the claim of the petitioner in this regard is erroneous. It is further stated that the insurance claim amounting to Rs. 6,69,500/- has also been deposited in the said account as and when received. It is therefore, submitted that no amount whatsoever has been over charged from the petitioner.

4. Having heard the parties and on consideration of the materials on record, this Court is of the view that no fault can be found in the matter of adjustment of the insurance claim of Rs. 6,69,500/- which has been adjusted as and when received. The petitioner has also not been able to show otherwise. As regards the KDRs as noted above, their maturity value has been deposited on 27.09.2009, but it appears to have been done belatedly. The petitioner is unable to supply the relevant dates of maturity of these certificates, but claims that they had matured much earlier. As regards the KVPs. the petitioner has also not brought on record any document to establish that in fact the KVP certificates were pledged to the Bank at the time of grant of loan.

5. In the above circumstances, the writ petition is disposed of with a direction to the respondent-bank to verify from the records and ascertain the dates of maturity of the relevant KDRs. In the event that there was a delay before the same were encashed and adjusted in the petitioner’s loan account, the bank shall make payment of simple interest @ 6% per annum from the

date of maturity of the KDRs upto the date of their adjustment in the cash credit account of the petitioner. Payment of such interest shall be made if so liable, within a period of 12 weeks from the date of receipt/production of a copy of this judgment.

6. The petitioner shall be at liberty to approach the Bank with an appropriate representation giving details of having tendered the KVP certificates to the Bank. In case the petitioner is able to establish the same, the bank shall trace the same from their records and return the same to the petitioner, in failure of which it shall make payment of the maturity proceeds of the three KVP certificates of maturity value of Rs. 20,000/- each, together with simple interest @ 6% per annum calculated from the date of their maturity on 26.01.2004 as claimed in the petitioner's letter dated 30.07.2010 (Annexure-3).

7. The writ petition stands disposed of with the aforesaid observations and directions.

(Vikash Jain, J)

Chandran

AFR/NAFR	NAFR
CAV DATE	NA
Uploading Date	26.11.2018
Transmission Date	NA