

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 17.09.2018

CORAM

THE HONOURABLE Mr. JUSTICE S.M.SUBRAMANIAM

W.P.No. 8514 of 2017

S.Senguttuvel

...Petitioner

vs

1. The Senior manager,
Canara Bank,
Attur Branch,
Salem
2. The Divisional General Manager,
Canara Bank,
Salem region,
Near Saratha College,
Salem.

PRAYER: Writ Petition filed under Article 226 of the Constitution of India, to issue a Writ of Mandamus, for direction to the respondents to repay the amount of Rs.2,81,000/- which was paid as a loan processing charges.

For Petitioner : Mr.K.Jenitha

For Respondent : No appearance

O R D E R

The relief sought for in this writ petition is for a direction, directing the respondents to repay the amount of Rs.2,81,000/- which was paid as a loan processing charges to the respondent bank.

2. The learned counsel appearing for the petitioner states that the writ petitioner had submitted an application for availing loan from the respondent bank. The petitioner was running a business as Turmaric Commission agent in the name and style of 'Thirumurugan Traders'.

3. The learned counsel appearing for the petitioner states that he was running business successfully during the initial years and subsequently, the petitioner sustained heavy loss. The loan application submitted by the petitioner was processed by the respondent bank and subsequently, the petitioner submits a letter stating that he is not willing to get the entire loan amount and accordingly, requested the respondents to return the processing charges.

4. The counter affidavit filed by the respondents states that the respondents Bank had duly informed about the terms and conditions of the sanction memorandum to the writ petitioner and advised him to avail the loan within a stipulated time without any delay. However, the petitioner in his letter dated 26.02.2014 requested the respondent Bank to grant two months time to avail the said limit. Immediately on the next date, the petitioner submitted another letter and thereby requested the respondent Bank to refund the processing charges of Rs.2,81,000/-.

5. It is contended by the respondents in their counter that demand made by the petitioner to refund the processing charges, is not at all maintainable as the respondents Bank had already done the service in processing the loan papers to grant OCC limit of Rs.2,25,000/- to the writ petitioner. Thus, the Bank levied legitimate charges for processing the application and based on the receipt of the processing charges, loan was duly sanctioned to the writ petitioner on 10.12.2013. The writ petitioner is not at all entitled to claim the processing charges.

6. This Court is of an opinion that once the Bank processed the loan application and completed the process and sanctioned the loan in favour of the petitioner, thereafter, the borrower/petitioner is not entitled to claim the processing charges of loan application. This apart, the learned counsel appearing for the writ petitioner is unable to establish that there is a condition that in the event of not availing the loan, the petitioner is entitled to get back the processing charges. In the absence of any such specific condition, the petitioner is not entitled to get any relief as such sought for in this writ petition.

7. According the writ petition stands dismissed. No costs.

Sd/-

Assistant Registrar(CS IX)

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Sub Assistant Registrar

sk/kmm

To

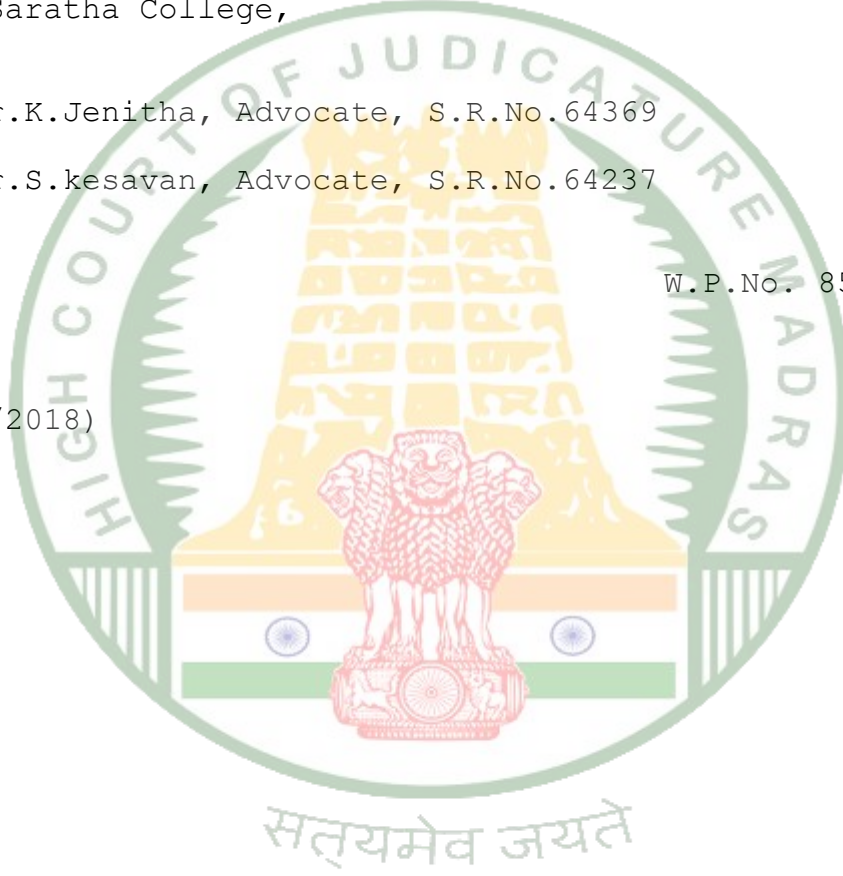
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+1cc to Mr.K.Jenitha, Advocate, S.R.No.64369

+1cc to Mr.S.kesavan, Advocate, S.R.No.64237

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KAN(CO)
GSP(11/10/2018)



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