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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

+ W.P.(C) 5611/2020 & CM APPLs. 20328-29/2020

M/S MSGI METATRAE PVT. LTD. ... Petitioner

Through Mr.Navlendu Kumar & Ms.Kanika Mittal, Advs.

versus

INDIAN BANK & ANR ... Respondents

Through Mr.Brijesh Kumar Tamber, Adv. for R1/Indian Bank

CORAM:
HON'BLE MR. JUSTICE JAYANT NATH

ORDER

% **25.08.2020**

This hearing is conducted through video conferencing.

1. This writ petition is filed by the petitioner seeking the following reliefs:

> "(a)Quash the e-mail and letter dated 28.05.2020 and 13.08.2020 written to petitioner whereby the CC account of petitioner was downgraded by the respondent no 1 **(Annexure-P /1)** in arbitrary manner and in-particularly in-defiance of circulars issued by the RBI under regulatory packages and restore the status of CC account as SMA -II category as informed vide email dated 02.05.2020 written to petitioner; and
> (b) Direct the Respondent No.1 not to take any coercive steps against the petitioners as informed vide e-mail dated 28.05.2020 and 13.08.2020 and restrain the Respondent No.1 from declaring the account in question as NPA till the RBI circulars with respect to moratorium benefits are in force; and
> (c) Direct the respondent no 1 to grant benefits of regulatory packages under COVID 19 provided by RBI to all borrowers till 31.08.2020 and so on, if it has been further extended alongwith all consequential benefits arising out of it;"

2. Learned counsel for the petitioner has narrated various facts which do

not have clarity. Essentially, it appears that at one stage the account of the petitioner was declared an NPA and SARFAESI proceedings were also initiated.

3. Learned counsel for the respondent/Bank has confirmed that at present these proceedings have been withdrawn and the account of the petitioner is neither an NPA and nor subject to any SARFAESI proceedings. He has also pointed out that the petitioner is in default as dues pertaining to the period prior to the lockdown are outstanding and pending.

4. Much reliance was placed by learned counsel for the petitioner on a circular from RBI dated 27.03.2020 which states that all commercial banks will allow a moratorium of three months on payment of instalments in respect of all terms loans outstanding as on 01.03.2020. Reliance is also sought to be placed on a judgment of a co-ordinate bench of this court in the case of ***Anant Raj Limited vs. Yes Bank Ltd***. being W.P.(C) No. 5/2020 dated 06.04.2020 to claim that the same is applicable to the facts of the case.

5. A perusal of the afore-noted judgment of the coordinate bench shows that the restriction for the change of classification in the regulatory package as stated by RBI stipulates that the account which has been classified as SMA II cannot further be classified as NPA in case instalment is not paid during the moratorium period between 01.03.2020 and 31.05.2020. Admittedly, in this case, as per the Respondent/Bank it is not asking for the instalment for the said period.

6. Learned counsel for the petitioner at this stage, however, insists that in the writ petitioner he has also sought prayers for granting benefits of a regulatory package as provided by RBI to all borrowers till 31.08.2020.

7. It is manifest that there are no adverse orders passed against the

petitioner. It is not declared as an NPA. The SARFAESI proceedings have also been withdrawn by the respondent/bank. Regarding the relief as sought in para (c) let the respondent bank treat the writ petition qua the relief in para (c) above as a representation of the petitioner and deal with the same as per law and as per the directions and guidelines issued by RBI and bank. The respondent will dispose of the representation by a written order within two weeks. Till the disposal of the representation, no coercive steps will be taken by the bank against the petitioner.

8. Nothing further survives in this writ petition and the petition is accordingly disposed of.

JAYANT NATH, J.

AUGUST 25, 2020/st