



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 06.10.2021

CORAM

THE HONOURABLE MR. JUSTICE R. MAHADEVAN

Writ Petition Nos. 1057, 2129, 2595, 7922, 13657, 13659, 16707, 16712, 17862, 17965, 20580, 20638 and 21624 of 2021

WP No. 1057 of 2021

K.B. Ravishankar

..Petitioner

Versus

1. Union of India
Rep., by General Manager
Reserve Bank of India
Fort Glacis, Kamarajar Salai
Chennai - 600001.
 2. The Honourable Ombudsman
C/o.Reserve Bank of India
(Banking Office)
Fort Glacis, Rajaji Salai
Chennai 600001.
 3. The Nodal Officer
SBI Card
P.O. Bag No. 28, GPO
New Delhi - 110 001
 4. The President
Collections
SBI Cards and Payment Service Private Limited
10th Floor, TVH Agnito Park, Rajiv Gandhi Salai
Kadanchavadi
Chennai - 600 096
- ..Respondents

WP No. 2129 of 2021

J. Sathiyaraj

..Petitioner

Versus

1. Union of India
Rep., by General Manager
Reserve Bank of India
Fort Glacis, Kamarajar Salai
Chennai - 600001.



2. The Banking Ombudsman
C/o. Reserve Bank of India
Fort Glacis, Kamarajar Salai
Chennai 600001.

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3. The Nodal Officer
Axis Bank Limited
Circle Circle Office
2nd Floor, No. 3, Club House Road
Chennai - 600 002

4. The Manager
Axis Bank Limited, Avadi Branch
No. 199, Poovai Road
Thiruvallur, Chennai - 600 024

..Respondents

WP No. 2595 of 2021

P. Kumar

..Petitioner

Versus

1. Union of India
Rep., by General Manager
Reserve Bank of India
Fort Glacis, Kamarajar Salai
Chennai - 600001.
2. The Banking Ombudsman
C/o. Reserve Bank of India
Fort Glacis, Kamarajar Salai
Chennai 600001.
3. The Nodal Officer
Axis Bank Limited
Chennai Circle Office
2nd Floor, No. 3, Club House Road
Chennai - 600 002
4. The Manager
Axis Bank Limited
S - 1, New Housing Unit
Near New Bus Stand
Dharapuram
Tirupur - 638 656

..Respondents

WP No. 7922 of 2021

J. Raja Mohammed

..Petitioner

Versus

1. Union of India
Rep by General Manager
Reserve Bank of India
Fort Glacis, Kamarajar Salai
Chennai - 600001.



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2. The Banking Ombudsman (NBFC)
C/o.Reserve Bank of India
Fort Glacis, Rajaji Salai
Chennai 600001.

3. The Nodal Officer
Indostar Capital Finance Limited
Indostar Tower
22 & 23, Venkatanarayana Road
T. Nagar, Chennai - 600 017

4. The Branch Manager
Indostar Capital Finance Limited
No. 23-B, T.K. Nambi Street
Near Raymond Showroom
Kancheepuram - 631 501

..Respondents

WP No. 13657 of 2021

K.B. Ravishankar

..Petitioner

Versus

1. Union of India
Rep., by General Manager
Reserve Bank of India
Fort Glacis, Kamarajar Salai
Chennai - 600001.
2. The Banking Ombudsman
C/o.Reserve Bank of India
(Banking Office)
Fort Glacis, Kamarajar Salai
Chennai 600001.
3. The Nodal Officer
HDFC Bank Limited
Prince Kushal Towers
First Floor, A Wing, 96, Anna Salai
Chennai - 600 002
4. The Manager
HDFC Bank Limited
No. 759, ITC Centre
Anna Salai
Chennai - 600 002

..Respondents

WP No. 13659 of 2021

C. Sathish kumar

..Petitioner

Versus

1. Union of India
Rep. by General Manager
Reserve Bank of India
Fort Glacis, Kamarajar Salai
Chennai - 600001.



WEB COPY

2. The Banking Ombudsman
C/o. Reserve Bank of India
(Banking Office)
Fort Glacis, Kamarajar Salai
Chennai 600001.

3. The Principal Nodal Officer
Kotak Mahindra Bank
Kotak Infinity, 5th Floor, Zone - II
Bldg No. 21, Infinity Park
General AK Vaidya Marg
Malad(E), Mumbai - 400 097

4. The Manager
Kotak Mahindra Bank
Kodambakkam Branch
No.555, Capital Towers
Anna Salai, Teynampet
Chennai - 600 018

..Respondents

WP No. 16707 of 2021

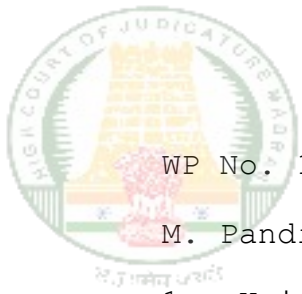
R. Murugesan

..Petitioner

Versus

1. Union of India
Rep. by General Manager
Reserve Bank of India
Fort Glacis, Kamarajar Salai
Chennai - 600001.
2. The Banking Ombudsman
C/o. Reserve Bank of India
Fort Glacis, Kamarajar Salai
Chennai 600001.
3. The Principal Nodal Officer
IndusInd Bank Limited
2nd Floor, Building No. 7
Solitaire Corporate Park
Chakala, Andheri (E)
Mumbai - 400 093
4. The Manager
IndusInd Bank Limited
G.N. Chetty Road Office
New No. 34, Old No. 115 & 116
G.N. Chetty Road, T. Nagar
Chennai 600 017

..Respondents



WP No. 16712 of 2021

M. Pandiarajan

Versus

..Petitioner

1. Union of India
Rep. by General Manager
Reserve Bank of India
Fort Glacis, Kamarajar Salai
Chennai - 600001.
2. The Banking Ombudsman
C/o. Reserve Bank of India
Fort Glacis, Kamarajar Salai
Chennai 600001.
3. The Principal Nodal Officer
Axis Bank Limited
Circle Office - II
Floor No.3, Club House Road
Chennai - 600 002
4. The Manager
Axis Bank Limited
6-A, 2nd Floor, Centennial Square
Dr. Ambethkar Road, Kodampakkam
Chennai - 600 024

..Respondents

WP No. 17862 of 2021

S. Mayilraj

Versus

..Petitioner

1. Union of India
Rep. by General Manager
Reserve Bank of India
Fort Glacis, Kamarajar Salai
Chennai - 600001.
2. The Banking Ombudsman
C/o. Reserve Bank of India
(Banking Office)
Fort Glacis, Kamarajar Salai
Chennai 600001.
3. The Principal Nodal Officer
Yes Bank
Ground Floor
No. 143/1, Uttamar Gandhi Salai
Nungampakkam
Chennai - 600 034
4. The Manager
Yes Bank
Ground Floor, Dass Indian Tower
Second Line Beach, Rajaji Salai
Chennai - 600 001

..Respondents



WP No. 17965 of 2021

M.H. Mohamed Ghani

..Petitioner

Versus

1. Union of India
Rep. by General Manager
Reserve Bank of India
Fort Glacis, Kamarajar Salai
Chennai - 600001.
2. The Honourable Ombudsman
C/o.Reserve Bank of India (Banking Office)
Fort Glacis, Kamarajar Salai
Chennai 600001.
3. The Nodal Officer
SBI Card
P.O. Bag No. 28, GPO
New Delhi - 110 001
4. The President
Collections
SBI Cards and Payment Service Private Limited
10th Floor, TVH Agnito Park, Rajiv Gandhi Salai
Kadanchavadi
Chennai - 600 096

..Respondents

WP No. 20580 of 2021

A. Ashok Kumar

..Petitioner

Versus

1. Union of India
Rep. by General Manager
Reserve Bank of India
Fort Glacis, Kamarajar Salai
Chennai - 600001.
2. The Banking Ombudsman
C/o.Reserve Bank of India
Fort Glacis, Kamarajar Salai
Chennai 600001.
3. The Principal Nodal Officer
Axis Bank Private Limited
Circle Office - II
Floor No.3, Club House Road
Chennai - 600 002
4. The Manager
Axis Bank Private Limited
2/19, 5th Cross Street
United India Colony, Kodambakkam
Chennai - 600 024

..Respondents



WP No. 20638 of 2021

G.Venkatesh

..Petitioner

Versus

1. Union of India
Rep. by General Manager
Reserve Bank of India
Fort Glacis, Kamarajar Salai
Chennai - 600001.
2. The Banking Ombudsman (NBFC)
C/o.Reserve Bank of India
Fort Glacis, Kamarajar Salai
Chennai 600001.
3. The Principal Nodal Officer
HDB Financial Services Limited
3rd Floor, Murugesu Naicker Office Complex
New No.128/4F, Old No. 53A
Greens Road, Chennai - 600 006
4. The Manager
HDB Financial Services Limited
3rd Floor, Murugesu Naicker Office Complex
New No.128/4F, Old No. 53A
Greens Road, Chennai - 600 006

..Respondents

WP No. 21624 of 2021

S. Ilakkia

..Petitioner

Versus

1. The General Manager
Reserve Bank of India
Fort Glacis, Kamarajar Salai
Chennai - 600001.
2. The Banking Ombudsman
C/o.Reserve Bank of India
Fort Glacis, Kamarajar Salai
Chennai 600001.
3. The Principal Nodal Officer
Axis Bank Private Limited
Circle Office - II
Floor No.3, Club House Road
Chennai - 600 002
4. The Manager
Axis Bank Private Limited
6-A, 2nd Floor, Centennial Square
Dr. Ambedkar Road, Kodampakkam
Chennai - 600 024

..Respondents



WP No. 1057 of 2021:- Petition filed under Article 226 of the Constitution of India, praying for issuance of a Writ of Mandamus directing the second and third respondents to take action against the fourth respondent to follow the due process of law, regarding collection of loan amount, as guided by Reserve Bank of India forthwith by considering petitioner's complaint dated 12.11.2020.

WP No. 2129 of 2021:- Petition filed under Article 226 of the Constitution of India, praying for issuance of a Writ of Mandamus directing the second and third respondents to take action against the fourth respondent to follow the due process of law, regarding collection of loan amount, as guided by Reserve Bank of India forthwith by considering petitioner's complaint dated 13.01.2021.

WP No. 2595 of 2021:- Petition filed under Article 226 of the Constitution of India, praying for issuance of a Writ of Mandamus directing the second and third respondents to take action against the fourth respondent to follow the due process of law, regarding collection of loan amount, as guided by Reserve Bank of India forthwith by considering petitioner's complaint dated 01.12.2020.

WP No. 7922 of 2021:- Petition filed under Article 226 of the Constitution of India, praying for issuance of a Writ of Mandamus directing the second and third respondents to take action against the fourth respondent to follow the due process of law, regarding collection of loan amount, as guided by Reserve Bank of India forthwith by considering petitioner's complaint dated 04.03.2021.

WP No. 13657 of 2021:- Petition filed under Article 226 of the Constitution of India, praying for issuance of a Writ of Mandamus directing the second and third respondents to take action against the fourth respondent to follow the due process of law, regarding collection of loan amount, as guided by Reserve Bank of India forthwith by considering petitioner's complaint dated 09.03.2021.

WP No. 13659 of 2021:- Petition filed under Article 226 of the Constitution of India, praying for issuance of a Writ of Mandamus directing the second and third respondents to take action against the fourth respondent to follow the due process of law, regarding collection of loan amount, as guided by Reserve Bank of India forthwith by considering petitioner's complaint dated 08.06.2021.

WP No. 16707 of 2021:- Petition filed under Article 226 of the Constitution of India, praying for issuance of a Writ of Mandamus directing the second and third respondents to take action against the fourth respondent to follow the due process of law, regarding collection of loan amount, as guided by Reserve Bank of India forthwith by considering petitioner's complaint dated 14.07.2021.



WP No. 16712 of 2021:- Petition filed under Article 226 of the Constitution of India, praying for issuance of a Writ of Mandamus directing the second and third respondents to take action against the fourth respondent to follow the due process of law, regarding collection of loan amount, as guided by Reserve Bank of India forthwith by considering petitioner's complaint dated 17.07.2021.

WP No. 17862 of 2021:- Petition filed under Article 226 of the Constitution of India, praying for issuance of a Writ of Mandamus directing the second respondent to take action against the fourth respondent to follow the due process of law, regarding collection of loan amount, as guided by Reserve Bank of India forthwith by considering petitioner's complaint dated 07.08.2021.

WP No. 17965 of 2021:- Petition filed under Article 226 of the Constitution of India, praying for issuance of a Writ of Mandamus directing the second respondent to take action against the fourth respondent to follow the due process of law, regarding collection of loan amount, as guided by Reserve Bank of India forthwith by considering petitioner's complaint dated 05.08.2021.

WP No. 20580 of 2021:- Petition filed under Article 226 of the Constitution of India, praying for issuance of a Writ of Mandamus directing the second and third respondents to take action against the fourth respondent to follow the due process of law, regarding collection of loan amount, as guided by Reserve Bank of India forthwith by considering petitioner's complaint dated 04.09.2021.

WP No. 20638 of 2021:- Petition filed under Article 226 of the Constitution of India, praying for issuance of a Writ of Mandamus directing the second respondent to take action against the fourth respondent to follow the due process of law, regarding collection of loan amount, as guided by Reserve Bank of India forthwith by considering petitioner's complaint dated 02.09.2021

WP No. 21624 of 2021:- Petition filed under Article 226 of the Constitution of India, praying for issuance of a Writ of Mandamus directing the second and third respondents to take action against the fifth respondent to follow the due process of law, regarding collection of loan amount, as guided by Reserve Bank of India forthwith by considering petitioner's complaint dated 07.09.2021.

WP No. 1057 of 2021

For Petitioner	:	Mr. M. Govindarajan
For Respondents	:	No appearance for R1 & R2
		Mr. S. Sethuraman for R3 & R4



WP No. 2129 of 2021

For Petitioner : Mr. M. Govindarajan
For Respondents : No appearance for R1 & R2
Mr. R. Sreedhar for R3

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WP No. 2595 of 2021

For Petitioner : Mr. M. Govindarajan
For Respondents : No appearance for R1 & R2
Mr. R. Sreedhar for R3
Mr. M. Karthikeyan for R4

WP No. 7922 of 2021

For Petitioner : Mr. M. Govindarajan
For Respondents : No appearance

WP No. 13657 of 2021

For Petitioner : Mr. M. Govindarajan
For Respondents : No appearance for R1 - R3
Mr. S. Krishna for R4

WP No. 13659 of 2021

For Petitioner : Mr. M. Govindarajan
For Respondents : No appearance for R1 - R3
Mr. N. S. Sivakumar for R4

WP No. 16707 of 2021

For Petitioner : Mr. M. Govindarajan
For Respondents : No appearance for R1 & R2
Mr. T. Dhanyakumar for R3

WP No. 16712 of 2021

For Petitioner : Mr. M. Govindarajan
For Respondents : No appearance for R1 & R2
Mr. R. Sreedhar for R3

WP No. 17862 of 2021

For Petitioner : Mr. M. Govindarajan
For Respondents : No appearance

WP No. 17965 of 2021

For Petitioner : Mr. M. Govindarajan
For Respondents : Mr. Sethuraman for R4

WP No. 20580 of 2021

<https://hcservices.ecourts.gov.in/hcservices/>
For Petitioner : Mr. M. Govindarajan
For Respondents : No appearance for R1 - R3
Mr. M. Karthikeyan for R4



WP No. 20638 of 2021

For Petitioner : Mr. M. Govindarajan
For Respondents : No appearance

WEB COPY

WP No. 21624 of 2021

For Petitioner : Mr. M. Govindarajan

COMMON ORDER

In all these writ petitions, the prayer sought for is to issue a Writ of Mandamus directing the second respondent to take action against the banks or financial institutions which have lent money to the respective petitioner, to follow the due process of law, regarding collection of loan amount, as guided by Reserve Bank of India forthwith based on their complaints.

2. The petitioners in these writ petitions have availed credit card/ term loan or housing loan facility from the respective bank. According to the petitioners, they have repaid the amount periodically, however, owing to pandemic situation, they could not pay the loan amount. Notwithstanding the adverse financial situation faced by the petitioners, the recovery personnel attached to the lending banks / financial institutions frequently called upon them and demanded the repayment of the entire balance amount by slapping exorbitant interest. Unable to sustain the frequent threats unleashed by the recovery agents appointed by the lending banks/financial institutions to collect the loan amount, the petitioners have given complaints to the Banking Ombudsman seeking to take appropriate action against the lending banks/ financial institutions for the unfair and unreasonable practice adopted in the matter of recovering the loan amount through threat and coercion. According to the petitioners, the complaints given by them have not been considered so far and therefore, they have filed these writ petitions.

3. The learned counsel for the petitioners submit that the Honourable Supreme Court, time and again, held that private banks should not resort to collect the borrowed amount by adopting third degree methods and such a practice has been deprecated. To substantiate such contention, he placed reliance on the order dated 26.02.2007 passed by the Honourable Supreme Court in Appeal (Crl) No. 267 of 2007 in the case of (Manager, ICICI Bank Limited vs. Prakash Kaur and others) wherein it was held that Banks have to be held vicariously liable for such acts of the agents engaged by them and that the recovery of loan or vehicles has to be done only through legal means and Banks cannot employ goondas to take possession by force. In the present case, according to the counsel for the petitioners, the lending banks/ financial institutions engaged goondas and hooligans to collect the loan amount from the petitioners without following the due process of law and



therefore, the petitioners have been constrained to give a complaint to the Banking Ombudsman. However, no action has been taken on the complaints given by the petitioners, hence, the learned counsel for the petitioners prayed this Court to issue appropriate direction to the lending banks/financial institutions to recover the loan amount only by adopting due process of law.

4. The learned counsel appearing for the respective banks/financial institutions vehemently contend that the banks/financial institutions have not adopted any such unlawful method in collecting the loan amount. The petitioners, having availed the term loan/credit card facility or housing loan have failed to repay the loan amount. The loan amount was directed to be repaid by the bank in a lawful manner and the question of exerting pressure towards the petitioners through third degree method does not arise. The petitioners have availed huge amount and committed default in payment of loan amount. When the petitioners committed default in payment of the loan amount, the lending banks/financial institutions lawfully demanded the repayment of the loan amount. However, the petitioners have raised various allegations as against the lending banks/financial institutions in the matter of collection of the loan amount. It is vehemently contended by the counsel for the lending banks/financial institutions that the present attempt on the part of the petitioners, in filing these writ petitions, is to throttle the legitimate process initiated by the lending banks/financial institutions to recover the loan amount and therefore, they prayed for dismissal of the writ petitions.

5. Heard the counsel for both sides. The grievance of the petitioners is that the lending banks/financial institutions have resorted to collect the loan amount payable by them without following due process of law and the complaints submitted by them to the Banking Ombudsman have not been acted upon.

6. At the outset, the correctness or otherwise of the grievance expressed by the petitioners that the lending banks/financial institutions have engaged musclemen or goons to collect the loan amount, cannot be examined by this Court in these writ petitions. This is more so that the learned counsel for the respective lending banks/financial institutions denied having engaged goondas or hooligans to collect the loan amount from the petitioners. In fact, the petitioners have given complaints to the Banking Ombudsman narrating their grievance. The Banking Ombudsman has been exclusively constituted under The Banking Ombudsman Scheme, 2006 with the object of resolving complaints relating to certain services rendered by banks and to facilitate the satisfaction or settlement of such complaints. As per Chapter III, Clause 7 (2) of The Banking Ombudsman Scheme 2006, the Banking Ombudsman shall receive and consider complaints relating to the deficiencies in banking or other services. Clause 10 empowers the Banking Ombudsman to call for the records from the bank against whom the complaint



is made. When such power is conferred on the Banking Ombudsman and the petitioners also already subjected themselves to the jurisdiction of the Banking Ombudsman with complaints, this Court is of the view that such complaints preferred by the petitioners before the Banking Ombudsman shall be directed to be disposed of in accordance with law.

7. In the light of the above facts, this Court hereby directs the Banking Ombudsman to consider the complaints said to have been given by the petitioners herein on various dates and pass orders thereof on merits and in accordance with law, after affording an opportunity of hearing to the petitioners (complainant) as well as the respective lending banks/financial institutions, within a period of eight weeks from the date of receipt of a copy of this order.

8. Accordingly, all the writ petitions are disposed of. No costs.

Sd/-
Assistant Registrar(CS VIII)

//True Copy//

Sub Assistant Registrar

dhk

To

1. General Manager
Union of India,
Reserve Bank of India
Fort Glacis, Kamarajar Salai
Chennai - 600 001

2. The Banking Ombudsman
C/o. Reserve Bank of India
(Banking Office)
Fort Glacis, Kamarajar Salai
Chennai - 600 001

+2cc to Mr.S.Sethuraman, Advocate, S.R.No.52413,52414

WP Nos. 1057, 2129, 2595, 7922,
13657, 13659, 16707, 16712,
17862, 17965, 20580, 20638 and
21624 of 2021

AK II (CO)
KKV/11/11/2021