



WEB COPY

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 22-09-2021

CORAM

THE HONOURABLE MR.JUSTICE S.M.SUBRAMANIAM

WP NO.23707 OF 2016

AND

WMP NO.20311 OF 2016

M.S.Rama Mohan Rao

.. Petitioner

..vs..

1. Reserve Bank of India,
No.16, Rajaji Salai,
Fort Glacis,
Chennai - 600 001.
2. Indian Bankers Association,
World Trade Centre,
6th Floor, Centre 1 Building,
World Trade Centre Complex,
Cuff Parade,
Mumbai - 400 005.
3. The Manager,
HDFC Bank Ltd.,
10, 3rd Cross Street,
CP Ramaswamy Road,
R.A.Puram Branch,
R.A.Puram,
Chennai - 600 028.
4. The Manager,
HDFC Bank Ltd.,
Service Branch,
Nelson Manickam Road,
Chennai - 600 029.
5. Mr.Balaji Ramasubbu

.. Respondents

Writ Petition is filed under Article 226 of the Constitution of India, praying for the issuance of a Writ of Mandamus, directing the respondents 3 to 5 to refund the sum of Rs.3,92,414.40, which was unlawfully debited from the petitioner drop line over draft A/c No.01418020000221 with the third respondent on 24th May, 2016.



WEB COPY

For Petitioner : Mr.B.Ravi Raja
For Respondents-3 to 5 : Mr.Ashokpathy for
M/s.Pass Associates
For Respondents-1 and 2 : No Appearance

O R D E R

The relief sought for in the present writ petition is to direct the respondents 3 to 5 to refund the sum of Rs.3,92,414/- which was unlawfully debited from the petitioner drop line over draft A/c No.01418020000221 with the third respondent on 24th May, 2016.

2. The petitioner is a Senior Citizen and aged about 83 years. The petitioner raises a complaint against the respondents 3 to 5 on the ground that they have illegally collected money in violation of the Reserve Bank's circulars in respect of the Drop Line Overdraft Facility from the petitioner.

3. The contention of the petitioner is that the Reserve Bank of India issued circulars in this regard and the said circulars are floated and not followed by the respondents 4 and 5. In order to close the account, the petitioner had settled the amount and thereafter raised an objection for refund.

4. The learned counsel appearing on behalf of the respondents 3 to 5 objected the said contention of the petitioner by stating that the circulars issued by the first respondent-Reserve Bank of India, is not applicable with reference to the transactions between the petitioner and the third respondent-Bank. The said circulars of the Reserve Bank of India are applicable only for the Housing Loan Facility and for Floating Rate Term Loan. Therefore, the writ petition need not be entertained.

5. The learned counsel appearing on behalf of the respondents 3 to 5 further said that the petitioner had signed an agreement and as per the terms and conditions of the agreement, the respondents 3 to 5 had acted and they had not committed any irregularity or violated any of the circulars issued by the Reserve Bank of India in this regard.

6. The disputed fact between the parties to the lis on hand cannot be adjudicated in the writ proceedings under Article 226 of the Constitution of India. The nature of the transactions as well as the terms and conditions of the contract are to be adjudicated with reference to the documents and evidences to be



produced by the respective parties.

7. An elaborate adjudication is required to ascertain the facts and circumstances and therefore, this Court is of an opinion that such an exercise is to be done by the Competent Authority of the first respondent-Reserve Bank of India, as the petitioner has raised a ground that the circulars issued by the Reserve Bank of India are being violated by the respondents 3 to 5.

8. This being the factum, the petitioner is at liberty to submit a fresh representation, enclosing all relevant documents, Reserve Bank of India's circulars, judgments relied on or other evidences, within a period of four weeks from the date of receipt of a copy of this order and on receipt of any such representation, the first respondent may appoint a Competent Authority and to conduct an enquiry and take decision and pass orders and communicate the same to the parties, if necessary by affording an opportunity to the parties. Such an exercise is directed to be done, within a period of twelve weeks from the date of receipt of a copy of the complaint/application from the petitioner.

9. With the above directions, the writ petition stands disposed of. However, there shall be no order as to costs. Consequently, connected miscellaneous petition is closed.

Sd/-

Assistant Registrar(CS IV)

//True Copy//

Sub Assistant Registrar

Svn

To

1. Reserve Bank of India,
No.16, Rajaji Salai, Fort Glacis,
Chennai - 600 001.
2. Indian Bankers Association,
World Trade Centre, 6th Floor, Centre 1 Building,
World Trade Centre Complex, Cuff Parade,
Mumbai - 400 005.

+1cc to Mr.B.Ravi Raja, Advocate, S.R.No.48754

WP.No.23707 of 2016

SR-II(CO)

CS/13/10/2021