BEFORE THE MADURAI BENCH OF MADRAS HIGH Court
DATED: 01.07.2021
CORAM:
THE HONOURABLE MR.JUSTICE N.ANAND VENKATESH
W.P.(MD)No.603 of 2021
WMP(MD).No.522 of 2021
(Through Video Conferencing)

K.P.S.Palanivelrajan ... Petitioner

Vs.

1.The Regional Manager,
State Bank of India
Vinayaga Nagar,
Madurai.

2.The Branch Manager
State Bank of India
Anna Nagar,
Madurai, Madurai District.

3.Union of India,
Ministry of Finance,
Department of Economic Affairs
represented by its Secretary
New Delhi ... Respondents

(R3 has been suo-motu impleaded
as per the order of this Court
dated 01.07.2021)

PRAYER : Writ Petition is filed under Article 226 of the Constitution of India for issuance of a Writ of Mandamus to direct the 1st respondent to consider the request sent by mail on 10.12.2020 for preclosing the PPF A/C.No.34190589650 by accepting Form 5 prescribed under the Public Provident Scheme by crediting the amount into the SB A/c.No.10111571317 held with the 2nd respondent within a stipulated time.

For Petitioner :Mr.B.Saravanan
For Respondents :Mr.H.Thayumanaswamy for R1&R2
Ms.L.Victoria Gowri for R3

ORDER

This writ petition has been filed for the issue of a writ of mandamus directing the respondent bank to permit the petitioner to pre-close the PPF account maintained by the petitioner.

2. The case of the petitioner is that he is holding a savings bank account with the second respondent bank. The petitioner opened a PPF account in the year 2014. The lock in period for this account

is 15 years and the account holder will be permitted to withdraw the amount with interest only on the completion of the period. The scheme itself provides for certain special circumstances, where the account holder is permitted for premature closure of the account.

3. The petitioner continued to pay the premium till 2019 and according to the petitioner, the amount in the account had accumulated to Rs.3,90,876/-. The petitioner approached the respondent bank requesting for pre-closure of the PPF account on the ground that the petitioner will have to meet certain emergency financial commitments. Since the representation made by the petitioner was not considered by the respondent bank, the present writ petition has been filed before this Court seeking for appropriate directions.

4. Heard the learned counsel for the petitioner, the learned counsel for the respondents 1 and 2 and the learned Assistant Solicitor General for the impleaded third respondent.

5. It is seen from the notification issued by the Central Government that the premature closure of account can be allowed for an account holder only on certain grounds. Clause 13 of the 2019 notification, which pertains to premature closure of account, is extracted hereunder:

> "Premature closure of account:- (1) An account holder shall be allowed premature closure of his account of the account of a minor or person of unsound mind of whom is the guardian on an application to the accounts office in Form-5 on any of the following grounds, namely:-
>
> a) treatment of life threatening disease of the account holder, his spouse or dependant children or parents, on production of supporting documents and medical reports confirming such disease from treating medical authority;
>
> b) higher education of the account holder, or dependant children on production of documents and fee bills in confirmation of admission in a recognised institute of higher education in India or abroad.
>
> ......"

6. The request made by the petitioner obviously does not fall within the parameters fixed under the notification. However, Clause 17 of the notification provides that the Central Government can relax the provisions of the Scheme, where an account holder suffers from undue hardship. For better appreciation, Clause 17 of the notification is extracted hereunder:

> "17.Power to relax: Where the Central Government is satisfied that the operation of any of the provisions of this Scheme causes undue hardship to an account holder, it may, by order for reasons to be recorded in writing,

relax the requirements of that provision or provisions in a manner not inconsistent with the provisions of the Act."

7. Since the request of the petitioner does not fall within the requirements provided under Clause 13, the learned counsel for the petitioner submitted that the petitioner may be permitted to make a representation to the impleaded third respondent, who can consider the request of the petitioner and relax the operation of the provisions of the scheme considering the hardship faced by the petitioner.

8. Taking into consideration the facts and circumstances of the case, the petitioner is at liberty to make a representation to the impleaded third respondent by explaining the undue hardship faced by the petitioner. The impleaded third respondent on receipt of the representation is directed to consider the representation and take a decision within a period of four weeks from the date of receipt of the representation and inform the petitioner.

9. This writ petition is disposed of with the above direction. No costs. Consequently connected Miscellaneous Petition is closed.

Sd/-

Assistant Registrar (CSIII)

// True Copy //

/ /2021

Sub Assistant Registrar(CS)

RR

Note: In view of the present lock down owing to COVID-19 pandemic, a web copy of the order may be utilized for official purposes, but, ensuring that the copy of the order that is presented is the correct copy, shall be the responsibility of the advocate/litigant concerned.

To

The Secretary
Ministry of Finance,
Department of Economic Affairs
New Delhi

+1 CC to M/s.B.SARAVANAN, Advocate (SR-20967[F] dated 02/07/2021)

W.P.(MD)No.603 of 2021
01.07.2021

DKS(CO)
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