BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT
DATED: **19.02.2021**
CORAM
THE HONOURABLE MR.JUSTICE **V.PARTHIBAN**

W.P.(MD) No.3166 of 2021

S.Pandian ... Petitioner

-vs-

1.Union of India,
represented by its Secretary,
Ministry of Finance,
New Delhi.

2.The Governor,
Reserve Bank of India,
Mumbai.

3.The General Manager,
Tamilnadu Grama Bank Head-Office (Annex),
No.20, Ramakrishna Road,
Salem 636 007.

4.The Regional Manager,
Tamilnadu Grama Bank,
West Car Street,
Tirunelveli Town 627 006.

5.The Branch Manager,
Tamilnadu Grama Bank,
Edaikkal,
Tenkasi District.

6.The District Manager,
TAHDCO,
Elandakulam Reserve Lane,
Palayamkottai,
Tirunelveli 627 002. ... Respondents

Prayer: Petition filed under Article 226 of the Constitution of India, praying for the issuance of a Writ of Certiorarified Mandamus, calling for records pertaining to Final Notice of 5th respondent herein dated on 25.01.2021 quash the same as illegal and consequently direct to issue final Notice for loan outstanding due as on 11.02.2020 i.e. before the COVID-19 without calculating the COVID-19 moratorium period.

For Petitioner : Mr.S.Muthumalai Raja
For R3 to R5 : Mr.N.Dilip Kumar

ORDER

The petitioner belongs to the Scheduled Community and completed his higher secondary education. He is an account holder in Grama Bank, Iddaikkal Branch and being unemployed, he approached the Grama Bank for loan for purchase of Tourist Vehicle on 17.09.2014. The 6th respondent bank processed the petitioner's application and recommended sanction of loan to the 5th respondent Branch, by proceedings dated 31.12.2015. The loan approval was to the tune of Rs.8,18,304/-, which includes subsidy of Rs.2,25,000/-, self contribution of Rs.40,915/- and Bank loan of Rs.5,52,389/-. The subsidy amount of Rs.2,25,000/- was sanctioned by the District Collector, Tirunelveli, by his proceedings dated 30.03.2015 and subsequently, loan was sanctioned by the 5th respondent on 13.07.2015. According to the petitioner, the loan amount has been repaid to the extent of Rs.4,40,510/-, before the COVID-19 period.

2.While the matter stood thus, the petitioner came to know that the loan was classified as Non Performing Assets (NPA) on 11.07.2015 and the outstanding loan declared as due was Rs.6,62,772/-. According to the petitioner, he received a demand notice on 10.12.2020 and followed by the same, final notice was issued on 25.01.2021. Challenging the final notice, dated 25.01.2021, the petitioner is before this Court.

3.The learned counsel appearing for the petitioner would submit that there has been a wrong calculation of loan outstanding as on date and the bank did not take into consideration the moratorium during the COVID-19 situation. According to him, final notice dated 25.01.2021 is without any basis and therefore, the same is liable to interfered with. In support of the legal challenge, number of grounds have been raised by the learned counsel for the petitioner stating that the calculation has not been properly done. The petitioner appears to have range of disputes with the bank in regard to the charge of interest, incorrect calculation, not giving the benefit of moratorium for the loan amount etc.,

4.This Court is unable to appreciate as to how on the basis of certain factual disputes, the petitioner could challenge the impugned final notice dated 25.01.2021. In a matter like this, proper course for the petitioner is to approach the civil Court to establish his rights as to whether he is actually liable for payment of the amount that has been demanded by the bank. In fact in the affidavit nothing has been stated or even whispered as to the nature of loan transaction, conditions imposed and the payments made, since the date of loan sanctioned, till date. The petitioner has merely come up with this writ petition, challenging the impugned final notice dated 25.01.2021 with sketchy and bald averments, which cannot be considered as material averments by this Court for the purpose of entertaining the writ petition.

5.In a matter of loan transaction, the writ jurisdiction of this Court cannot be invoked unless there is a substantive case for intervention of this Court. Otherwise, the normal course for the petitioner is to approach the civil forum, questioning the action of the bank in making final demand. The writ jurisdiction of this Court is not available for settlement of dispute in regard to the loan transaction and therefore, the present writ petition is untenable and therefore, the same has to be rejected as not maintainable.

6.For the aforesaid reasons, the writ petition stands dismissed. No costs.

Sd/-

Assistant Registrar (CSII)

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Sub Assistant Registrar(CS)

+1 CC to M/s.N.DILIPKUMAR, Advocate (SR-6225[F] dated 19/02/2021)

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