**BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT**
**DATED : 12.08.2021**
**CORAM**

**THE HONOURABLE MR.JUSTICE SENTHILKUMAR RAMAMOORTHY**

**W.P(MD)No.14095 of 2021**
**and**
**W.M.P(MD) No.11060 of 2021**

Sreeman G.Ayyakonar Educational Trust,
through its Managing Trustee / President,
A.Palkannan,
No.42, Kalangaperi,
Rajapalayam Taluk,
Virudhunagar District. ... Petitioner

**Vs.**

1.The General Manager (MSME),
Indian Bank Corporate Office,
No.254-260, Avvaishanmugam Salai,
Royapettai,
Chennai - 14.

2.The Zonal Manager,
Indian Bank
No.34/3, Church First Street,
J.R.C.Scan Complex 1st Floor,
Karaikudi,
Sivagangai District.

3.The Branch Manager,
Indian Bank
Rajapalayam Branch,
No.285, Tenkasi Road,
Rajapalayam Town,
Virudhunagar District. ... Respondents

**Prayer** : Writ Petition filed under Article 226 of the Constitution of India, praying this Court to issue a Writ of Certiorarified Mandamus, to call for the records pertaining to the impugned order dated 10.05.2021 on the file of the third respondent and quash the same as illegal and arbitrary and consequently, direct the third respondent to issue fresh restructure order to the petitioner trust namely, Sreeman Ayyakonar Educational Trust, Term Loan A/c.Nos.6620214925 & 6620214288.

For Petitioner : Mr.M.Thirunavukkarasu

**ORDER**

The petitioner challenges a communication dated 10.05.2021 from the Indian Bank. By such communication, the petitioner was informed that two loans that were availed of by the petitioner had been restructured. The amounts due by way of arrears in respect of such restructured loan accounts were also set out in a table.

2. The petitioner states that the petitioner Trust was established as a public Trust in the name of his father. The Trust availed of two loans from the Indian Bank. Term Loan-I was for a sum of Rs.416.00 Lakhs in connection with a proposed construction of a school building and Term Loan-II was for Rs.128.00 Lakhs for purchase of furniture, equipment and other fittings.

3. The petitioner states that the bank released amounts under the two loans in tranches. The petitioner Trust paid interest from April 2018 onwards and also started repayment of monthly installments, including the principal, from April 2019 onwards. It is stated that repayments could not be made from April 2020 onwards on account of the COVID-19 pandemic.

4. In these circumstances, the petitioner requested the bank to restructure the above term loans and permit repayment once in a year and also requested for a two year restructuring period.

5. According to the petitioner, instead of granting a two year restructuring period, the impugned communication was sent to the petitioner calling for immediate payment of the arrear amounts indicated in such communication. The present Writ Petition is filed in these facts and circumstances.

6. In exercise of discretionary public law jurisdiction under Article 226 of the Constitution, this Court ordinarily declines to entertain Writ Petitions pertaining to the relationship between a bank and its constituent. Such relationships depend on the terms and conditions of the relevant facilities agreements. In the case at hand, the petitioner complains of the refusal of the bank to restructure the loan accounts in the manner requested for by the borrower. Unless a statutory scheme for restructuring is prescribed by the Reserve Bank of India, there is no statutory obligation on a bank to grant restructuring. In case the bank frames its own scheme for restructuring, the terms and conditions thereof should be applied uniformly to a particular class of borrowers. Beyond that, an individual borrower does not have the right to insist on a particular form of restructuring.

7. The petitioner challenges a communication which indicates that restructuring has already been effected with regard to the two loan accounts of the petitioner. The complaint of the petitioner is that such restructuring has not been done in terms of the petitioner's request. Such matters should not be interfered with in judicial review.

8. Accordingly, W.P.(/MD).No.14095 of 2021 is dismissed without any order as to costs. However, it will be open to the petitioner to negotiate with the bank with regard to the restructuring of its loan accounts. Consequently, W.M.P.(MD). No.11060 of 2021 is closed.



Sd/-

Assistant Registrar (CS III)

// True Copy //

/ /2021

Sub Assistant Registrar(CS)

tsg

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.

+1 CC to M/s.M.THIRUNAVUKKARASU, Advocate ( SR-26188[F] dated 12/08/2021 )

**W.P(MD)No.14095 of 2021**
**12.08.2021**

MGJ(23.08.2021) 3P 2C