BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT
DATED: 04.10.2021
CORAM
THE HON'BLE MR.JUSTICE SENTHILKUMAR RAMAMOORTHY

W.P.(MD)No.17871 of 2021

T.Jesus Prince ... Petitioner

Vs.

1. The Assistant Manager,
Reserve Bank of India,
Regional Office,
Chennai-9.

2. The Branch Manager,
State Bank of India,
Stressed Assets Recovery Branch,
Dr.Ambedkar Road,
Vinayaka Nagar,
Madurai - 625020. ... Respondents

Prayer: Writ petition filed under Article 226 of the Constitution of India, to issue a Writ of Mandamus, directing the second respondent to accept the amount of Rs.3,50,000/- to be paid by the petitioner through his representation dated 16.09.2021 in compliance with the first respondent's letter in CEPC(CHE) No.S388/02.01.001/2021-22 dated 02.09.2021.

For Petitioner : Mr.P.Arun Jayatram
For Respondents : Mr.N.Dilip Kumar for R2

O R D E R

The petitioner seeks a direction to the second respondent to accept the sum of Rs.3,50,000/- based on the representation dated 16.09.2021.

2. The petitioner is admittedly a defaulting borrower. In view of such default, proceedings were initiated under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002. Meanwhile, the State Bank of India announced a One Time Settlement (OTS) Scheme. The petitioner applied under the said scheme, and his application was accepted by the bank. In terms of the OTS package, the petitioner was required to pay a sum of Rs.9,23,000/-. The last instalment in such regard was to be paid on or before 30.03.2020. The petitioner, admittedly, failed to pay the amounts due under the OTS package on or before 30.03.2020.

3. By citing the lockdown occasioned by the COVID-19 pandemic, the petitioner made representations seeking an extension of time. It

is stated that such representations were not considered by the bank. Therefore, the petitioner approached the Reserve Bank of India. The petitioner relies upon a communication dated 02.09.2021 from the Reserve Bank of India. The present writ petition is filed in these facts and circumstances.

4. Mr.N.Dilip Kumar, learned Standing Counsel, accepts notice on behalf of the second respondent. He relies upon a counter-affidavit of the bank and points out that the State Bank of India offers and implements OTS packages in a transparent and non-discriminatory manner. On account of the lockdown caused by the COVID-19 pandemic, it is stated that all similarly situated borrowers, who were eligible under the OTS scheme, were granted an extension until 31.08.2020. The bank states that no undue benefit or concession can be extended to a single borrower such as the petitioner.

5. In judicial review, ordinarily, the Court does not interfere in loan transactions between a bank and its constituent. Indeed, the Court does not direct the bank to alter the terms and conditions of such loan. If OTS is offered in terms of the scheme, it is necessary that such scheme be offered in a non-discriminatory manner to all borrowers who constitute a single class. In the case at hand, the bank appears to have extended its scheme in a non-discriminatory manner by also granting an extension under such OTS scheme up to 31.08.2020. In view of the fact the petitioner did not take advantage of such extension and has instead approached this Court a year later, the petitioner is not entitled to the relief prayed for.

6. For reasons set out above, W.P(MD).No.17871 of 2021 is dismissed without any order as to costs.

Sd/-

Assistant Registrar (Cs-I)

// True Copy //

/ /2021

Sub Assistant Registrar(CS)

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To

1. The Assistant Manager,
   Reserve Bank of India,
   Regional Office,
   Chennai-9.

2. The Branch Manager,
State Bank of India,
Stressed Assets Recovery Branch,
Dr.Ambedkar Road,
Vinayaka Nagar,
Madurai - 625020.

+1 CC to M/s.N.DILIPKUMAR, Advocate (SR-31247[F] dated 05/10/2021)

W.P.(MD)No.17871 of 2021
04.10.2021

NSN(CO)
KB(20.10.2021) 3P 4C