



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 28.03.2022

CORAM :

THE HON'BLE MR.MUNISHWAR NATH BHANDARI, CHIEF JUSTICE
AND
THE HON'BLE MR.JUSTICE D.BHARATHA CHAKRAVARTHY

W.P.No.6992 of 2022
AND
WMP.7026 OF 2022

M/s.Aanakombu Grains,
rep. by its Proprietor V.Sriram,
No.142, Mariamman Kovil Street,
Palayakothukadu,
Sathyamangalam,
Erode District-638 401.

...Petitioner

Vs

- 1.The Secretary,
Ministry of Micro, Small & Medium Enterprises,
Room No.123, Udyog Bhavan,
Rafi Marg,
New Delhi - 110 011.
- 2.The Chief General Manager,
Department of Banking Operations and Development,
Reserve Bank of India,
12th Floor, Central Office Building,
Shahid Bhagat Singh Mrg, Fort,
Mumbai-400 001.
- 3.The Chairman cum Managing Director,
Central Bank of India,
Chandar Mukhi,
Nariman Point,
Mumbai-400 021.
- 4.The Authorized Officer /
Tamil Nadu Head Office
Central Bank of India,
No.48/49, 3rd Floor,
Red Cross Road,
Egmore, Chennai-8.



5.The Authorized Officer / Chief Manager,
Central Bank of India,
D.No.14, New Ward-22,
Old Market Road Branch,
Sathyamangalam, Erode District.

...Respondents

Prayer : Petition filed under Article 226 of the Constitution of India praying for a writ of mandamus directing the 1st and 2nd respondents to give necessary instruction to the 3rd to 5th respondents to follow the guidelines brought by the first respondent for Micro, Small and Medium Enterprises (MSME) sector-Restructuring of Advances in RBI/2018-19/100, DBR No.BP.BC.18/21.04.048/2018-19 on January 01, 2019, RBI/2020-21/09 DOR BP BC No.01/21.04.048/2020-21 dated 01.07.2020 and Circular No.170/2020-21 dated June, 2020 w.e.f. 24.06.2020 for restructuring the petitioner's vide Account Nos.4019043423, 3802807477, 3838997726 and 3872669705 which has been averred in the petitioner's representation dated 11.01.2022 within a time frame as fixed by this Court.

For the Petitioner : Mr.M.Dinesh
for M/s.M.Natarajan

ORDER

(Order of the Court was made by the Hon'ble Chief Justice)

The writ petition has been filed to challenge the non-consideration of the reply to the notice issued under Section 13 (2) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (for short, "the Act of 2002"). The reply to the notice was given referring to Credit Guarantee Scheme for Subordinate Debt (CGSSD). The said scheme is applicable to the petitioner on the account being declared as NPA. Thus, the petitioner, being an eligible borrower under the scheme, should have been extended the benefit by the bank. However, the reply to the notice has not been considered by the bank. In the view of the above, the writ petition has been filed.

2. We do not find any final decision of the bank in reference to the reply submitted by the petitioner. In fact, if the reply is not accepted, the bank would cause notice under Section 13(4) of the Act, which can be challenged under Section 17 of the Act of 2002 before the Debts Recovery Tribunal. At this stage, notice under Section 13(4) has not been served on the petitioner as stated by learned counsel for the petitioner.

3. In view of the above, the writ petition is premature and we cannot determine as to whether the petitioner is entitled to



the benefit of the scheme or not, inasmuch as it is not applicable to those who are having fraudulent account or are willful defaulters.

4. Taking the overall facts into consideration, we find that the writ petition is premature and the same is dismissed. However, if notice under Section 13(4) of the Act of 2002 is given to the petitioner, the petitioner would be at liberty to take the remedy of appeal under Section 17 of the Act of 2002 on all available grounds. No costs. Consequently, W.M.P.Nos.7026 of 2022 is closed.

Sd/-
Assistant Registrar(CS-IX)

// True Copy //

Sub Assistant Registrar

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To

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- 2.The Chief General Manager,
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+1cc to the Government Pleader Sr.No.21096

W.P.No.6992 of 2022

GPL (CO)
RVM(05/04/2022)