



W.P.No.11825 of 2018

THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 06.12.2022

CORAM:

THE HONOURABLE MR.JUSTICE R.SUBRAMANIAN

W.P.No.11825 of 2018
and
W.M.P.No.13804 of 2018

The Lakshmi Vilas Bank Ltd.,
Rep. By its Branch Manager,
M.Baskaran, S/o.M.S.K.Muthiah,
258/90, Salem Main Road,
Chinnasalem – 606 201.

...Petitioner

Vs.

1.The Reserve Bank of India,
Rep. By its Governor,
No.16, Rajaji Salai, Fort Glacis,
Chennai – 600 001.

2.Axis Bank Ltd.,
Rep. By its Manager,
Salem Main Road,
Near Bus Stand, Attur.

3.Axis Bank Ltd.,
Zonal Office, Rural Lending,
1st Floor, 56, Bharathi Park,
2nd Crosss Road, Saibaba Colony,
Coimbatore – 11.



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4.M/s.National Collateral Management Services Ltd.,
Registered Office, Lodha Supremus,
Unit No.505-509, 5th Floor,
Kanjumarg (East), Mumbai – 400 042.

5.National Collateral Management Ltd.,
Rep. By its Regional Head,
Classic Tower, 1547,
D.No.103, 5th Floor, Near Government Hospital,
Trichy Road, Coimbatore – 641 018.

6.D.Jeyaraman

7.P.Thangam

8.V.Pandian

9.Saranya Decordicators

..Respondents

Prayer: Writ Petition filed under Article 226 of the Constitution of India seeking issuance of Writ of Certiorarified Mandamus, calling for the records pertaining to the paper publication dt.22.04.2018, issued by the 3rd respondent in Dina Thanthi and quash the same in respect of loan A/c.Nos.13503, 13602, 14054, 14173, 14585, 14586, 14587, 14588, 18404, 18698, 18784, 18958, 18972, 19872, 19875, 19883, 21026, 21653, 21680, 14172, 18531, 18701, 12966, 19873, as the same is against the RBI guidelines and consequently direct the respondents 2 & 3 to restore the goods (Pledged) to the petitioner Bank.



For Petitioner : Mr.A.Arunbabu
For Respondents : Mr.M.R.Uma Vijayan for R2 & R3
Mr.V.Sounder Rajan for R4 & R5

ORDER

The prayer in the Writ Petition reads as follows:-

calling for the records pertaining to the paper publication dt.22.04.2018, issued by the 3rd respondent in Dina Thanthi and quash the same in respect of loan A/c.Nos.13503, 13602, 14054, 14173, 14585, 14586, 14587, 14588, 18404, 18698, 18784, 18958, 18972, 19872, 19875, 19883, 21026, 21653, 21680, 14172, 18531, 18701, 12966, 19873, as the same is against the RBI guidelines and consequently direct the respondents 2 & 3 to restore the goods (Pledged) to the petitioner Bank.

2.The dispute is between two Banks, who had lent monies allegedly on security of groundnut stock. While the petitioner would claim that the goods namely, groundnut that was stored in the godown was pledged with it, the 2nd respondent would also make the same claim. The respondents 4 and 5 are the collateral Managers of the respondents 2 and 3.



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3. In the counter affidavit filed by the respondents 3 and 4, it is stated that the godown in which the stock was stored was in their custody and the stock that was stored was pledged to the respondents 2 and 3 therefore, the petitioner has nothing to do with those stock of groundnut.

4. The learned counsel appearing for the petitioner would vehemently contend that the petitioner Bank has a right for the groundnut stored in the godown, since it was pledged with the petitioner Bank even in the year 2016. There is a very serious dispute regarding the right of the two Banks namely, the petitioner Bank on one side and the respondents 2 and 3 on the other side. While the respondents 2 and 3 would contend that the groundnut stock that was kept in the godown, which was guarded by the respondents 4 and 5 belonged to their borrowers and the petitioner would contend that it belonged to the borrowers from the petitioner. These are factual questions, which will have to be decided on the basis of evidence.



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5. Admittedly, the petitioner has filed an original application before the Debt Recovery Tribunal, seeking recovery against its borrowers. It is open to the petitioner to establish its claim before the Debt Recovery Tribunal and this Court sitting under Article 226 cannot investigate upon factual matters, which require evidence. This Writ Petition is disposed of with liberty to the petitioner to make its claim before the Debt Recovery Tribunal. No costs. Consequently, connected miscellaneous petition is closed.

06.12.2022

kkn

Internet: Yes/No

Index: Yes/No

Speaking/Non-speaking order

To:-

1. The Governor,
Reserve Bank of India,
No.16, Rajaji Salai, Fort Glacis,
Chennai – 600 001.



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R.SUBRAMANIAN, J.

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