



W.P.No.23382 of 2014

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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 30.09.2022

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THE HONOURABLE **MR.JUSTICE C.SARAVANAN**

W.P.No.23382 of 2014

and

M.P.No.1 of 2015

G.Ramachandran

... Petitioner

Vs

- 1.The Manager,
Central Bank of India,
Tirutani Road, Pattaraiperumbudur,
Thiruvallur Taluk – 631 203.
- 2.The Regional Manager,
Central Bank of India – Regional Office,
48/49, Monteith Road, Egmore,
Chennai – 600 008.
- 3.The Chairman and Managing Director,
Central Bank of India – Head Office,
Chander Mukhi, Nariman Point,
Mumbai – 400 021.

4.Kannan K Iyer @ Kannan Iyer

... Respondents

Prayer: Petition filed under Article 226 of the Constitution of India, praying for issuance of a Writ of Mandamus, to direct the 1st to 3rd respondents to start investigate case against the 4th respondent to enquire



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into the offence of cheating committed by him, and direct him to compensate loss to the bank/public and protect the petitioner from their liability to the bank due to the cheating committed by the 4th respondent against the petitioner.

For Petitioner : Mr.S.Ezhil Raj

For Respondents : Mr.A.B.Benjamin George
for R1 to R3
No Appearance
for R4

ORDER

This writ petition has been filed by the petitioner representing the interest of 14 other persons who were apparently cheated by the fourth respondent who was the Bank Manager of Pattaraiperumbudur Branch, Thiruvallur District.

2.The specific case of the petitioner is that they have approached the bank when the fourth respondent was the Manager for Small Loans for their Agricultural and personal needs. It is submitted that they have un-knownly signed the documents and handed over the security deposit including the withdrawal slips which allowed the fourth respondent to manipulate the systems and thereafter withdraw the huge amount of cash,



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as if the petitioner and 14 others have borrowed the amounts.

3.It is further submitted that they cannot be stable with liability on account of the fraud committed by a Senior Employee of the bank which was responsible for proper management and disbursement of loans to its customers.

4.This writ petition is contested by the official respondents stating that already disciplinary proceedings have been initiated against the fourth respondent. However, the fourth respondent is absconding and therefore the disciplinary proceedings have not been completed. It is submitted that another proceedings have been initiated. However, notice has been served and however it also remains unconcluded as the fourth respondent is absconding. That apart, criminal case has also been lodged in Crime No.21 of 2014 before the District Police Crime Branch and the DCB has registered the aforesaid complaint against the fourth respondent.



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5.The learned counsel for the official respondents submits that total amount that has been borrowed in the name of 15 persons which include the petitioner is Rs.1,11,80,000/- whereas, the petitioner and other 14 persons agreed to only a sum of Rs.54,20,000/- has been sanctioned to them.

6.It is submitted that even the amounts were sanctioned in the year 2012 between January and September 2012 and not amount has been repaid either by the petitioner or any of the 14 persons. That apart, it is submitted that the the petitioner has been sought for a wider relief which should not be granted. It is further submitted that the petitioner cannot espouse to cause 14 other persons.

7.I have considered the arguments advanced by the learned counsel for the petitioner and the learned counsel for the first to third respondents.

8.The admitted amount which has been received by each of the petitioner and the 14 others is Rs.54,20,000/-. This amount is legally



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repayable by the petitioner and 14 others as there is no dispute. As far as the recovery of the balance amount of Rs.57,60,000/- is concerned, the official respondents are directed to take steps to freeze of the assets including savings account and service benefit of the fourth respondent with them. The amounts shall be kept in suspense account for being utilised for liquidating the liability including on account of the loan transactions.

9.Considering the fact that Crime No.12 of 2014 was registered by the District Police Crime Branch and that criminal case which are pending before the concerned Judicial Magistrate Court, the official respondents are directed to take steps to expedite the aforesaid proceedings to bring the fourth respondent to justice. As far as recovery of the balance from the petitioner and the 14 others or from the fourth respondent, it is left to the bank to work it its remedy. The official respondents may therefore initiate the appropriate proceedings against the defaulters including the fourth respondent and adjust the amount, out of the amounts that are lying the custody of the bank of the fourth respondent.



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10.Considering the fact that the details of the assets of the fourth respondent are not available and since the fourth respondent is absconding, all the assets of the fourth respondent movable and immovable shall be treated as having been attached and available for recovery of dues to the respondent bank. Bank shall inform the jurisdictional Sub Registrar about the order attaching all the immovable properties of the fourth respondent. It is however, open for the respondent bank to accept the amounts admitted by the petitioner and the 14 others to discharge them of their liability.

11.Accordingly, this writ petition stands disposed of. No costs. Consequently, connected miscellaneous petition is closed.

30.09.2022

Index : Yes/No
Speaking/Non-Speaking Order
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