



W.P.(MD)No.15370 of 2022

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 25.08.2022

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THE HONOURABLE MR.JUSTICE **S.S.SUNDAR**
and
THE HONOURABLE MRS.JUSTICE **S.SRIMATHY**

W.P(MD)No.15370 of 2022

R.M.Karuppaiah

... Petitioner

Vs.

1.The State Bank of India,
Represented by its Regional Manager,
Regional Office,
Hospital Road,
RajaKrishnapuram,
Thanjavur District.

2.The Branch Manager,
State Bank of India,
Thirumayam Branch,
Thirumayam Post and Taluk,
Pudukottai District.

... Respondents

Prayer: Writ Petition filed under Article 226 of Constitution of India, praying to issue a Writ of Mandamus, to direct the respondents to accord the benefit of waiver/write off to the petitioner as per the RBI Master Circular-Prudential Norm on Income Recognition Asset Classification and Provisioning Pertaining to Advances (RBI 2021-22/104) dated 01.10.2021, by considering the petitioner's representation dated 07.02.2022 in the light of the said master circular within the time that may be stipulated by this Hon'ble Court.



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For Petitioner : Mr.M.Mahaboob Athiff

For Respondents : Mr.M.Ponniah
Standing Counsel

* * *

ORDER

(Order of the Court was made by **S.S.SUNDAR, J.**)

This Writ Petition has been filed for issuance of a Writ of Mandamus, to direct the respondents to accord the benefit of waiver/write off to the petitioner as per the RBI Master Circular- Prudential Norm on Income Recognition Asset Classification and Provisioning Pertaining to Advances (RBI 2021-22/104) dated 01.10.2021, by considering the petitioner's representation dated 07.02.2022 in the light of the said master circular within the time stipulated.

2. Heard Mr.M.Mahaboob Athiff, learned counsel for the petitioner and Mr.M.Ponniah, learned Standing Counsel for the respondents. By consent of both parties, the Writ Petition is taken up for final disposal at the admission stage itself.



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3. The petitioner, who is 80 years old was enjoying the credit facility from the respondent bank from the year 2005. However, the asset was declared NPA on 24.01.2019. It is also admitted that the liability as on 28.02.2019 is Rs.5,81,54,936/- and it would be around Rs.7 Crores and odd as on date. It is admitted that the petitioner has earlier approached the respondent for One Time Settlement, which was rejected. Challenging the order, rejecting the One Time Settlement offer of petitioner, the petitioner filed a writ petition earlier. It is also admitted that the respondent bank has considered the request of the petitioner and gave One Time Settlement proposal to the petitioner. Though the petitioner was given an offer and the offer was accepted by the petitioner by remitting 5% of OTS proposal, namely, Rs.21,55,000/- on 23.11.2020, he could not pay the remaining amount as per the proposal towards OTS offer.

4. It is to be noted that the One Time Settlement Offer and acceptance was during COVID - 19 pandemic and therefore, the petitioner contends that the petitioner may be given one more opportunity particularly in view of the revised circular issued by the Reserve Bank of India in RBI Master Circular-



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Prudential Norm on Income Recognition Asset Classification and Provisioning Pertaining to Advances (RBI 2021-22/104) dated 01.10.2021. The petitioner has submitted a representation dated 07.02.2022 to avail the benefits of waiver and other concession as permissible under the revised circular dated 01.10.2021 of RBI.

5. Though learned Standing Counsel appearing for the respondents has submitted his argument by focusing the conduct of petitioner on the earlier occasion, seeks time to get instructions as regards the status of the revised circular mentioned in the petition.

6. Considering the submissions of learned counsel for the petitioner and the facts narrated in the affidavit filed in support of the petition, this Court is of the view that the petitioner is just requesting to direct the respondents to consider his representation. Hence, this Court, without expressing any opinion on the merits of the case, directs the respondents to consider the representation of the petitioner 07.02.2022 in the light of the RBI Master Circular- Prudential Norm on Income Recognition Asset Classification and Provisioning Pertaining to Advances (RBI 2021-22/104) dated



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01.10.2021, and pass appropriate orders within a period of twelve weeks from the date of receipt of a copy of this order.

7. The Writ Petition is disposed of with the above directions. No costs.

[S.S.S.R., J.] [S.S.Y., J.]
25.08.2022

Index : Yes / No
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