M/L. 3 with 4.
May 6, 2024.
MNS.

WPA No. 3967 of 2024
with
WPA No. 5495 of 2024

Khukumoni Pattanayak
Vs.
Reserve Bank of India and others

Mr. Tapas Kumar Sinha,
Mr. Subir Sabud,
Mr. Sourajit Dasgupta

… for the petitioner.

Ms. Sreemoyee Mitra

…for the PNB.

Mrs. Parna Roy Choudhury

…for the Integra Micro System.

1. The two writ petitions have been filed by a single petitioner.

2. WPA No. 3967 of 2024 has been filed primarily against the respondent-Bank alleging that the petitioner acted as a Business Correspondent/Recovery Agent for the said Bank. However, despite the petitioner having functioned in such capacity upon such appointment, the payment for recovery of NPA accounts has not been paid to the petitioner.

3. Learned counsel relies on a claim raised by the petitioner annexed at page 31 of WPA No. 3967 of 2024 which fixes the quantum allegedly due from the Bank at Rs.12,48,734/-.

4. Learned counsel places reliance on a document dated May 23, 2022 annexed at page 29 of the writ petition, which indicates that a part of the amount was paid directly by the Bank to the petitioner. However, subsequently, the Bank is trying to take shelter under an agreement entered into between the petitioner and M/s Integra Micro System (P) Ltd., which was an agent of bank which had appointed the petitioner at the behest of the Bank, to disown the Bank's liabilities. However, it is argued that the Bank cannot disown liability for NPA recovery, for which Bank directly appointed the petitioner and had disbursed a part of the payment.
5. Insofar as WPA No. 5495 of 2024 is concerned, the petitioner claims similar rights. The petitioner was appointed as a Business Correspondent through the respondent-M/s. Integra Micro System (P) Ltd., the latter being a Corporate Business Correspondent of the Bank.
6. It is argued that the petitioner functioned in terms of the agreement between the petitioner and M/s. Integra during the period from the year 2021 to 2023.
7. It is submitted further that the petitioner's Code has been blocked by M/s Integra Micro

System (P) Ltd., thereby precluding the petitioner from collecting the due amounts.

8. Learned counsel appearing for M/s Integra Micro System (P) Ltd. categorically disowns the liability insofar as the alleged dues of the petitioner with regard to the NPA amount collections is concerned.

9. It is argued that the petitioner was appointed directly for such purpose and allotted work by the Bank, if at all.

10. Insofar as the claim against M/s Integra Micro System (P) Ltd. on the other aspect regarding the Pradhan Manti Jan-Dhan Yojana work done by the petitioner is concerned, it is argued that M/s Integra Micro System (P) Ltd. had already cleared the previous dues of the petitioner. However, on repeated occasions, it was found that there were several allegations and complaints lodged against the petitioner on the ground that the petitioner has been abusing the appointment by collecting amounts directly from customers in an unauthorized manner and misappropriating the amounts.

11. As such, ultimately M/s Integra Micro System (P) Ltd. was compelled to block the account of the petitioner, however, upon giving an opportunity of hearing to the petitioner.

12. Learned counsel for the Bank denies the liability of the Bank for payment on either score and places reliance on the agreement entered into between M/s Integra Micro System (P) Ltd. and the petitioner.
13. Learned counsel for the Bank takes the court through the Policy of Business Correspondents of the Bank annexed to the affidavit-in-opposition of the Bank.
14. In Clause 2.4.1 thereof, it is provided that all BC Agents (in the present case the petitioner purports to be one) will be appointed under a Corporate BC framework and the bank will not enter into any agreement separately with any individual BC.
15. In Clause 2.4.5 of the same, fidelity insurance is contemplated to cover losses caused by dishonest deeds of the BCs. Clause 2.4.6 contemplates that performance of Corporate BCs shall be reviewed on quarterly basis through a meeting with heads of Corporate BCs and in case the performance is not found satisfactory, their services may be terminated by serving suitable notice by the Bank.
16. Learned counsel for the Bank also places reliance on a policy for engaging Corporate BCs/BC Agents for recovery in NPAs and

SMA-II Accounts annexed at page 31 of the affidavit-in-opposition of the Bank.

17. In terms of Clause 5.1 thereof, the Bank has already executed agreement with CBC for functioning as BC agent. By placing reliance on the said provision, it is argued that, invoice is to be raised by CBCs to respective base branches for payment of commission regarding recovery made in accounts of the base branch.
18. Clause 5.2 deals with allocation of accounts.
19. Learned counsel, by placing reliance on the said provision, submits that the Bank did not have any direct liability vis-à-vis the petitioner in respect of payment or otherwise, at any point of time.
20. Learned counsel for the Bank also places reliance on a document annexed at page 82 of the affidavit-in-opposition of the Bank, which is the relevant list of BCs (Business Correspondents) during the period 2021 to 2023.
21. It is argued that the petitioner's name does not find place therein, as such belying the contention of the petitioner that the petitioner had been appointed directly by the Bank as an agent for collection of NPA dues.

22. Insofar as the annexure dated May 23, 2022 annexed at page 29 of the writ petition is concerned, the veracity of the same is categorically denied by the Bank and it is submitted that conspicuously, the same does not contain the letter head of the Bank.
23. Upon hearing learned for the parties, certain aspects of the matter come to the fore.
24. Insofar as NPA collection is concerned, the respondent-Bank had the leeway to directly appoint BC instead of channelizing such appointment through the CBC [in the present case M/s Integra Micro System (P) Ltd.].
25. Moreover, the Bank holds the ultimate key to the decisions as to appointment and termination of BCs, although the same has to be done through proper channel via the CBCs.
26. Thus, insofar as in NPA collections are concerned, the Bank cannot disown its liability altogether as a general matter of principle.
27. However, in the present case, the very document on which the petitioner relies, dated May 23, 2022 has been categorically alleged by the Bank to be fictitious and manufactured.
28. That apart, the Bank also relies on a list of BCs during the relevant period for which the petitioner claims dues, which also *prima facie*

indicates that the petitioner's name is conspicuous by its absence from the said list.

29. Thus, evidence is required to substantiate the contention of the petitioner that there was any actual appointment of the petitioner for collection of NPA amounts during the relevant period, either by the Bank or by M/s Integra Micro System (P) Ltd.

30. Moreover, the Bank is also to substantiate its allegation that the purported document dated May 23, 2022 produced by the petitioner is fictitious / manufactured.

31. Insofar as the claim against M/s Integra Micro System (P) Ltd. is concerned, it categorically denies any further liabilities, since according to it, the past dues of the petitioner have already been cleared and the challenge against M/s Integra Micro System (P) Ltd. does not claim any dues but only seeks to cancel the blocking of the petitioner's Code by M/s Integra Micro System (P) Ltd. However, it transpires that the affidavit-in-opposition of M/s Integra Micro System (P) Ltd. discloses sufficient *prima facie* material to indicate that, upon giving an opportunity of hearing to the petitioner, M/s Integra Micro System (P) Ltd. took a decision to terminate her services on the ground of misappropriation of funds and

certain irregularities in the operations of the petitioner as an agent.

32. In the event the petitioner seeks to challenge the same on merits, her evidence is required to be adduced, which cannot be appreciated properly within the limited confines of the writ petition. Several documents have come on record to indicate that those are required to be formally proved in a regular civil suit and an opportunity of hearing be given to the respondents to dispute the said documents and/or cross-examine the witnesses who prove such documents. The same being beyond the trappings of the writ court, cannot be decided within the scope of the present writ petition.

33. Accordingly, WPA No. 3967 of 2024 and WPA No. 5495 of 2024 are disposed of by granting liberty to the petitioner, in the light of the above observations, to approach a competent civil court making its claims. It is made clear that if such suit/suits is/are filed by the petitioner, the same will be decided in accordance with law without the civil court being influenced by the observations made herein on merits regarding the allegations and counter-allegations of the parties in any manner whatsoever.

34. There will be no order as to costs.
35. Urgent photostat certified copies of this order, if applied for, be made available to the parties upon compliance with the requisite formalities.

(Sabyasachi Bhattacharyya, J.)