



W.P.No.4819 of 2020

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 29.01.2024

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THE HONOURABLE MR. JUSTICE S.M.SUBRAMANIAM

W.P.No.4819 of 2020

and

W.M.P.Nos.23555 of 2022,5711 & 5712 of 2020

Muthu Agencies,
Rep. by its Proprietor,
V.Pethaperumal.

... Petitioner

Vs.

1. The Senior Manager,
Central Bank of India,
Main Branch, Puducherry.

2. The Chairman and Managing Director,
Central Bank of India,
Chander Mukhi Nariman Point,
Mumbai 400021.

3. The Regional Manager,
Central Bank of India,
Post Box 310, 1/C,
Karur Main Road,
Chintamani, Tiruchirapalli.

4. The Reserve Bank Of India,
C/o.CGM and Secretary,
Secretary Department,
Reserve Bank of India,
16th Floor, Central Office Building,
Shahid Bhagat Singh Marg,
Mumbai 400 001.



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(R4 impleaded as per order dated 16/3/2020 made in WMP.6676/2020 in WP.4819/2020 by KRCBJ) ... Respondents

Prayer :- Writ petition filed under Article 226 of the Constitution of India praying for issuance of a writ of Certiorarified Mandamus, call for records on the file of 1st respondent and quash the same in respect to the proceedings dated 28/01/2020 in BR/PONDIC /2019 - 2020, as illegal, incompetent and without jurisdiction and further direct the 1st respondent not to tamper or interfere with the O.D Account No.4005895305 of the petitioner and classify it as “Non-performing account”.

For Petitioner : Mr.Sunny Sheen for
Mrs.V.Srimathi.

For Respondents : Mr.M.L.Ganesh (for R1 to R3);

Mr.C.Mohan for
M/s.Kingai Partridge (for R4).

ORDER

The relief sought for in the present writ petition is to quash the proceedings dated 28.01.2020.

2. The order impugned would indicate that the petitioner agencies were enjoying a limit of Rs.2.00 Crores with the respondent Branch since December 2017 under Cent Trade Scheme. The account was due for renewal and the Loan Department of the Central Bank of India raised



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queries and it was informed to the writ petitioner. Since the petitioner had not submitted the papers regarding legal quarries raised during the relevant point of time, the respondent Bank had technically reviewed the account in system, which expired on 31.01.2020. After 31.01.2020, the account turned to NPA.

3. The learned counsel for the petitioner submitted that by letter dated 09.12.2021, an order of renewal of the existing fund based on limit under Cent Business Loan Scheme and TL Cent Covid-19 Sahayata and TL – GECL at run down balance was issued by the respondent Bank. Though the terms and conditions in the above renewal order indicates that the W.P.No.4819 of 2020 is to be withdrawn by the petitioner, the petitioner had not exercised the condition and subsequently sent objection letters.

4. The learned counsel for the respondent Bank Mr.M.L.Ganesh would oppose by stating that the petitioner had agreed for the terms and conditions to utilise the Cent Business Loan Scheme. The Scheme shall be renewed subject to withdrawal of W.P.No.4819 of 2020. Since the writ petition has not been withdrawn, the petitioner is not entitled for renewal.



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5. May that as it be. The dispute seems to be based on contractual obligations. Such disputed facts cannot be adjudicated in a writ proceedings. Terms and conditions between the parties require an elaborate adjudication based on the documents and evidence. It is not in dispute that the renewal of existing fund based limits, under Cent Business Loan Scheme was granted to the petitioner subject to the condition that he shall withdraw W.P.No.4819 of 2020. However, all these issues have to be adjudicated before the competent forum in the manner known to law. A writ petition cannot be a solution for the purpose of resolving such disputes arose on account of contractual obligation. Therefore, the petitioner is at liberty to approach the competent forum for the purpose of redresal of their grievances in the manner known to law.

6. With these liberties, the writ petition stands dismissed. No costs. Consequently, connected miscellaneous petitions are closed.

29.01.2024

Index : Yes
Speaking Order
Neutral Citation : Yes
(sha)



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S.M.SUBRAMANIAM. J.,

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