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W.P.No.23657 of 2023

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 14.06.2024

CORAM :

THE HONOURABLE DR.JUSTICE ANITA SUMANTH

W.P.No.23657 of 2023

MG.Pachaiyapphen

.. Petitioner

vs

- 1.The Chief General Manager,
State Bank of India,
No.110/1, Uthamar Gandhi Salai,
Nungambakkam,
Chennai – 600 034.
- 2.The Regional Manager,
State Bank of India,
No.73C, 74C, S Part St.,
Secretariat Colony,
Venkatapuram,
Ambattur, Chennai – 600 053.
- 3.The Branch Manager,
State Bank of India,
Tiruttani Branch, Thiruvallur District.
- 4.The Branch Manager,
Life Insurance Corporation of India,
Madurai City Branch -1,
No.3, West Marret Street,
Madurai – 625 001.
- 5.The General Manager,
Reliance ARC Ltd.,
Head-Credit & Operations,
6th Floor, Nagin Mahal,
Veer Nariman Road,
Churchgate,
Mumbai – 400 020.

.. Respondents



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Petition filed under Article 226 of the Constitution of India praying to issue a writ of mandamus directing the 3rd respondent to issue No Due Certificate / Loan Clearance Certificate to the petitioner in respect of his loan account No.111 433 24986 by considering the petitioner's representation dated 21.05.2023 and 21.06.2023.

For Petitioner : Mr.A.Ilayaperumal
For Respondents : Mr.B.Raghavulu Naidu
for R1 to R3
Mr.S.Karthikei Balan for R4
Ms.G.Swathy
for Mr.V.Balasubramanian
for R5

ORDER

The petitioner prays for a mandamus directing the third respondent, being the Branch Manager, State Bank of India, Tiruttani Branch, Thiruvallur District to issue No dues Certificate / Loan Clearance Certificate in respect of loan Account No. 111 433 24986.

2. The petitioner had joined this Court on 12.11.1975 as a Junior Assistant and was promoted to the post of Joint Registrar in due course. He has superannuated on 30.04.2013 with 28 years of service. He had obtained an educational loan of Rs. 4 lakhs and according to petitioner, has repaid the same in full by way of cash, for which he holds receipts. Apart from the same, he had assigned two LIC Policies bearing No. 712170929 & 710635022 in favour of R3 at the time of sanction of the loan.



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3. The policies were handed over to R3 for realization as and when they matured. The policies have matured on 20.03.2013 and 09.03.2013 and the maturity amount is Rs.1,08,472/-. The petitioner submits that he has paid a sum of Rs.4,56,138/- and hence the entire dues payable to R3 stand settled.

4. The Respondent Bank disagrees and at their reference, the matter was taken to Lok Adalat. According to the petitioner, there was no resolution of the matter there. The difference of opinion *inter se* the petitioner and R3 has now lead to a situation where the CIBIL score of the petitioner has been impacted. This, according to him, stands in the way of his credit worthiness. He has thus made representations on 21.05.2023 and 21.06.2023 before R3 for issuance of No Dues Certificate / Loan Clearance Certificate, to which he has not received any favourable reply. Hence this writ petition.

5. Heard Mr.A.Ilayaperumal, for the petitioner, Mr.B.Raghavulu Naidu, for R1 to R3, Mr.S.Karthikei Balan for R4 and Ms.G.Swathy, for Mr.V.Balasubramanian, learned counsel for R5.

6. The stand of R1 to R3 is that the petitioner has not settled the loan. They claim to have referred the matter to R5 for collection. Since the question of whether the loan has been settled or not remains a factual matter and a severally disputed one at that, it would be appropriate and would suffice to direct R3 to consider and dispose the representations of the petitioner (dated 21.05.2023 and 21.06.2023), in accordance with law and all relevant rules and regulations and



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mandamus is so issued. Let this exercise be completed within a period of six weeks from today after affording opportunity to the petitioner.

7. Writ petition stands disposed in terms of this order. No costs.

14.06.2024

Index:Yes/No
Neutral Citation:Yes
ssm

To

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