



W.P.(MD)No.11232 of 2019

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BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 16.12.2024

CORAM:

THE HONOURABLE MR. JUSTICE G.K.ILANTHIRAIYAN

W.P.(MD)No.11232 of 2019

R.Indira

...Petitioner

/Vs./

1.The Chairman and Managing Director,
The Catholic Syrian Bank Ltd.,
Regd. Office, P.Box No.502,
College View, St.Mary's College Road,
Trichur, Kerala State.

2.The Zonal Manager,
The Catholic Syrian Bank Ltd.,
Zonal Office, II Floor, SIMA Buildings,
41-A, Race Course Road,
Coimbatore.

3.The Branch Manager,
The Catholic Syrian Bank Ltd.,
Palani Road, Dindigul.

... Respondents

PRAYER: Petition filed under Article 226 of the Constitution of India, to issue a Writ of Certiorarified Mandamus, to call for the records relating to the impugned order/notice dated 25.03.2019 sent by the third respondent in his proceedings in CSB Dindigul/2018-2019 and quash the



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same consequently direct the respondents to refund the fixed deposit amount along with current amount withhold by the respondents with interest at the rate of 12% per annum within a time frame as fixed by this Court.

For Petitioner : Mr.B.Prahalad Ravi
For R1 to R3 : Mr.R.Pandivel
Standing Counsel

ORDER

This writ petition has been filed challenging the communication sent by the third respondent dated 25.03.2019, thereby informing the petitioner that the Fixed Deposit amount deposited by the petitioner was adjusted towards the loan account.

2.The petitioner is the Managing Director of CP Spinning Mills Pvt., Ltd.. He has borrowed a loan for better functioning of the establishment from the third respondent to the tune of Rs.8 crores. The petitioner had opened FD for a sum of Rs.33.65 lakhs by giving Bank guarantee. Thereafter, the petitioner committed default in payment of loan. Therefore, the respondent bank proceeded the petitioner's Mill



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under SARFAESI Act. The petitioner's Mill went sick and therefore, the respondent adjusted the fixed deposit amount towards the loan amount and informed the petitioner.

3.Perusal of the letter dated 25.03.2019, which is under challenge in this writ petition, reveals that the petitioner's account become inoperative, since the petitioner committed default in repayment of loan amount. Therefore, the respondent Bank closed the current account and FD account of the petitioner and credited the proceeds to ODH loan account on 07.05.2010. In fact, the petitioner's Mill has also given a consent letter dated 12.02.2010 for closure of the current account and fixed deposit account and one another FWD account authorizing the bank to appropriate the proceeds of the above mentioned accounts towards the company's liabilities with the bank and also stating that the amount to be appropriated to the loan account may be taken into account while considering the one time settlement (OTS) proposal by the borrower company.



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4. In view of the above, this Court does not find any infirmity in the communication impugned in this writ petition. Accordingly, this writ petition stands dismissed. No costs.

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Index : Yes / No

NCC : Yes / No

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To

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G.K.ILANTHIRAIYAN, J.

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