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CRP. No.1546 of 2025



IN THE HIGH COURT OF JUDICATURE AT MADRAS

Reserved on:28.07.2025

Pronounced on:01.08.2025

CORAM

THE HONOURABLE MR.JUSTICE P.B.BALAJI

**CRP. PD. No.1546 of 2025
and CMP. No.8991 of 2025**

M/s.Sandana Florals
Rep. by its Prop. J.Rita Jasmine Ranjini,
No.10/1046. Pari Salai, East Mogappair,
Chennai – 600 037.

Petitioner

Vs

1.M/s.State Bank of India,
Rep. by its Chief Manager,
SME City Credit Centre,
No.5, Jawaharlal Nehru Road,
Ekkattuthangal, Chennai – 600 097.

2.The State Director,
Khadi and Village Industries Commission,
No.326, Avvai Shanmugam Road, Gopalapuram
Chennai -86.

Respondents

PRAYER: This Civil Revision Petition is filed under Article 227 of the Constitution of India, to set aside the order dated 14.03.2025 passed in I.A. No.10 of 2025 in O.S. No.621 of 2016 on the file of IV Assistant City Civil Judge, Chennai.



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For Petitioner : Mrs.Raj Genevive Veena

For Respondents : Mr.C.M.Mohanasundaram for R1
Mr.K.Subramanian for R2

ORDER

The defendant in a suit for recovery of money, aggrieved by the dismissal of her Application for impleading the Khadi and Village Industries Commission (KVIC) has come up by way of this revision petition.

2. I have heard Mrs.Raj Genevive Veena, learned counsel for the revision petitioner, Mr.C.M.Mohanasundaram, learned counsel for the first respondent and Mr.K.Subramanian, learned counsel for second respondent I have also gone through the documents and decisions relied on by the learned counsel on either side.

3. The learned counsel for the petitioner states that the suit has been filed by the first respondent Bank as an under chapter suit under Order XXXVII of CPC. The respondent filed an Application seeking leave to defend the suit which was allowed on 26.04.2017 and thereafter,



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the defendant has filed her written statement along with a counter claim.

After trial commenced, the defendant has taken out an Application under IA.No.10 of 2025 seeking to implead KVIC as the 2nd defendant under Order I Rule 10 of CPC. The learned counsel for the petitioner would state that the plaintiff has denied the grant of subsidy and therefore it has become necessary to implead KVIC as a party defendant to the said suit, to establish the receipt of subsidy by the plaintiff's Bank.

4. She would further state that, in view of the counterclaim having been made by the revision petitioner, the revision petitioner should have been granted a fair opportunity, not only to disprove the claim but also to prove the counter claim and only in order to establish the same, the revision petitioner filed the Application to implead KVIC as a defendant.

5. The learned counsel would also rely on the decision of the Hon'ble Supreme Court in ***Baluram vs P.Chellathangam and others*** reported in ***(2015) 13 SCC 579***, where the Hon'ble Supreme Court held that, impleadment of a proper party would have to be entertained. Relying on the said decision the learned counsel for the petitioner would

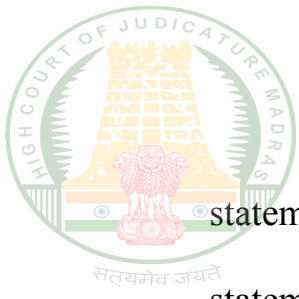


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therefore contend that KVIC was a necessary party and in absence of KVIC, no effective decree can be passed by the Court. She would therefore pray for the revision being allowed.

6. Per contra, the learned counsel for the 1st respondent Bank would state that the well reasoned order of the Trial Court does not require any interference and the defendant is only attempting to protract the proceedings by taking out such Applications. He would further state that the suit was filed as early as in 2016 and the issues were framed even in March 2019 and the trial commenced and evidence of both parties also came to be recorded and at the stage of further evidence on the side of defendants, the Application has been taken out. The learned counsel would further state that KVIC is not necessary to adjudicate the suit claim or the counterclaim and therefore, the order of the Trial Court does not require any interference.

7. The learned counsel appearing for KVIC would state that KVIC does not have any records in their custody and they themselves had to address a letter to the Nodal Bank SBI, Gopalapuram Branch seeking a



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statement for the period 20.11.2011 to 2015-2016 and based on the said statement, the reply affidavit has been filed before this Court. In the reply affidavit, the 2nd respondent has stated that KVIC has deposited the required amount of subsidy in the Nodal bank, viz., SBI, Gopalapuram Branch and that from the statement of account furnished by the Nodal Bank, the 2nd respondent has stated that the subsidy amount of Rs.86,625/- has not been released to the financier Bank. The learned counsel would state that KVIC has no role between the parties to the *lis* and the Trial Court has rightly dismissed the application and the same does not warrant any interference.

8. I have carefully considered the submissions advanced by the learned counsel on either side. I have also gone through the order of the Trial Court dismissing the application seeking impleadment of 2nd respondent.

9. The case of the petitioner is that the subsidy amount has already been deposited with the plaintiff Bank but however, the plaintiff's witness have falsely claimed that the subsidy amount has not been



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received by them and only in order to establish the same, the petitioner seeks impleadment of KVIC. I find that, earlier the petitioner has taken out an Application in I.A.No.3 of 2022 for direction to KVIC to produce documents. The said application was allowed on 08.11.2022 and the Officer representing KVIC, in compliance with the order, appeared and stated that documents are not available with them. However, it is seen that the specific contention of the revision petitioner is that the subsidy amount of Rs.86,625/- which is the backbone of the counter claim filed by the revision petitioner was granted in the year 2010. The 2nd respondent has sought for a statement only for a period from 2011 November to 2016 and based on the same contends that the subsidy amount has not been transferred to the plaintiff Bank. The said statement of accounts does not serve any purpose since it is not covering the relevant period viz., 2010 when the subsidy was granted.

10. In any event, I do not see how the proposed defendant is a proper and necessary party to adjudicate the *lis* between the plaintiff and the defendant, viz., the suit claim as well as the counterclaim. As rightly contended by the respondent, the revision petitioner has clearly



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attempted to direct KVIC to produce documents and they have expressed their inability to assist the Court, in view of documents not being available with them. Even in the revision, it is stated by the 2nd respondent, the proposed defendant that the affidavit has been filed only pursuant to procuring details from the Nodal Bank, SBI, Gopalapuram. The presence of the 2nd respondent as defendant in the suit is not going to assist the Trial Court in effectively adjudicating the issues that arise for consideration both in the suit as well in the counterclaim. A witness in a case cannot be impleaded as a party to the suit. Therefore, I do not find any infirmity or perversity in the order dismissing the Application for impleadment.

11. However, at the same time considering that the revision petitioner has diligently attempted to establish that the subsidy amount was in fact transferred to the plaintiff Bank and the Application was also allowed but the relevant records not being available with KVIC, the same could not be produced before the Court, I am inclined to grant liberty to the revision petitioner to take out an Application to seek a direction to the Nodal Bank, SBI, Gopalapuram to produce the statement of accounts for



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the relevant period to establish the contention of the petitioner that the subsidy amount has been transferred during the period. If any such Application is taken out within a period of two weeks from the date of receipt of copy of this order, the same shall be allowed and directions shall be issued in a time bound manner. Considering that the suit is pending from 2016 onwards, the Trial Court shall also expedite conclusion of trial in the said suit as well as in the counterclaim and in any event, dispose of the suit and counterclaim within a period of six (6) months from the date of receipt of copy of this order.

12. In fine, this Civil Revision Petition is dismissed with the above directions. Consequently, connected Miscellaneous Petition is also dismissed. No costs.

01.08.2025

rkp

Index : Yes / No

Internet : Yes / No

To:

The IV Assistant City Civil Judge, Chennai.



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P.B.BALAJI, J.,

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Pre-delivery order in
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