



WEB COPY

WP No. 27800 of 2021



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 27-11-2025

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THE HONOURABLE MR JUSTICE M.DHANDAPANI

WP No. 27800 of 2021

and

WMP No. 29366 of 2021

Santha

Petitioner

Vs

1. Union of India

Rep by its Secretary to Government,
Department of Financial Services,
Ministry of Finance, 3rd Floor, Jeevan
Deep Building, Sansad Marg,
New Delhi - 110001.

2.National Credit Guarantee Trustee

Company Limited

CIN – U6519MH2014GO1302620

G Block BKC, Bandrakurla Complex,
Bandra East, Mumbai,
Maharashtra - 400051.

3.Phoenix ARC Private Limited,

Having address at 3rd Floor, Wallace

Towers, 139-140/B/1, Crossing of

Sahar Road and Western Express

Highway, Vile Parle East,

Mumbai-400 057. (R3 cause title

substituted vide order dated 29.10.2025

made in WMP.46111/2025)

Respondent(s)

PRAYER

Writ Petition filed under Article 226 of Constitution of India, directing the 2nd and 3rd respondents to extend to the petitioner forthwith the eligible sanction of 20-30% of the loan outstanding as on 29.2.2020 in the loan



accounts of the petitioner 626626117, 624283686, 628395367 and 633338960 with the 3rd respondent under the Emergency Credit Line Guarantee Scheme promulgated by the 2nd respondent to revive businesses affected by Covid.

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For Petitioner : Mr.Om Prakash, Senior Counsel
for Ms.K.Sumathi

For Respondent(s): M/s. R.K.Gandhi for R1
M/s. N.Ravishankar Vallatharasu
for R3
No Appearance for R2

ORDER

This writ petition has been filed directing the 2nd and 3rd respondents to extend to the petitioner forthwith the eligible sanction of 20-30% of the loan outstanding as on 29.2.2020 in the loan accounts of the petitioner 626626117, 624283686, 628395367 and 633338960 with the 3rd respondent under the Emergency Credit Line Guarantee Scheme promulgated by the 2nd respondent to revive the businesses affected by Covid.

2.The case of the petitioner is that in June 2020, the Government of India introduced the Emergency Credit Line Guarantee Scheme for the revival of the sectors affected during the Covid-19 pandemic, which the 3rd respondent is implementing. Under the scheme, the petitioner is an eligible beneficiary as an ECLGS 1.0 borrower. In order to avail the scheme, the petitioner made several representations to the 3rd respondent, to extend the benefit to her. However, the same was not considered till date. Hence the present writ petition has been filed.



3. The learned Senior Counsel for the petitioner would submit that, since the loan amount borrowed by the petitioner prior to Covid-19, has not been settled in favour of the 3rd respondent, this Court may issue a direction to the 3rd respondent to extend the ECLGS 1.0 scheme benefit to the petitioner, while entertaining the one-time settlement. . Hence, it is prayed that this Court may permit the petitioner to make an application before the 3rd respondent seeking extension of the ECLGS 1.0 scheme benefit in his favour.

4. In response to the submissions made by the learned counsel for the petitioner, the learned counsel for the 3rd respondent would submit that admittedly, the petitioner had borrowed a loan prior to Covid-19. The ECLGS 1.0 scheme was provided for persons affected by Covid-19, enabling them to avail the said benefit. However, the petitioner was declared as an NPA due to non-payment of the loan amount and till date, the petitioner has not submitted any application before the 3rd respondent. The learned counsel for the 3rd respondent would further submit that the ECLGS scheme is not in existence, and if the petitioner makes an application before the 3rd respondent for a one-time settlement, the same will be considered and appropriate orders will be passed.



5. In view of the above, the petitioner is directed to make an application for one-time settlement, within a period of two (2) weeks from the date of receipt of a copy of this order. Upon receipt of such application, the 3rd respondent is directed to entertain the application and pass appropriate orders within a period of eight (8) weeks thereafter, in accordance with law.

6. With the above directions, this Writ Petition stands disposed of. No costs. Consequently, connected writ petition is closed.

27-11-2025

Index: Yes/No
Speaking/Non-speaking order
Internet: Yes
Neutral Citation: Yes/No

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To
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Deep Building, Sansad Marg, New
Delhi - 110001.

2. National Credit Guarantee Trustee
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M.DHANDAPANI J.

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