



WP.No.38543 of 2024

IN THE HIGH COURT OF JUDICATURE AT MADRAS

WEB COPY

DATED : 17.03.2025

CORAM:

THE HONOURABLE MR. JUSTICE J. SATHYA NARAYANA PRASAD

W.P.No.38543 of 2024 &
WMP.No.41751 of 2024

M/s. Dinakaran and Co.,
represented by its Proprietor
Door No.12/6A, Kuttai Thottam,
Uzhaipalar Street, Vellakinar,
Coimbatore 641 029

... Petitioner

Vs.

1. The Secretary,
Ministry of Micro, Small and Medium
Enterprises, Udyog Bhawan,
Rafi Marg, New Delhi 110 011.
2. The Reserve Bank of India,
represented by its Chief General Manager
in charge, Financial Inclusion and
Development Dept., 10th Floor, Central
Office Building, Shahid Bhagar Singh
Road, Mumbai 400 001.
3. The Banking Ombudsman,
Reserve Bank of India,
Fort Glacis, Chennai 600 001.
4. The Manager,
Bank of Baroda, MSME Specialized Branch,
Baroda Pride, No.22, Kalingarayan Street,
Ramnagar, Coimbatore Region,
Coimbatore 641 009.
5. DBS Bank India Limited,
represented by its Manager,
Ganapathy Branch,



WP.No.38543 of 2024

No.1157, Sathy Road,
Gopal Building, Ganapathy,
Coimbatore 641 006.

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... Respondents

PRAYER: Writ Petition filed under Article 226 of the constitution of India praying for issuance of Writ of Certiorarified Mandamus to call for the records of impugned order passed in BOB/RAMNAG/ADV/2024-25 dated 26.09.2024 by the 4th respondent/MSME Specialized Branch, herein and quash the same and consequently direct the 4th respondent/MSME Specialized Branch to release the collateral property security document to the 5th respondent bank herein.

For Petitioner : Mr.C.K. Chandrasekaran
for V.Janarathanan

For Respondents : Mr.V.Chandrasekaran,
Senior Panel Counsel for R1
Mr.T.Poornam for
R2 and R3
M/s.Revathi Manivannan for R4

ORDER

This Writ Petition has been filed for issuance of Writ of Certiorarified Mandamus to call for the records of impugned order passed in BOB/RAMNAG/ADV/2024-25 dated 26.09.2024 by the 4th respondent/MSME Specialized Branch, herein and quash the same and consequently direct the 4th respondent/MSME Specialized Branch to release the collateral property security document to the 5th respondent bank herein.



WP.No.38543 of 2024

2. The learned counsel appearing for the petitioner would submit that

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initially, the petitioner has availed the loan facilities from the UCO Bank and subsequently, the loan was transferred to the 4th respondent /Bank of Baroda, MSME Specialized Branch, Baroda Pride, No.22, Kalingarayan Street, Ramnagar, Coimbatore Region and from the 4th respondent Bank, again he shifted the loan to 5th respondent/DBS Bank India Limited, No.1157, Sathy Road, Gopal Building Ganapathy Branch, Coimbatore 641 006 by availing loan. The 4th respondent Bank has taken a sum of Rs.52 lakhs towards foreclosure from the 5th respondent Bank. Having regard to the same, he gave a complaint to 3rd respondent /Banking Ombudsman on 23.09.2024 and the same was forwarded to 4th respondent seeking their explanations. However, the 4th respondent, without prior notice to the petitioner, passed the impugned order dated 26.09.2024 claiming foreclosure charges, penal charges, processing charges and other charges to the tune of Rs.52,67,595/- from the petitioner without following any procedures and guidelines issued by the 2nd respondent. The complaint was dismissed on the ground that there is no deficiency of service. Thereafter, again, the petitioner gave an online complaint on 09.10.2024 to the 3rd respondent/Banking Ombudsman and the same is pending as on date.



WP.No.38543 of 2024

WEB COPY 3. Learned counsel appearing for the 2nd and 3rd respondents would submit that since the online complaint of the petitioner dated 09.10.2024 is pending with the 3rd respondent, this Court may direct the 3rd respondent to consider the complaint of the petitioner dated 09.10.2024 in ID.No.LACP84661045142 on merits and in accordance with law within the time that may be circulated by this Court.

4. Heard both sides and perused the materials available on record.

5. The 3rd respondent is directed to consider the online complaint of the petitioner dated 09.10.2024 on merits after giving due notice to the petitioner as well as the 4th respondent and 5th respondent, after affording an opportunity of personal hearing by considering the documents filed by the petitioner as well as 4th and 5th respondents on merits and in accordance with the Banking Ombudsman Scheme on merits and pass appropriate orders within a period of eight weeks from the date of receipt of a copy of this order.

6. The Writ Petition is disposed of with the above direction. No



WP.No.38543 of 2024

costs. Consequently, the connected miscellaneous petition is closed.

WEB COPY

17.03.2025

Index : Yes/No
Neutral citation : Yes/No
Speaking/non-speaking order
msr

To

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Ministry of Micro, Small and Medium
Enterprises, Udyog Bhawan,
Rafi Marg, New Delhi 110 011.
2. The Reserve Bank of India,
represented by its Chief General Manager
in charge, Financial Inclusion and
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WP.No.38543 of 2024

J. SATHYA NARAYANA PRASAD, J.

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