WEB COPY

Order QR

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 24.11.2026

CORAM :

THE HONOURABLE MR. SUSHRUT ARVIND DHARMADHIKARI,
CHIEF JUSTICE
AND
THE HONOURABLE MR.JUSTICE G.ARUL MURUGAN

WP No. 7381 of 2020
CNR:{HCMA010510742020}
and
WMP Nos. 8827, 8828, 8829 of 2020 and 52973 of 2026

Easwari Modern Rice Mills (P) Ltd
rep by its Managing Director
Jeeva Jagadeesan,
A-48 to 51, 2nd Main Road,
PIPDIC Industrial estate, Mettupalayam,
Puducherry-605009

Petitioner

Vs

1.Union of India
Ministry of Finance,
Department of Financial Services,
rep by the Secretary to Govt,
Jeevan Deep Building,
Parliament Street, New Delhi-110 001

2.The Ministry of Micro, Small and
Medium Enterprises
rep by the Addl. Secretary and
Development Commissioner,
Udyog Bhawan, Rafi Marg,
New Delhi-110 011

https://www.mhc.tn.gov.in/judis

WEB COPY

3.The Reserve Bank of India
Department of Regulation,
rep by its Chief General Manager-in- charge,
12th Floor, Central Office Building,
Shahid Bhagat Singh Road, Mumbai-400 001

4.The Karur Vysya Bank Ltd
Divisional Officer - Villupuram,
rep by its Authorised Officer,
D.No.26, 1st Floor, G.V. Farms Building,
Mampazhapattu Road, Villupuram - 605 602

5.The Karur Vysya Bank Ltd
Reddiyarpalayam Branch,
rep by its Branch Manager,
P.Nos.21 & 22, Villupuram Road,
Rasathiammala Nagar, Reddiyarpalayam,
Puducherry- 605 010

Respondents

PRAYER: Petition filed under Article 226 of the Constitution of India seeking issuance of a writ of certiorarified mandamus calling for the records relating to the (i) Communication bearing No.214/2019/2020 dt.21.06.2019 and (ii) order bearing Ref: VPMDO/General/87/ SARFAESI 13(3A)/2019-20 dt.09.10.2019 on the file of the 5th and 4th respondent and quash the same and consequently, direct the respondents 4 and 5 Bank to implement the Instructions bearing (I) RBI/2019-20/100 – DBR.No.BP.BC.18/21.04.048/2018-19 dt. 01.01.2019 and (ii) RBI/2019-20/160–DOR No.BP.BC.34/ 21.04.048/ 2019-20 dt. 11.02.2020 issued by the 3rd respondent – Reserve Bank of India and (I) the MSME Credit and Rehabilitation Policy and (ii) the Code of Bank's Commitment to Micro and Small Enterprises framed by the Bank itself, make one time restructuring of the Loans borrowed by the petitioner, disburse provide the balance OD-Working Capital facility of Rs.1,00,00,000/- as per the Project Report and the commodity loan required by the petitioner, rehabilitate it and enable it to operate and repay the loan amounts within the time that may be fixed by this Court and not to take any coercive action against the petitioner Rice Mill to recover the loan amounts till such time.

https://www.mhc.tn.gov.in/judis

WEB COPY

For Petitioner: Mr.T.M.Naveen

For Respondents: Mr.V.Ashok Kumar
Central Government
Standing Counsel
for R1 and R2

Mr.A.Muthusubramaniam
for R4 and R5

ORDER

(Order of the Court was made by the Hon'ble Chief Justice)

The petitioner has filed this writ petition under Article 226 of the Constitution of India seeking a direction to the fourth and fifth respondents, namely, The Karur Vysya Bank Limited, to restructure its loan facilities in terms of the Reserve Bank of India circulars dated 01.01.2019 and 11.02.2020 and the Bank's internal policies, disburse the balance working capital and commodity credit facilities and permit repayment within a fixed period.

2. At the very threshold, the maintainability of this writ petition against the fourth and fifth respondents requires consideration. The respondent Bank is a private sector banking company and is neither "*State*" nor an "*instrumentality of the State*" within the meaning of Article 12 of the Constitution of India.

https://www.mhc.tn.gov.in/judis

WEB COPY

3. It is trite law that a writ under Article 226 of the Constitution of India is primarily directed against the State or an authority discharging a public function or statutory public duty. Commercial lending, credit enhancement and debt restructuring by a private bank arise out of private contractual arrangements and commercial banking judgment rather than the discharge of a sovereign or public function. In *Federal Bank Ltd. v. Sagar Thomas*[1], the Supreme Court authoritatively held that a private banking company is not amenable to writ jurisdiction under Article 226 merely because it is subject to statutory regulation by the Reserve Bank of India or required to follow regulatory guidelines.

4. Apart from the threshold bar of maintainability of a writ petition against a private bank, a writ of mandamus cannot be issued to compel a bank to restructure loans, sanction additional credit facilities or alter contractual repayment terms. That apart, it is trite that the court exercising jurisdiction under Article 226 of the Constitution of India cannot rewrite or modify contractual repayment terms.

[1] *(2003) 10 SCC 733*

https://www.mhc.tn.gov.in/judis

WEB COPY

5. For the foregoing reasons, the writ petition is not maintainable against the private respondent Bank and is, accordingly, dismissed. There shall be no order as to costs. Consequently, WMP Nos. 8827, 8828, and 8829 of 2020 are closed. In view of the dismissal of the writ petition, WMP No. 52973 of 2026, filed to implead the proposed sixth respondent, Edelweiss Asset Reconstruction Company, also stands closed.

(SUSHRUT ARVIND DHARMADHIKARI, CJ) (G.ARUL MURUGAN,J)

24.11.2026

Index : Yes/No
Neutral Citation : Yes/No
bbr

https://www.mhc.tn.gov.in/judis

WEB COPY

To:

1.The Secretary to Govt,
Union of India
Ministry of Finance,
Department of Financial Services,
Jeevan Deep Building,
Parliament Street, New Delhi-110 001

2.The Addl. Secretary and
Development Commissioner,
Ministry of Micro, Small and
Medium Enterprises
Udyog Bhawan, Rafi Marg,
New Delhi-110 011

3.The Chief General Manager-in- charge,
Reserve Bank of India
Department of Regulation,
12th Floor, Central Office Building,
Shahid Bhagat Singh Road, Mumbai-400 001

4.The Authorised Officer,
Karur Vysya Bank Ltd
Divisional Officer - Villupuram,
D.No.26, 1st Floor, G.V. Farms Building,
Mampazhapattu Road, Villupuram - 605 602

5.The Branch Manager,
Karur Vysya Bank Ltd
Reddiyarpalayam Branch,
P.Nos.21 & 22, Villupuram Road,
Rasathiammala Nagar, Reddiyarpalayam,
Puducherry- 605 010

https://www.mhc.tn.gov.in/judis

WEB COPY

Order QR

THE HON'BLE CHIEF JUSTICE
AND
G.ARUL MURUGAN,J.

bbr

W.P.No.7381 of 2020

24.11.2026

https://www.mhc.tn.gov.in/judis