



WEB COPY

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 04.02.2026

CORAM

THE HON'BLE MR.JUSTICE R.VIJAYAKUMAR

W.P.(MD)No.3173 of 2026
and
W.M.P(MD)No.2622 of 2026

Raju Spinning Mills Private Limited,
Represented by its Director,
Mr.K.B.Abinanthan,

...Petitioner

Vs

1. The Assistant General Manager/
Branch Head State Bank of India, Commercial Branch,
2nd Floor, 7-A, West Veli Street,
Madurai - 625 001.

2. The Board of Directors of State Bank of India,
Represented by its Managing Director,
Regional Office,
Madhura Complex No.2,
Ambedkar Road, Madurai - 625 002.

...Respondents

PRAYER: Writ Petition is filed under Article 226 of the Constitution of India, to issue a Writ of Mandamus, directing the State Bank of India to consider and dispose of the Petitioner's representation dated 27.12.2025 by placing the same before the appropriate Committee for Stressed / Distressed Micro, Small and Medium Enterprises (MSMEs), constituted under the Framework for Revival and Rehabilitation of MSMEs dated 29.05.2015, within a time bound period to be fixed by this Court, and consequently direct the Board of Directors of the



State Bank of India to forthwith constitute such Committee, if not already constituted, and further direct the said Committee to consider and decide the petitioner's application for reconstructing strictly in accordance with the aforesaid notification dated 29.05.2015 and the relevant circulars, guidelines and regulations issued by the Reserve Bank of India.

For Petitioner : M/s.Isaac Mohanlal
Senior Counsel
for Mr.B.Ramachandran

ORDER

The present writ petition has been filed by a Private Limited Company engaged in the business of spinning cotton and blended fibres which is duly registered as Micro, Small and Medium Enterprises(MEME) under the provision of the Micro, Small and Medium Enterprises Development Act, 2006. The petitioner has availed working capital demand loan and also GECL term loan facility from the respondent Bank. There was default in re-payment of the above said loan. So far, the petitioner's loan account has not been classified as non-performing assets. As on today, it is classified only as SMA-02 reflecting incipient and remediable stress and no recovery proceedings have been initiated.



WEB COPY

2. In the light of the above said circumstances, the petitioner Mill has given a representation to the respondents on 27.12.2025.

3. According to the learned Senior Counsel appearing for the writ petitioner, the Rehabilitation Scheme has to be placed before the Committee of stressed MSME and they have to arrive at a finding before declaring the account as NPA.

4. The learned Senior Counsel relied upon the judgment of the Hon'ble Supreme Court reported in **(2024) 10 SCC 292, Pro Knits Vs. Board of Directors of Canara Bank and Others** and submitted that the Rehabilitation Scheme is a statutory nature in view of Sections 9 and 10 of MSME Act, 2006.

5. The learned Senior Counsel further submitted that the respondents herein have to constitute the Committee on a case to case basis with the domain experts. So far, the Committee has not been constituted despite the fact that the representations have been addressed only on 27.12.2025 and therefore, the petitioner apprehends that it is likely to be declared as NPA and other recovery proceedings are likely to follow. Hence, the present writ petition.



WEB COPY

6. Considering the limited prayer sought for in the writ petition, the respondents herein are directed to constitute the committee for Revival and Rehabilitation of MSME with regard to the petitioner Mill and the said Committee is directed to consider the representation of the petitioner dated 27.12.2025 and take a decision within a period of 8(eight) weeks from the date of receipt of copy of this order. Till such time, any coercive steps shall be kept in abeyance.

7. With the above said observations, this writ petition stands disposed of. No costs. Consequently, connected miscellaneous petition is also closed.

04.02.2026

NCC : Yes/No
Index : Yes/No
Internet: Yes/No
RJR



WEB COPY

To

1. The Assistant General Manager/
Branch Head State Bank of India, Commercial Branch,
2nd Floor, 7-A, West Veli Street,
Madurai - 625 001.

2. The Board of Directors of State Bank of India,
Represented by its Managing Director,
Regional Office,
Madhurarum Complex No.2,
Ambedkar Road, Madurai - 625 002.



WEB COPY



R.VIJAYAKUMAR, J.

RJR

W.P.(MD)No.3173 of 2026

04.02.2026