

IN THE HIGH COURT OF KERALA AT ERNAKULAM

PRESENT

THE HONOURABLE MR.JUSTICE N.NAGARESH

MONDAY, THE 30TH DAY OF OCTOBER 2023 / 8TH KARTHIKA, 1945

WP(C) NO. 13009 OF 2023

PETITIONER:

SANKARANKUTTY M. T

AGED 55 YEARS

S/O THIRINJAN, MUTTATHAN HOUSE, CHAPPARA,
PULLUT P.O, THRISSUR DISTRICT, PIN - 680663

BY ADV P.V.JEEVESH

RESPONDENTS:

- 1 THE KODUNGALLUR TALUK PRIMARY CO-OPERATIVE
AGRICULTURAL AND RURAL DEVELOPMENT BANK LTD-
R-1353, KODUNGALLUR P O,
THRISSUR DISTRICT, PIN - 680664
- 2 THE SALE OFFICER
THE KODUNGALLUR TALUK PRIMARY CO-OPERATIVE
AGRICULTURAL AND RURAL DEVELOPMENT BANK LTD- R-
1353, KODUNGALLUR P O, THRISSUR DISTRICT - 680664

BY ADVS.

T.R.HARIKUMAR

ARJUN RAGHAVAN(K/1277/2012)

THIS WRIT PETITION (CIVIL) HAVING COME UP FOR
ADMISSION ON 30.10.2023, THE COURT ON THE SAME DAY
DELIVERED THE FOLLOWING:

JUDGMENT

Dated this the 30th day of October, 2023

The petitioner has approached this Court aggrieved by the coercive proceedings for recovery of financial advance made by the Kodungallur Taluk Primary Co-operative Agricultural and Rural Development Bank Limited to the petitioner, invoking the Provisions of the Kerala Co-operative Societies Act, 1969.

2. The Bank paid ₹4,75,000/- to the petitioner as Agricultural, Non-agricultural and Housing Loans in the year 2015. The petitioner states that though the petitioner made remittances promptly during the initial repayment period of the financial advance, he could not pay the repayment installments promptly later. The repayment of loan fell into arrears later due to treatment expenses incurred by the petitioner and due to Corona pandemic. It happened due to reasons beyond the control of the petitioner.

3. Though the petitioner requested the Bank to permit the petitioner to repay the overdue amounts in easy monthly installments, the Bank authorities were not yielding. The authorities, instead, started coercive proceedings, invoking the provisions of the Kerala Co-operative Societies Act, 1969.

4. The petitioner states that he is still in a position to clear the overdue amounts towards the loan, if sufficient time is given to clear the dues in easy monthly installments. If the respondents are permitted to continue with the coercive proceedings and auction the secured assets provided by the petitioner, he will be put to untold hardship and loss.

5. Standing Counsel entered appearance on behalf of the Co-operative Society and denied all the statements made by the petitioner. On behalf of the respondents, it is submitted that the loan was given to the petitioner in the year 2015. The petitioner committed default in repaying the loan.

6. The Bank repeatedly reminded the petitioner and required him to clear the dues. The petitioner deliberately

omitted to do so. In the circumstances, the Bank had no other go, than to proceed against the petitioner invoking the provisions of the Kerala Co-operative Societies Act, 1969. The impugned Ext.P1 was issued in these circumstances. The petitioner has not advanced any legal reasons to thwart the coercive proceedings initiated by the Bank.

7. The Standing Counsel, however, submitted that if the petitioner is ready and willing to make a substantial payment soon and remit the balance outstanding amount immediately thereafter, a short breathing time can be granted to the petitioner to clear the outstanding dues. The Standing Counsel submitted that the outstanding amount due to the Bank from the petitioner as on 26.10.2023 is ₹9,24,941/- and the overdue amount as on 26.10.2023 is ₹8,74,671/-.

8. I have heard the counsel for the petitioner and the Standing Counsel representing the Co-operative Society.

9. The specific case of the petitioner is that the petitioner has been making the repayment and maintaining

the loan account initially. The default in repayment of loan occurred lately due to reasons beyond the control of the petitioner. The petitioner has provided substantial security which will safeguard the interest of the Bank.

10. In the facts and circumstances of the case, I am inclined to dispose of the writ petition giving a short and reasonable time to the petitioner to clear off his outstanding liability.

11. The writ petition is therefore disposed of with the following directions:

(i) The petitioner shall remit the total outstanding amount of ₹9,24,941/- in 12 consecutive monthly installments. First of such installments shall be paid on or before 30.11.2023.

(ii) The petitioner shall remit the balance outstanding amount in subsequent consecutive 11 equal monthly installments

thereafter, along with accruing interest and other Bank charges, if any.

(iii) If the petitioner commits default in making payments as directed above, the respondents will be at liberty to continue with coercive proceedings against the petitioner in accordance with law.

(iv) If the petitioner makes payments as directed above, coercive proceedings, if any, against the petitioner shall stand deferred.

Sd/-
N.NAGARESH
JUDGE

spk

WP(C) No.13009 of 2023

7

APPENDIX OF WP(C) 13009/2023

PETITIONER EXHIBITS

Exhibit P1

**THE TRUE COPY OF THE SALE NOTICE,
DATED 27/3/2023 ISSUED BY THE 2ND
RESPONDENT**