

PSDJ:

W.P.No.6957/2020

22.07.2020

After pronouncement of order, Shri G.S.Kannur, learned Senior Advocate for petitioner submitted that in view of dismissal of writ petition, second respondent-Canara Bank may release letter of credits of Rs.3879 Crores immediately and this will result in loss of about Rs.700 Crores to petitioner.

He further submitted that petitioner had benefit of interim order till today and it desires to challenge this order in writ appeal. Accordingly, he prayed for suspension of this order till 27th July 2020.

Smt. Bhavani K, learned Advocate for Reserve Bank of India and Shri K.Arun Kumar, learned Senior Advocate appearing for second respondent-Canara Bank strongly opposed the prayer and submitted that since letter of credits have been discounted, entire money of Rs.3879 Cores has been paid by the Banks in London and Hongkong to the beneficiary nearly 90 days prior to date on which letter of

credit became due between 20th May and 16th June, 2020. Thus, payments have been made to the beneficiary three months prior to the due dates of respective letter of credits. In the circumstances, they prayed for rejection of oral prayer.

Keeping in view the fact that it is urged by Shri Kannur, that petitioner would be suffering a loss of Rs.700 Crores in the event of immediate payment, the order dated 22.07.2020 shall remain suspended till 27.07.2020.

(P.S. DINESH KUMAR)
JUDGE

Yn.