From

Royal Bankers,

Jose Towers, Market Road,

Opp. Nakshtra Super Market,

Chemperi.

To

The Deputy Commissioner of Sales Tax,

State Goods & Services Tax Department,

Kannur – 670 002.

Sir,

Sub:- Direction to remove the word ‘Bank’, ‘Bankers’, and ‘Banker’ from the Trade Name of the petitioner’s establishment.

Ref:- (1) Your notice dated 01.12.2022.

(2) The Judgment of the Hon’ble High Court of Kerala dated 14.11.2022 in W.P.(C)No.16356/2022.

I am in receipt of the notice referred to as Item 1.

The Hon’ble High Court in the judgment dated 20.03.1981 in O.P.No.3240/1978 B was pleased to hold that Section 7(2) of the Banking Regulation Act 1949 do not prohibit the use of the words ‘Banker’ or ‘Bankers’ as part of the business name of the concerned firm, individual or group of individuals. It was also held that violation of the provisions of Section 7 of the Banking Regulation Act 1949 would not fall under any of the matters enumerated in sub section 3 of Section 4 of the Money Lenders Act 1958. In view of these facts and circumstances the Hon’ble High Court has directed to dispose of the applications for license sought for under the provisions of the Kerala Money Lenders Act 1958 and also the applications for renewal of such licenses without insisting on deletion of the word ‘Banker’ or ‘Bankers’ from the business name so far as firm, individual and group of individuals are concerned. The Hon’ble High Court in the judgment dated 14.11.2022 in W.P.(C)No.16356/2022 was pleased to hold that the judgment in O.P.No.3240/1978 dated 20.03.1981 has attained finality and the Commissioner of State Tax and Others who are insisting on deletion of the name of the word ‘Bank’, ‘Banker’ or ‘Bankers’ from the trade name are bound by the declaration contained in the aforesaid judgment. It is submitted that Section 4(3) of the Money Lenders Act enumerates this situation in which the licensing authority constituted under the Money Lenders Act can refuse the grant of a license. It can be seen that violation of any of the provisions contained in Section 7 of the Banking Regulation Act is a matter that would enable the licensing authority to refuse to grant a license. The violation of the provisions of Section 7 of the Banking Regulation Act would not fall under any of the matters enumerated in sub Section 3 of Section 4 of the Money Lenders Act. There is no prohibition in Section 7(2) of the Banking Regulation Act for the use of the words ‘Banker’ or ‘Bankers’ as part of the business name of the concerned firm, individual or group of individuals. It is therefore requested that the demand made in the notice issued by your goodself on 01.12.2022 may kindly be withdrawn and it is further requested that the requirement contemplated in the aforesaid notice may not be insisted.

Yours faithfully,

For Royal Bankers

Kannur,

08.12.2022.