

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED 17.03.2015

CORAM

THE HONOURABLE MR.JUSTICE T.S.SIVAGNANAM

WP.No.7393 of 2015 & MP.No.1 of 2015

N.Kalyanasundaram

... Petitioner

Versus

The Branch Manager
Tamil Nadu Industries Investment
Corporation Limited
No.23-A, Ranganathan Road
Chennai-Trichy Trunk Road
Villupuram 605 602.

... Respondent

Writ petition filed under Article 226 of the Constitution of India praying for a writ of certiorarified mandamus calling for the records on the file of the respondent relating to the impugned order bearing Ref.TIIC/VPM/LAO/2014-15 dated 19.12.2014 and dated 25.02.2015 bearing Ref.TIIC/VPM/LAO/2014-15, quash the same and consequently direct the respondent to permit the petitioner to run the crusher unit and repay the loan outstanding by rescheduling the instalments.

For Petitioner : Mr.Bharatha Chakravarthy for
M/s.Sai, Bharath & Ilan

For Respondent : Mr.Z.Satiesh, Govt. Advocate

ORDER

Heard Mr.Bharatha Chakravarthy, learned counsel for the petitioner and Mr.Z.Satiesh, learned counsel accepting notice on behalf of the respondents and with their consent, the writ petition is disposed of at the admission stage itself.

2.The order impugned in this writ petition is to the order passed by the respondent/Corporation taking over possession of the petitioner's Blue Metal Crushing Unit and proposing to bring the property for sale.

3.The petitioner borrowed a loan for a sum of Rs.15.60 lakhs for purchase of machineries and a sum of Rs.15 lakhs towards working capital for establishing the Stone Crushing Unit. It is stated by the petitioner that initially, he had been remitting the monthly instalments regularly without any default ; but however due to sudden cancellation of quarry lease, the petitioner was unable to carry on the operations in the Crushing Unit, consequently resulting in default in payment of the loan amount. Therefore, the respondent has passed the impugned order and taken possession of the petitioner's stone crushing unit.

4.Learned counsel for the respondent submitted that as on date, the dues payable by the petitioner towards Principal is Rs.30.50 lakhs and the interest is Rs.5 lakhs.

5.The petitioner's case is that as of now, the quarry lease has been renewed and he would be able to commence operations if the possession is handed over to the petitioner and the locking and sealing is lifted.

6.Considering the fact that the petitioner's Crushing Unit was a running industry and that the petitioner had initiatlly been remitting the instalment amounts without default, this Court is of the view that the petitioner could be granted one more opportunity to show his bona fides and clear the loan amount.

7.Accordingly, considering the arrears as on date, the writ petition is disposed of with the following directions:-

[1]The petitioner is directed to pay a sum of Rs.3,00,000/- [Rupees Three Lakhs only] at the first instance and if the said amount is remitted by the petitioner, the respondent/Corporation shall hand over the possession of the Crushing Unit to the petitioner and along with the remittance, the petitioner shall give a proposal indicating as to how much amount he will be able to remit towards the arrears of loan, i.e., Principal and the Interest.

[2]The petitioner shall continue to pay the monthly instalment of Rs.50,000/- from April 2015 onwards.

[3]If the proposal is given by the petitioner and the amount of Rs.3 lakhs is paid affront and if the petitioner continues to pay a sum of Rs.50,000/-,

being the monthly instalment, the respondent/Corporation shall consider such proposal given by the petitioner for reschedulement and while doing so, the respondent shall take a pragmatic view with regard to the levy of penal interest.

[4]If the petitioner does not comply with any one of the above conditions, the benefit of this order shall not enure to him and it is open to the respondent/Corporation to proceed against the petitioner in accordance with law.

No costs. Consequently, the connected miscellaneous petition is closed.

Sd/-
Assistant Registrar

//True Copy//

Sub Assistant Registrar

AP

To

The Branch Manager
Tamil Nadu Industries Investment
Corporation Limited
No.23-A, Ranganathan Road
Chennai-Trichy Trunk Road
Villupuram 605 602.

+1cc to Mr.I.Sathish, Advocate, S.R.No.14914

+1cc to M/s.Sai Bharath & Ilan, Advocate, S.R.No.14939

WP.No.7393 of 2015

AK(CO)
CA(24/03/2015)

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