

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 17.11.2016

CORAM:

THE HON 'BLE MR. JUSTICE T.S.SIVAGNANAM

Writ Petition No.39733 of 2016

and W.M.P.No.33992 of 2016

M/s. S.R.Cartons India Pvt. Ltd.,
Rep. By its Managing Director,
S.Rasheed Ahmed,
S.F.No.611/2 Jorthalar Village,
Kodiur, Palacode Taluk Petitioner

Versus

1. The General Manager,
Tamil Nadu Industrial Investment Corporation Ltd.,
No.692 Anna Salai, Nandanam,
Chennai 600 035
2. The Regional Manager,
Tamil Nadu Industrial Investment Corporation Ltd.,
Near Salem Bus Stand, Salem
3. The Branch Manager,
Tamil Nadu Industrial Investment Corporation Ltd.,
DDDC Building, Pennagaram Road,
Dharamapuri - 636 702 ... Respondents

Prayer:- Petition filed under Article 226 of the Constitution of India, seeking for the issuance of a Writ of Mandamus to direct the respondent to consider the representation of the petitioner dated 02.11.2016 and to dispose of the same within a fixed time frame.

For Petitioner : Mr. M.Selvam

For Respondents : Mr. K.Magesh

O R D E R

Heard Mr.M.Selvam, learned counsel appearing for the petitioner and Mr. K.Magesh, learned counsel appearing for the respondent. By consent of the learned counsel for both sides, the writ petition is taken up for final disposal.

2. The petitioner-company has filed this writ petition praying for the issuance of a writ of mandamus directing the respondent to consider the representation dated 02.11.2016.

3. In the said representation, the petitioner-company would state that they had sanctioned a loan of Rs.2.20 crores during the year 2011 and up to November 2015, they have been regularly remitting the instalments. According to the petitioner, as on date, they have remitted a sum of Rs.1 crore. Due to financial difficulty, the petitioner is not able to pay the loan amount and the respondent has issued notice dated 31.10.2016, which is a foreclosure notice, from which, it is seen that the petitioner is due and liable to pay a sum of Rs.1,03,37,054/- towards the principal and Rs.9,58,124/- towards the interest overdue and a sum of Rs.67,610/- towards the other dues, aggregating to Rs.1,13,62,788/-. The petitioner, on receipt of the said foreclosure notice, has submitted a representation on 02.11.2016, in which they seek for waiver of the interest and for giving them an opportunity to make an one time settlement of the loan.

4. Mr. K.Magesh, learned Standing Counsel appearing for the respondents / Corporation accepted notice and has instructions to state that the petitioner-unit falls under a standard category and not eligible for one time settlement and this has been intimated to the petitioner by the respondents / Department, by a letter dated 08.11.2016.

5. However, it appears that, as on 31.10.2016, the dues i.e., principal and interest are Rs.42,84,818/- and if the petitioner remits the same, then they can make a request to the respondents / Corporation for rescheduling the loan, which will be considered in accordance with the regulations.

6. Considering the fact situation and that the petitioner has not paid any amount towards the loan since November 2015, the stand taken by the respondents / Corporation appears to be pragmatic and reasonable which the petitioner should abide.

7. In the light of the above, the writ petition stands disposed of, by directing the petitioner to pay Rs.42,84,818/- within a period of eight weeks from the date of receipt of a copy of this order. This payment can be made in instalments or in lumpsum or more than one payment, subject to the convenience of the petitioner. For the period of eight weeks from the date of receipt of a copy of this order, the amount of dues till November 2016 is frozen at Rs.42,84,818/-. However, in the event, the petitioner fails to comply with this order, then it is open to the respondents / Corporation to proceed, in accordance with the terms and conditions of the agreement and enforce the interest rate as agreed upon. Upon

due compliance of this conditional order, the petitioner would be entitled to approach the respondents / Corporation, i.e., after the period of eight weeks from the date of receipt of a copy of this order, requesting them to reschedule the loan, which shall be considered, in accordance with the appropriate regulations. In the event, the petitioner defaults in payment of the above conditional order, the benefit of this order will not enure to the petitioner and the writ petition will stand automatically dismissed, leaving it open to the parties to approach for their remedies, in accordance with law. No costs. Consequently, the connected WMP is closed.

Sd/-

Asst.Registrar (J)

/true copy/

Sub Asst. Registrar

srk

To

1. The General Manager,
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1 cc to Mr.M. Selvam, Advocate, Sr. 66979

1 cc to Mr.K. Magesh, Advocate, Sr. 66543

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