

IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated: 09.12.2016

CORAM

THE HONOURABLE MR.JUSTICE P.N.PRAKASH

Writ Petition No.1526 of 2003

Panjalai Anna Thozlilar Sangam

(Regd.No.292)

Rep. by its President

No.102, Grey Town,

Coimbatore - 641 018.

..Petitioner

-Versus-

1. Board for Industrial and Financial Reconstruction
Jawahar Vyapar Bhavan
Tolstoy Marg, New Delhi.

2. The Coimbatore Pioneer Mills Ltd.,
Rep. by its Managing Director
Post Box No.1605,
Pioneer Mills Road,
Peelamedu, Coimbatore - 641 004.

3. Industrial Development Bank of India
Rep. by its Deputy General Manager
IDBI Tower, WTC Complex,
Cuffee Parade, Mumbai-400 005.

4. Sundaram Finance Ltd
Rep. by its Chairman & Managing Director
21, Pattulas Road, Chennai-600 002.

5. A.Kumar

... Respondents

Petition filed under Section 226 of the Constitution of India praying for issuance of a writ of mandamus, to call for the records relating to the proceedings of the 1st respondent dated 23.04.2002 in Case No.103/98 in so far as it grants permission to initiate / pursue distress proceedings and the consequential sale notice issued by the 5th respondent published in THE HINDU dated 16.12.2002 and quash the same as being illegal, arbitrary and unconstitutional and consequently direct the 1st respondent BIFR to go ahead with the Rehabilitation scheme prepared pursuant to its proceedings dated 23.04.2002.

For Petitioner :

Mr.V.Govardhanan

For M/s.Row & Reddy

For R4 :

Mr.S.Sivasankar

for M/s.Sarvabhauman Associates

ORDER

This writ petition has been filed to call for the records relating to the proceedings of the 1st respondent dated 23.04.2002 in Case No.103/98 insofar as it grants permission to initiate / pursue distress proceedings and the consequential sale notice issued by the 5th respondent published in THE HINDU dated 16.12.2002 and quash the same as being illegal, arbitrary and unconstitutional and consequently, direct the 1st respondent BIFR to go ahead with the Rehabilitation scheme prepared pursuant to its proceedings dated 23.04.2002.

2. The 2nd respondent is a textile mill in Coimbatore and the petitioner is a union, which is represented by the workers working in the mill. Even according to the petitioner, the 2nd respondent mill ran into rough weather and the creditors of the 2nd respondent initiated various proceedings for realizing their money. One such creditor is the 4th respondent from whom the 2nd respondent had taken machinery on lease. Since the 2nd respondent had failed to make payment to the 4th respondent, the 4th respondent took steps to bring the second respondents' machinery to sale for realizing their dues.

3. At that juncture, the petitioner filed the present writ petition contending that, if the machinery is sold, the workers of the mill will lose their employment.

4. Today, when the matter was taken up for hearing, Mr.S.Siva Sankar, learned counsel appearing for the 4th respondent submitted that the 4th respondent had already realized their dues.

In view of the above development, nothing survives in the writ petition and accordingly, the same is closed. No costs.

Sd/-
ASST. REGISTRAR

/TRUE COPY/

SUB ASST. REGISTRAR

To

1. Board for Industrial and Financial Reconstruction
Jawahar Vyapar Bhavan
Tolstoy Marg, New Delhi.

2. The Coimbatore Pioneer Mills Ltd.,
Rep. by its Managing Director
Post Box No.1605,
Pioneer Mills Road,
Peelamedu, Coimbatore - 641 004.

3. Industrial Development Bank of India
Rep. by its Deputy General Manager
IDBI Tower, WTC Complex,
Cuffee Parade, Mumbai-400 005.

+1 cc to M/s.Row and Reddy, Advocate SR.NO. 72775/16

MMP 03.01.2017
CO(SR)

W.P.No.1526 of 2003



WEB COPY