

THE HON' BLE SRI JUSTICE M. SEETHARAMA MURTI

WRIT PETITION No.28934 of 2008

ORDER:

This writ petition by the writ petitioner is filed impugning the proceedings, dated 16.12.2008, issued by the respondent whereby the petitioner was informed that the respondent is taking steps, under Section 29 of the State Financial Corporation Act, 1951, ('the Act', for short) and in accordance with the procedure, for recovery of an amount of Rs.14,66,530/-, which is outstanding in the petitioner's account, with interest from 01.12.2008 and other amounts debitable to the account of the petitioner by sale of the petitioner's unit.

At the hearing, learned counsel for the writ petitioner while reiterating the submission in the affidavit filed in support of the writ petition that the issuance of the impugned notice for sale without any show cause notice is *ex facie* illegal and is in clear violation of the principles of natural justice would submit that this Court, on 30.12.2008, at the time of admission of the writ petition granted an interim direction as prayed for in WPMP.No.37846 of 2008 subject to the condition that the petitioner shall deposit an amount of Rs.4,00,000/- within a period of four (04) weeks from that day and that the said amount was deposited and the said orders are complied with and that since the filing of the writ petition a long time has elapsed, the writ petition may be disposed of giving liberty to the petitioner to submit a representation seeking redressal of his grievances.

Learned Standing Counsel for the respondent Corporation would submit that as on today the outstanding amount is about rupees forty five lakhs and odd and that except stating that the notice issued directly

without issuing a show cause notice is illegal and not valid, nothing else is stated in the writ petition as to how the statutory action taken in accordance with the provisions of the Act is wrong or bad in law and that the Corporation is enforcing its statutory rights and hence the writ petition is not having any merit and is liable for dismissal.

Recording the submissions of both the sides, the Writ Petition is disposed of reserving liberty to the writ petitioner to submit a representation seeking redressal of his grievances, if any.

Miscellaneous petitions, if any, pending in this writ petition shall stand closed. There shall be no order as to costs.

18.01.2017
VJI



M. SEETHARAMA MURTI, J