

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 22/1/2018

C O R A M

The Honourable Mr.Justice S.Manikumar  
a n d

The Honourable Mr.Justice M.Dhandapani

Writ Petition Nos. 1270 and 1271 of 2018

Dr.K.Kathirvel ... Petitioner in both  
the writ petitions.

Vs

1. Phoenix Asset Reconstruction Company  
Private Limited  
rep. By its Chief Executive Officer  
Mr.Eshwar Karra  
Mumbai.
2. Indian Overseas Bank  
rep. By its Assistant General Manager  
Mr.S.Krishnan  
763 Anna Salai  
Chennai 600 001.
3. The Joint I Sub-Registrar  
DR Grade  
Tiruchirapalli 620 001.
4. Reserve Bank of India  
16<sup>th</sup> Floor, Central Office Building  
Shahid Bhagat Singh Marg  
Mumbai 400 001.

Respondents in  
both the petitions.

Prayer in W.P.No.1270 of 2018: Petition filed under Article 226 of the Constitution of India praying for the issuance of a writ of mandamus to direct the fourth respondent to cancel the certificate of registration granted to the first respondent under Section 3 of the Securitisation Act and consequently, blacklist the first respondent.

Prayer in W.P.No.1271 of 2018: Petition filed under Article 226 of the Constitution of India praying for the issuance of a writ of certiorarified mandamus to call for the records of the third respondent culminated in deed of assignment dated 30/12/2010

which has been registered as Document No.714 of 2012 quash the same and consequentially direct the third respondent to remove the entry made as Document No.714 of 2012 in office of the third respondent.

For petitioner ... Mr.Akil R.Bansali

For respondents... Mr.J.Ramesh  
Additional Government Pleader  
for R.3.

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### C O M M O N O R D E R

(Order of the Court was made by S.Manikumar,J)

In W.P.No.1270 of 2018, the petitioner has sought for a writ of mandamus, to direct the fourth respondent, to cancel the certificate of registration granted to the first respondent, under Section 3 of the Securitisation Act, and consequently, blacklist the first respondent.

2. In W.P.No.1271 of 2018, the petitioner has sought for a writ of certiorarified mandamus, to quash the assignment deed, dated 30/12/2010, by which Indian Overseas Bank, Chennai, has assigned the debt to Phoenix Asset Reconstruction Company Private Limited, Mumbai, first respondent, in both the writ petitions and registered as Document No.714 of 2012. Petitioner has also prayed for a direction to the Joint Sub-Registrar - I, DR Grade, Tiruchirapalli, third respondent and remove the entry from the register maintained in the office of the third respondent.

3. As facts and submissions are same, both the writ petitions are taken up together and disposed of by this common order.

4. Facts disclose that in C.P.No.207 of 2003, the Official Liquidator has been appointed. Company Court directed deposit of Rs.30 lakhs and that a sum of Rs.5.60 lakhs, to be paid to ITCOT, towards professional charges. In 2008, ITCOT submitted a report that Company is viable. ITCOT permitted revival. Petitioner, engaged the services of Phoenix Asset Reconstruction Company Private Limited, Mumbai, for funding OCS amount payable to Indian Overseas Bank, Chennai, second respondent. Diligence fees of Rs.12,53,000/-, was paid to Phoenix Asset Reconstruction Company Private Limited, Mumbai, first respondent. Phoenix Asset Reconstruction Company Private Limited, Mumbai, first respondent agreed to fund Rs.6,80,00,000/-. Petitioner agreed to the acquisition of debt from Indian Overseas Bank, Chennai,

second respondent.

5. Petitioner has contended that he has repaid a sum of Rs.7,50,00,000/-, to Phoenix Asset Reconstruction Company Private Limited, Mumbai, first respondent, in twenty four instalments against OCS amount. According to the petitioner, amount to be paid to Indian Overseas Bank, second respondent, towards discharge of OCS amount and not for acquiring debt from Indian Overseas Bank, second respondent. In the above said circumstances, petitioner has submitted that the deed of assignment, dated 30/12/2010, executed in favour of Phoenix Asset Reconstruction Company Private Limited, first respondent, was never agreed to upon by the petitioner and that there was no debt payable to the Bank. Petitioner has contended that assignment deed, dated 30/12/2010, is illegal and consequently, its registration as Document No.714 of 2012, on the file of the Joint Sub-Registrar - I, Tiruchirapalli, has to be removed.

6. Inviting the attention of this Court to Sections 2 (b), (ba), (f), (j), (k), (l), (ze) and (zf) of the SARFAESI Act 2002, Mr.Akil R.Bansali, learned counsel for the petitioner submitted that the alleged balance of OCS amount, payable to Indian Overseas Bank, Chennai, second respondent, would not fall within the definition of debt. He further submitted that there cannot be any debt or financial assistance in terms of Section 5 of the Act and therefore, the deed of assignment has to be set aside.

7. Inviting the attention of this Court to Sections 9 and 10 of the SARFAESI Act, 2002, learned counsel for the petitioner submitted that M/s. Phoenix Asset Reconstruction Company Private Limited, and functions of Securitisation Company or Reconstruction Company, are set out in the above provisions and in the absence of any provision, in SARFAESI Act, 2002, enabling the petitioner to challenge the deed of assignment, dated 30/12/2010, and the consequential registration as Document No.714 of 2012, left with no other alternative, petitioner has approached this Hon'ble Court, under Article 226 of the Constitution of India.

8. When attention of this Court was invited to the letter, dated 3/1/2011, of Phoenix Asset Reconstruction Company Private Limited, first respondent, in both the writ petitions, in response of the letter, dated 31<sup>st</sup> December 2010, for OTS settlement, Mr.Akil R.Bansali, learned counsel for the petitioner submitted that no such letter was sent by the writ petitioner.

9. When attention of Section 13 (4) of the SARFAESI Act, 2002, was invited and when the learned counsel for the

petitioner was posed with a question that assignment is also one of the measures, in Section 13 (4) of the SARFAESI Act, learned counsel for the petitioner submitted that Section speaks only about takeover of the management of the business of the borrower, including the right of transfer, by way of lease, and that the same does not include the deed of assignment.

10. Heard the learned counsel for the petitioner and perused the materials available on record.

11. Before advertng to the submissions, let us have a cursory look at some of the provisions in SARFAESI Act, 2002.

12. As per Section 2 (b) of the SARFAESI Act, 2002, "asset reconstruction" means acquisition by any [asset reconstruction company] of any right or interest of any bank or financial institution in any financial assistance for the purpose of realisation of such financial assistance.

13. As per Section 2 (b) (a), "asset reconstruction company" means a company registered with Reserve Bank under section 3 for the purposes of carrying on the business of asset reconstruction or securitisation, or both.

14. As per Section (2-f), "borrower" means any person, who has been granted financial assistance by any bank or financial institution or who has given any guarantee or created any mortgage or pledge as security for the financial assistance granted by any bank or financial institution and includes a person who becomes borrower of a [asset reconstruction company] consequent upon acquisition by it of any rights or interest of any bank or financial institution in relation to such financial assistance [or who has raised funds through issue of debt securities.

15. As per Section 2 - j, "default" means--

(i) non-payment of any debt or any other amount payable by the borrower to any secured creditor consequent upon which the account of such borrower is classified as non-performing asset in the books of account of the secured creditor; or

(ii) non-payment of any debt or any other amount payable by the borrower with respect to debt securities after notice of ninety days demanding payment of dues served upon such borrower by the debenture trustee

or any other authority in whose favour security interest is created for the benefit of holders of such debt securities;

16. As per Section (2-k), "financial assistance" means any loan or advance granted or any debentures or bonds subscribed or any guarantees given or letters of credit established or any other credit facility extended by any bank or financial institution (including funds provided for the purpose of acquisition of any tangible asset on hire or financial lease or conditional sale or under any other contract or obtaining assignment or licence of any intangible asset or purchase of debt securities.

17. As per Section (2-l), "financial asset" means debt or receivables and includes-

(i) a claim to any debt or receivables or part thereof, whether secured or unsecured; or

(ii) any debt or receivables secured by, mortgage of, or charge on, immovable property; or

(iii) a mortgage, charge, hypothecation or pledge of movable property; or

(iv) any right or interest in the security, whether full or part underlying such debt or receivables; or

(v) any beneficial interest in property, whether movable or immovable, or in such debt, receivables, whether such interest in existing, future, accruing, conditional or contingent; or

(va) any beneficial right, title or interest in any tangible asset given on hire or financial lease or conditional sale or under any other contract which secures the obligation to pay any unpaid portion of the purchase price of such asset or an obligation incurred or credit otherwise provided to enable to the borrower to acquire such tangible asset; or

(vb) any right, title or interest on any intangible asset or licence or assignment of such intangible asset, which secures the obligation to pay any unpaid portion of the purchase price of such intangible asset or an obligation incurred or credit otherwise extended to enable the borrower to acquire

such intangible asset or obtain licence of the intangible asset; or

(vi) any financial assistance;

18. As per Section (z-e), "secured debt" means a debt which is secured by any security interest.

19. As per Section (zf), "security interest" means right, title or interest of any kind, other than those specified in section 31, upon property created in favour of any secured creditor and includes--

(i) any mortgage, charge, hypothecation, assignment or any right, title or interest of any kind, on tangible asset, retained by the secured creditor as an owner of the property, given on hire or financial lease or conditional sale or under any other contract which secures the obligation to pay any unpaid portion of the purchase price of the asset or an obligation incurred or credit provided to enable the borrower to acquire the tangible asset; or

(ii) such right, title or interest in any intangible asset or assignment or licence of such intangible asset which secures the obligation to pay any unpaid portion of the purchase price of the intangible asset or the obligation incurred or any credit provided to enable the borrower to acquire the intangible asset or licence of intangible asset.

20. It is not in dispute that Phoenix Asset Reconstruction Company Private Limited, first respondent, is a registered Asset Reconstruction Company, under Section 3 of the SARFAESI Act, 2002.

21. Section 5 of the SARFAESI Act, 2002 deals with acquisition of rights or interest in financial asset and the same is extracted hereunder:-

(1) Notwithstanding anything contained in any agreement or any other law for the time being in force, any [asset reconstruction company] may acquire financial assets of any bank or financial institution,-

(a) by issuing a debenture or bond or any other security in the nature of the debenture, for consideration agreed upon between such company and the bank or

financial institution, incorporating therein such terms and conditions as may be agreed upon between them; or

(b) by entering into an agreement with such bank or financial institution for the transfer of such financial assets to such company on such terms and conditions as may be agreed upon between them.

(1-A) Any document executed by any bank or financial institution under sub-section (1) in favour of the asset reconstruction company acquiring financial assets for the purposes of asset reconstruction or securitisation shall be exempted from stamp duty in accordance with the provisions of section 8-F of the Indian Stamp Act, 1899 (2 of 1899):

Provided that the provisions of this sub-section shall not apply where the acquisition of the financial assets by the asset reconstruction company is for the purposes other than asset reconstruction or securitisation.

(2) If the bank or financial is a lender in relation to any financial assets acquired under sub-section (1) by the [asset reconstruction company], such [asset reconstruction company] shall, on such acquisition, be deemed to be the lender and all the rights of such bank or financial institution shall vest in such company in relation to such financial assets.

(2-A) If the bank or financial institution is holding any right, title or interest upon any tangible asset or intangible asset to secure payment of any unpaid portion of the purchase price of such asset or an obligation incurred or credit otherwise provided to enable the borrower to acquire the tangible asset or assignment or licence of intangible asset, such right, title or interest shall vest in the asset reconstruction company on acquisition of such assets under sub-section (1).

(3) Unless otherwise expressly provided by this Act, all contracts, deeds, bonds, agreements, powers-of-attorney, grants of legal representation, permissions, approvals,

consents, or no-objections under any law or otherwise and other instruments of whatever nature which relate to the said financial asset and which are subsisting or having effect immediately before the acquisition of financial asset under sub-section (1) and to which the concerned bank or financial institution is a party or which are in favour of such or financial institution shall, after the acquisition of the financial assets, be of as full force and effect against or in favour of the [asset reconstruction company], as the case may be, and may be enforced or acted upon as fully and effectually as if, in the place of the said bank or financial institution, [asset reconstruction company], as the case may be, had been a party thereto or as if they had been issued in favour of [asset reconstruction company], as the case may be.

(4) If, on the date of acquisition of financial asset under sub-section (1), any suit, appeal or other processing of whatever nature relating to the said financial asset is pending by or against the bank or financial institution, save as provided in the third proviso to sub-section (1) of section 15 of the Sick Industrial Companies (Special Provisions) Act, 1985 (1 of 1986) the same shall not abate, or be discontinued or be, in any way, prejudicially affected by reason of the acquisition of financial asset by the [asset reconstruction company], as the case may be, but the suit, appeal or other proceeding may be continued, prosecuted and enforced by or against the [asset reconstruction company], as the case may be.

(5) On acquisition of financial assets under sub-section (1), the [asset reconstruction company], may with the consent of the originator, file an application before the Debts Recovery Tribunal or the Appellate Tribunal or any Court or other Authority for the purpose of substitution of its name in any pending suit, appeal or other proceedings and on receipt of such application, such Debts Recovery Tribunal or the Appellate Tribunal or Court or Authority shall pass orders for the substitution of the [asset

reconstruction company] in such pending suit, appeal or other proceedings.

22. Section 9 of SARFAESI Act, deals with measures for asset reconstruction company and the same reads as follows:-

9. Measures for assets reconstruction -

(1) Without prejudice to the provisions contained in any other law for the time being in force, an asset reconstruction company may, for the purpose of asset reconstruction, provide for any one or more of the following measures, namely:-

(a) the proper management of the business of the borrower, by change in, or take over of, the management of the business of the borrower;

(b) the sale or lease of a part or whole of the business of the borrower;

(c) rescheduling of payment of debts payable by the borrower;

(d) enforcement of security interest in accordance with the provisions of this Act;

(e) settlement of dues payable by the borrower;

(f) taking possession of secured assets in accordance with the provisions of this Act;

(g) conversion of any portion of debt into shares of a borrower company:

Provided that conversion of any part of debt into shares of a borrower company shall be deemed always to have been valid, as if the provisions of this clause were in force at all material times.

(2) The Reserve Bank shall, for the purposes of sub-section (1), determine the policy and issue necessary directions including the direction for regulation of management of the business of the borrower and fees to be charged.

(3) The asset reconstruction company shall take measures under sub-section (1) in accordance with policies and directions of the Reserve Bank determined under sub-section (2).

23. Section 10 deals with other functions of Asset Reconstruction Company and the same is extracted hereunder:-

(1) Any [asset reconstruction company] registered under section 3 may -

(a) act as an agent for any bank or financial institution for the purpose of recovering their dues from the borrower on payment of such fees or charges as may be mutually agreed upon between the parties;

(b) act as a manager referred to in clause © of sub-section (4) of section 13 on such fee as may be mutually agreed upon between the parties;

(c) act as receiver if appointed by any Court of tribunal:

Provided that no [asset reconstruction company] shall act as a manager if acting as such gives rise to any pecuniary liability.

(2) Save as otherwise provided in sub-section (1), no [asset reconstruction company] which has been granted a certificate of registration under sub-section (4) of section 3, shall commence or carry on, without prior approval of the Reserve Bank, any business other than that of securitisation or asset reconstruction:

Provided that a [asset reconstruction company] which is carrying on, on or before the commencement of this Act, any business other than the business of securitisation or asset reconstruction or business referred to in sub-section (1), shall cease to carry on any such business within one year from the date of commencement of this Act.

24. One of the contentions of the learned counsel for the petitioner is that as per Section {2 (ha)} and 2 (1), there was no debt payable to the Indian Overseas Bank and that what was payable was only OCS payment/settlement and that the same would not fall, under the definition of debt meaning thereby any liability or receivables and that therefore, there cannot be acquisition of right, under Section 5 of the SARFAESI Act, 2002. Having regard to the statutory provisions, which we have extracted in the foregoing paragraphs, we are not inclined to accept the said contention.

25. Indian Overseas Bank, second respondent, has executed a document of assignment, as early as on 30th December 2010, in favour of Phoenix Asset Reconstruction Company Private Limited, Mumbai, on the following terms:-

Now this Deed of Assignment witnesses as follows:

1. That in consideration of the premises and payment of Rs.6,80,00,000/- (Rupees Six Crore Eighty Lac only) by the Assignee to the Assignor the receipt whereof is hereby acknowledged and upon the terms and conditions set forth herein and in the relevant transaction documents, the Assignor as the true, legal and beneficial owner of the Debt in the ordinary course of its business, at the specific request of the Borrower hereby unconditionally and irrevocably assigns, transfers and releases to the Assignee all the loans forever pursuant to section 5(1)(b) of the SARFAESI.

2. The Assignor on signing these presents doth hereby unconditionally and absolutely assign unto the Assignee. ALL THAT right, title and interest benefit in and to the Debt and incidental rights thereto, including the assignment of and benefits under the Financial Instruments to hold the Debt, the Financial Instruments and the rights incidental thereto unto the Assignee forever from the date hereof to the end and intent that the Assignee shall hereafter be deemed to be the full and absolute legal owner and as such the only person legally entitled to receive the repayment of Debt or any part thereof including the right to file a suit or institute such other lawful recovery proceedings and take such other action as may be required for the purpose of recovery of the Debt in its own name and rights and as an Assignee and not merely as a representative or agent of the Assignor.

3. The Assignee on signing these presents shall hereafter be deemed to be the full and absolute legal owner and the only person legally entitled to the loans or any part thereof, free from any or all encumbrances, and to recover and receive all amounts due, including the right to file a suit or institute such other recovery proceedings and take such other action as may be required for the purpose of recovery of loans, in its own name and right and as an Assignee and to exercise all other rights of the Assignor in relation thereto and the Assignor doth hereby irrevocably, unconditionally and absolutely assign transfer and release without recourse unto the Assignee and the Assignee hereby acquires and takes over from the Assignor.

4. The payment of the purchase consideration to the Assignor shall constitute full, final and complete discharge of the obligation of the Assignee with respect to payment of consideration for the Assignment.

5. The Assignor hereby covenants that it owns the Debt and all the right, title and interest along with underlying assets and security conferred (a list of immovable properties mortgaged by the Borrower in favour of the Assignor or trustee or agent of the Assignor (as the case may be) is described in Schedule B attached herewith) by the Financial Instruments, free and clear of all liens, charges, and other encumbrances, free from any right, title or interest of any other person in any manner. The Assignor hereby assigns in favour of the Assignee all the rights, title and interest in the financing documents, all agreements, deeds and documents related thereto and all collateral and underlying security interests and / or pledges created to secure and / or guarantees issued in respect of the loans, which the Assignor is entitled to. The Assignee shall have the right to enforce such security interest, pledges and / or guarantees and appropriate the amounts realized there from towards the repayment of the loans and to exercise all other rights of the Assignor in relation to such security interests, pledges and / or guarantees. The Assignor shall transfer / deliver or cause to be transferred / delivered or hold for and on behalf of the Assignee, all such original documents, deeds and / or writings. Including but not limited to the financing documents and products the same promptly upon any request by the Assignee.

6. The Assignor hereby undertake that with respect to each of the financing documents there is only one original and the same is in the possession of the Assignor, except as disclosed by the Assignor to the Assignee. Further that there are no agreements, deeds and/or documents other than those set out in Schedule A that would affect the ability of the Assignee to realize the amounts due in terms of the respective financing documents.

7. The Assignor hereby agrees with the Assignee that it shall execute all documents as may be

necessary or required for the purpose of perfecting the Assignee's right, title and interest in the loans, the financing documents, and /or any underlying security interests, pledges and / or guarantees as the case may be, unto the use of the Assignee in the manner aforesaid, determined by the Assignee in its sole discretion and do all acts, deeds and things as may be necessary in this regard at the cost of the Assignee.

8. The Assignor shall have no further claim against the Borrower or the guarantors in respect of the Debt arising under the said documents described under Schedule A as the same has been assigned to the Assignee. Further, the Assignor hereby confirms that it shall not have and hereby irrevocably waives any separate claim against the Borrower. In respect of the said Debt. However, notwithstanding anything contained herein, it is clarified that the liabilities including but not limited to liability on account of counter claim, set-off or otherwise that may arise in future on account of action or omission of the Assignor (in relation to the Debt) are not acquired by the Assignee and the Assignor shall be liable and continue to remain liable for the same.

9. The Assignor shall have no further claim, mortgage charge, cross collateral charge against the Borrower or the guarantors in respect of the Debt and/or underlying assets and security conferred (a list of immovable properties mortgaged by the Borrower in favour of the Assignor or trustee or agent of the Assignor (as the case may be) is described in Schedule B attached herewith) as the same has been assigned to the Assignee.

10. The Assignor further agree and confirms that pursuant to assignment as present deed, the Assignor shall have no further claim, mortgage charge, cross collateral charge against the Borrower or the guarantors in respect of underlying assets and security conferred (a list of immovable properties mortgaged by the Borrower in favour of the Assignor or trustee or agent of the Assignor (as the case may be) is described in Schedule B attached herewith) for any other financial facilities (facilities other than assigned under the present deed) granted to Borrower or to the other parties by creating charge on Schedule B property.

11. The Assignor hereby agrees that in the event the Assignor receives, subsequent to the date of the execution of this Deed, monies from the Debt or any part thereof which is payable by the Borrower after the execution of this Deed, the Assignor shall forthwith transfer such Debt to the Assignee.

12. The Assignor hereby confirms that neither has any encumbrance been created nor is any encumbrance subsisting over the Assignors right, title and interest in the Financial instruments and the Debt. And the Financial Instruments have been duly executed by the Assignor assuming due authorisation, execution and delivery by and on behalf of the Borrower and that the executants of each of the Financial Instruments on behalf of the Assignor have been duly empowered and authorised to execute each of the Financial Instruments.

13. The Assignor hereby confirms that all required amount of stamp duty, registration fees, sales tax, entry tax, value added tax, turnover tax and all other dues, duties, taxes and any other charges payable in respect of the Debt payable by the Borrower under the Financial Instruments has been sufficiently paid.

14. The Assignor represents that the Borrower is not entitled to any right of set-off counter-claim, refundable service charges, rebate on account of prompt payment or any other deduction in respect of the amount due from the Borrower including the Debt to be assigned in favour of the Assignee. In respect of each Debt hereby agreed to be assigned and payable by the Borrower, the Assignor represents that there shall be a legally binding obligation without justifiable dispute or claim, defence or cross claim or set-off.

15. The Assignor has not received any claims, suits, actions, arbitration, administrative or other proceedings or governmental investigations or counter claims with respect to the Debt.

16. The Assignor has not created and shall not create, nor does there exist any disposition, charge, trust or other encumbrance affecting or which may affect the Debt assigned nor is there any litigation or dispute has been filed against the Assignor in respect of the Debt assigned except those disclosed herein or in Schedule C annexed hereto and the Assignor is not aware of

any facts that might give rise to such litigation or dispute regarding thereto.

17. The Assignor hereby undertakes to indemnify any loss that may be suffered by Assignee from any counter-claim which has been instituted by the Borrower or may be instituted by the Borrower in future whether civil and/or criminal in nature at any judicial and quasi-judicial forum constituted under any law for the time being in force in India or loss suffered by the Assignee from any reason whatsoever which arises from or with respect to the Debt.

18. The Assignor covenants to the Assignee that it shall not hereafter exercise any right with regard to the Debt or the Financial Instruments against the Borrower or any other related person.

19. The Assignor shall, at the cost of the Assignee, co-operate with the Assignee in any legal proceedings that may be necessary or incidental to the enforcement of the loans or the underlying security interests, pledges and / or guarantees and shall co-operate in any recovery proceedings with the Assignee through courts or otherwise.

20. The Assignor shall make available to the Assignee, on request, all evidence (under the control and possession of the Assignor) required by the Assignee in any proceedings and render all assistance as the Assignee may require, provided that the Assignee shall reimburse the Assignor, at actuals, all costs incurred by it in this regard.

21. The Assignor represents and warrants that the ledger extracts setting out the details of the loans, including the amounts due under the respective financing documents, which have been handed over to the Assignee by the Assignor and the receipt of the same acknowledged by the Assignee are true and correct in all respects and have been prepared in accordance with Applicable Law.

22. The Assignee shall have the sole right of collecting any monies pertaining to the Loans, including the Amounts Due, enforcing the underlying security interests, pledges and / or guarantees and enforcing payment of all the Loans, in whatever manner it may consider necessary and prudent, in its absolute discretion after execution of this Assignment Agreement and the Assignor receiving the entire amount of

purchase consideration as stated herein above.

23. To the extent permitted by Applicable Law, the Assignee does not by virtue of entering into or carrying out the terms of this Agreement or purchasing the loans assume any of the financial or pecuniary obligations (including but not limited to any undisbursed commitment) of the Assignor to the Borrower under any of the financing documents. Any such obligations, duties, warranties, indemnities and liabilities of the Assignor under the financing documents shall be the sole responsibility of the Assignor.

24. Both the Assignor and the Assignee hereby agrees and undertakes that if any provision of this Agreement is held to be illegal, invalid, or unenforceable under Applicable Law, and if the rights or obligations of the Parties, under the Agreement, will not be materially and adversely affected thereby (a) such provision will be fully severable; (b) this Agreement will be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part hereof, and (c) the remaining provisions of the Agreement will remain in full force and effect and will not be affected by the illegal, invalid, or unenforceable provision or by its severance herefrom.

25. The Assignor hereby represent and warrant that it has full corporate power and authority to enter into this Assignment Agreement and that the executants of this Agreement, the financing documents and the other transaction documents, on behalf of the Assignor, have been duly empowered and authorised to execute the same and to perform all its obligations in accordance with the terms herein and therein.

26. The Assignee hereby represent and warrant that it has full corporate power and authority to enter into this Assignment Agreement and that the executants of this Agreement and the transaction documents, on behalf of the Assignee, has been duly empowered and authorised to execute the same and to perform all its obligations in accordance with the terms herein and therein.

27. The Assignee hereby represent and warrant that all information set forth in this Deed and its Schedule(s) by the Assignor in relation to the Debt is true and correct to the best of the Assignor's knowledge.

28. The Assignor represents and warrants that

the covenants, representations and warranties and undertakings contained in the Financial Instruments and security/ies created to secure the due repayment of the Debt are valid and subsisting and enforceable and shall continue to remain valid, subsisting enforceable and binding on the Borrower at the time of purchase of the Debt by the Assignee and for all times thereafter. The Assignor has verified the securities so offered and represents that the security so offered by the Borrower are clear and marketable.

29. Any notice or other communication given pursuant to this Agreement must be in writing and (a) delivered personally, or (b) sent by facsimile transmission, or (c) sent by registered mail, postage prepaid, as follows:

To: Assignor  
Indian Overseas Bank, Salem Main branch  
6/671, Car Street, Salem - 636 001.

Attention: S.Krishnan, Assistant General Manager  
Fax: 0427-2287505

To: Assignee  
Phoenix ARC Private Limited,  
Acting in its capacity as Trustee  
for Phoenix ARF Scheme 3  
7th Floor, Dani Corporate Park,  
158, CST Road, Kalina,  
Santacruz (E), Mumbai 400 098

Attention: Mr.Kiran Shingwekar  
Fax: 022 67412313

All the notices and other communications required or permitted under this Agreement that are addressed as provided herein shall (a) if delivered personally or by counter be deemed given upon delivery; (b) if delivered by fax transmission be deemed given when electronically confirmed; and (c) if sent by registered mail, be deemed given three (3) days after the same has been sent. Any Party may from time to time change its address for the purpose of notices to that Party by giving a similar notice specifying a new address.

30. This Agreement shall be governed by and construed in accordance with the laws of India.

31. The Assignor and the Assignee hereby agree that any term and/or condition of this Deed may be waived at any time by the Party that is entitled to the benefit thereof. No failure or delay in exercising or omission to exercise any right, power or remedy accruing to any of the Parties under this Deed or any other agreement or document shall impair any such right, power of remedy or be construed to be a waiver thereof or any acquiescence in such default, nor shall the action or inaction of the Party in respect of any default or any acquiescence by it in any default affect or impair any right, power of remedy of the Party in respect of any other default. A waiver on one occasion will not be deemed to be a waiver of the same or either under breach or non-fulfilment fulfilment on a future occasion. All remedies and benefits, either under this Deed or by law or otherwise afforded, will be cumulative and not alternative and without prejudice to the other remedy or benefit as the case may be.

32. The Assignor and the Assignee hereby agree that, in the event that any term condition or provision of this Deed is held to be a violation of any applicable Law, statute or regulation the same shall be deemed to be deleted from this Deed and shall be of no force and effect and this Deed shall remain in full force and effect as if such term, condition or provision had not originally been contained in this Deed. Notwithstanding the above in the event of any such deletion the Parties shall negotiate in good faith in order to agree to the terms of a mutually acceptable and satisfactory alternative provision in place of the provision so deleted.

33. The Assignor and the Assignee hereby agree that this Deed constitutes the entire agreement between the Parties in relation to its subject matter and supersedes all prior agreements and understandings whether oral or written with respect to such subject matter.

34. The Parties covenant and undertake to do and perform, sign, seal, swear and execute all such further and other acts, deeds, documents, matters and things as may be necessary, desirable or proper to give effect to this assignment as and when requested by the other to do at the cost of the requesting Party.

35. The Assignor and the Assignee hereby agree that they shall work together to resolve any

dispute(s) that may arise under this Agreement in the event that disputes do arise under this Agreement, which the Parties are unable to settle amicably, the dispute shall be settled by arbitration pursuant to the Arbitration and Conciliation Act, 1996. The place of arbitration shall be Mumbai and the language of arbitration shall be English. The Parties shall jointly appoint a sole arbitrator. If the Parties do not agree on a sole arbitrator. If the Parties do not agree on a sole arbitrator within thirty (30) days of the date of service of notice of arbitration by the Party initiating arbitration, the Parties shall each appoint one arbitrator. The third arbitrator shall be the chairman of the arbitral tribunal and shall be appointed by the two arbitrators appointed by the Parties or, if they are unable to agree on the appointment of the third arbitrator, in accordance with the Arbitration and Conciliation Act, 1996.

#### SCHEDULE A

##### A. Details of debts due from the borrower

|   |                               |                                                                                                                                                                                                                                                                  |
|---|-------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | Client's Name                 | Sree Uma Parameswari Mills Limited                                                                                                                                                                                                                               |
| 2 | Registered Office             | 5/119, Second Street,<br>State bank Colony No.3<br>Salem - 636 004                                                                                                                                                                                               |
| 3 | Type of Credit Facilities     | <p>Nature of Facility</p> <p>Amount (Rs. In lacs)</p> <p>1.WCDL<br/>520.00</p> <p>2.CC(H)<br/>320.00</p> <p>3.BP<br/>300.00</p> <p>4.FDDBP/UBD(LC)<br/>500.00</p> <p>5.WCTL<br/>400.00</p> <p>6.LC<br/>900.00</p> <p>7.LG<br/>30.12</p> <p>Total<br/>2970.12</p> |
| 4 | Principal amount due borrower | Suit Amount -<br>Rs.44,03,27,599/-                                                                                                                                                                                                                               |

|    |                                  |                                                                     |
|----|----------------------------------|---------------------------------------------------------------------|
| 1  | Client's Name                    | Sree Uma Parameswari Mills Limited                                  |
| 5. | Interest upto 31.12.2010         | Rs.57,76,65,058/- (Interest Rs.57,75,15,058/- + cost Rs.1,50,000/-) |
| 6  | Total claim against the borrower | Rs.101,79,92,657/-                                                  |

B. Being the details of the Financing Documents

Financing Documents relating to the various financial assistances availed by Sree Uma Parameswari Mills Ltd. from the Assignor including.

| Sr.No. | Date of Document | Description of Document                                             | Amount (Rs. In lacs) |
|--------|------------------|---------------------------------------------------------------------|----------------------|
| 1.     | 13.01.1994       | DPN - 14 A                                                          | 240.00               |
| 2.     | 13.01.1994       | Letter of Hypothecation F 110A                                      | 240.00               |
| 3.     | 13.01.1994       | Letter of Hypothecation for machinerics Goods & Book debts F 110E   | 270.00               |
| 4.     | 13.01.1994       | Guarantee document by Mr.Subramanian & Palaniappan F 111            | 270.00               |
| 5.     | 17.01.1994       | Confirmation letter of deposit of title deeds                       |                      |
| 6.     | 05.12.1994       | DPN - 14 A                                                          | 100.00               |
| 7.     | 05.12.1994       | Supplemental Deed of Hypothecation F 110 F                          | 100.00               |
| 8.     | 05.12.1994       | Letter of Hypothecation for machinerics, Goods & Book debts F 110 E | 371.37               |
| 9.     | 05.12.1994       | Guarantee document by Mr.Subramanian 111                            | 100.00               |
| 10.    | 05.12.1994       | Guarantee document by Mr.Palaniappan 111                            | 100.00               |
| 11.    | 06.12.1994       | Confirmation and execution of mortgage                              |                      |
| 12.    | 05.01.1995       | DPN 14 A                                                            | 450.00               |

| Sr.No. | Date of Document | Description of Document                                        | Amount (Rs. In lacs) |
|--------|------------------|----------------------------------------------------------------|----------------------|
| 13.    | 05.01.1995       | Letter of Hypothecation F 110A                                 | 450.00               |
| 14.    | 05.01.1995       | Letter of Hypothecation machineries Goods & Book debts F 110E  | 450.00               |
| 15.    | 11.03.1995       | DPN 14 A                                                       | 260.00               |
| 16.    | 11.03.1995       | Letter of Hypothecation F 110A                                 | 260.00               |
| 17.    | 11.03.1995       | Supplemental Deed of Hypothecation F 110 F                     | 260.00               |
| 18.    | 11.03.1995       | Letter of Hypothecation machineries, Goods & Book debts F 110E | 631.37               |
| 19.    | 11.03.1995       | Guarantee document by Mr.Subramanian 111                       | 260.00               |
| 20.    | 11.03.1995       | Guarantee document by Mr.Palaniappan 111                       | 260.00               |
| 21.    | 11.03.1995       | DPN 14 A                                                       | 450.00               |
| 22.    | 11.03.1995       | Letter of Hypothecation F 110A                                 | 450.00               |
| 23.    | 11.03.1995       | Supplemental Deed of Hypothecation F 110E                      | 450.00               |
| 24.    | 11.03.1995       | Letter of Hypothecation machineries, Goods & Book debts F 110E | 900.00               |
| 25.    | 11.03.1995       | Guarantee document by Mr.Subramanian 111                       | 900.00               |
| 26.    | 11.03.1995       | Guarantee document by Mr.Palaniappan 111                       | 900.00               |
| 27.    | 13.03.1995       | Confirmation and extension of mortgage                         |                      |
| 28.    | 07.02.1996       | DPN 14 A                                                       | 40.00                |
| 29.    | 07.02.1996       | Term loan agreement 110C                                       | 40.00                |
| 30.    | 07.02.1996       | Letter of Hypothecation machineries Goods & Book debts F 110E  | 730.57               |

| Sr.No. | Date of Document | Description of Document                                                          | Amount (Rs. In lacs) |
|--------|------------------|----------------------------------------------------------------------------------|----------------------|
| 31.    | 07.02.1996       | Guarantee document by Mr.Subramanian & valliammal 111                            | 40.00                |
| 32.    | 08.02.1996       | Confirmation and extension of mortgage                                           |                      |
| 33.    | 24.02.1997       | DPN 14 A                                                                         | 660.00               |
| 34.    | 24.02.1997       | Letter of continuing security (Advances against goods awaiting shipment)         |                      |
| 35.    | 24.02.1997       | Guarantee document by Mr.Subramanian @ valliammal 111 A                          | 2635.57              |
| 36.    | 24.02.1997       | DPN 14 A                                                                         | 190.00               |
| 37.    | 24.02.1997       | Letter of Hypothecation F 110A                                                   | 190.00               |
| 38.    | 24.02.1997       | DPN 14 A (For Bills Facility)                                                    | 800.00               |
| 39.    | 24.02.1997       | Letter of continuation F 16                                                      | 800.00               |
| 40.    | 24.02.1997       | Letter of Hypothecation F 107                                                    |                      |
| 41.    | 24.02.1997       | Letter of indemnity                                                              |                      |
| 42.    | 24.02.1997       | DPN 14 A                                                                         | 60.00                |
| 43.    | 24.02.1997       | Letter of Hypothecation F 110A                                                   | 60.00                |
| 44.    | 24.02.1997       | Supplemental Deed of Hypothecation F 110 F                                       | 60.00                |
| 45.    | 24.02.1997       | Letter of Hypothecation machineries, Goods & Book debts F 110E (For LC facility) | 900.00               |
| 46.    | 25.02.1997       | Confirmation and extension of mortgage                                           |                      |
| 47.    | 19.08.1998       | DPN 12A                                                                          | 290.00               |
| 48.    | 19.08.1998       | DPN 12A                                                                          | 40.00                |
| 49.    | 19.08.1998       | DPN 12A                                                                          | 300.00               |
| 50.    | 19.08.1998       | Letter of Hypothecation F 107                                                    |                      |

| Sr.No. | Date of Document | Description of Document                                        | Amount (Rs. In lacs) |
|--------|------------------|----------------------------------------------------------------|----------------------|
| 51.    | 19.08.1998       | DPN 12A                                                        | 400.00               |
| 52.    | 19.08.1998       | Installment letter                                             |                      |
| 53.    | 19.08.1998       | Letter of Hypothecation machineries, Goods & Book debts F 110E | 2097.62              |
| 54.    | 18.08.1998       | Guarantee document by Mr.Subramanian & Valliammal 111A         | 2997.62              |
| 55.    | 20.08.1998       | Confirmation and extension of mortgage                         |                      |

#### SCHEDULE B

Being the list of movable / immovable property referred to in the definition of Financing Documents:

Raw materials, Cotton, Work in Process, Finished Goods, Stores & Spares.

Accepted documents and hypothecation of relative merchandise.

All plant and machinery present and future excluding those acquire under IDBI's equipment finance scheme.

Entire inventory book debts and current assets.

Endorsed delivery challans, Document of title to goods and accepted documents backed by Lcs.

#### (DESCRIPTION OF IMMOVABLE PROPERTY)

All that piece and parcel of the land situated at Pirattiyur & Kallikudi Villages Ramjee Nagar, Trichy - Dindigul Main Road in the survey numbers described hereunder and belonging to the Borrower (i.e.the Company):

##### 1. PIRATTIYUR VILLAGE

| S.F.No     | Extent (in acres) |
|------------|-------------------|
| 425/1      | 0.14              |
| 426/1      | 0.27              |
| 426/2      | 0.09              |
| 426/4      | 0.16              |
| 427 (part) | 0.20              |
| 427 (part) | 0.18              |

| S.F.No | Extent (in acres) |
|--------|-------------------|
| 429    | 8.37 ½            |
| 430/1  | 1.61              |
| 430/2  | 4.12              |
| 433/1  | 0.21              |
| TOTAL  | 15.35 1/2         |

#### 2.K.KALLIKUDI VILLAGES

| S.F.No | Extent (in acres) |
|--------|-------------------|
| 51/1A2 | 0.36              |
| 51/4A1 | 0.09              |
| 51/4A3 | 0.21              |
| 51/5A1 | 0.44              |
| 51/5A3 | 0.80              |
| 40/3   | 7.21              |
| TOTAL  | 9.11              |

Total extent 24.46 ½ acres together with building offices, godowns all fittings and fixtures and all other assets within the registration district of Trichirapalli and Joint No. 2 sub registration district. All the plant and machinery of the textile mill including generators, tools computers and all items kept/lying in the factory premises at Ramjee Jagar, Trichy-Dindigul Road, Trichy and other places of the mills.

#### SCHEDULE C

Details of pending litigations by/against the Borrower/guarantors:

- 1) Company Petition - CP No.207/2003 (liquidation) pending before Company Court, Chennai (High Court, Chennai)
- 2) DRC No.16/2010 in RP No.17/2010 in T.A.No.88/2009 pending before DRT, Madurai.

IN WITNESS WHEREOF THE ASSIGNOR HAS EXECUTED THIS DEED OF ASSIGNMENT IN FAVOUR OF THE ASSIGNEE WHO HAS ACCEPTED ASSIGNMENT IN THE TERMS AFOREMENTIONED."

26. The above details makes it abundantly clear that what is assigned by Indian Overseas Bank, Chennai, second respondent to and in favour of Phoenix Asset Reconstruction Company Private Limited, Mumbai, first respondent is recoverable, by invoking the provisions of SARFAESI Act, 2002. In the light of the statutory provisions and details culled out from the deed of assignment dated, 30/12/2010, registered as Document No.714 of 2012, on the file of the Joint Sub-Registrar - I, Tiruchirapalli, we are not inclined to accept the submissions of the learned counsel for the petitioner that there was no debt and that only OCS payment, was to be paid.

27. In so far as the second contention of the writ petitioner, that the deed of assignment cannot be challenged, before the Debts Recovery Tribunal and that the Debts Recovery Tribunal, as it lacks jurisdiction, to declare a deed of assignment as illegal, we are not inclined to accept the said contention, for the reason that, under Section 13 (4) of the SARFAESI Act, 2002, in case, the borrower fails to discharge his liability in full, within the period specified, in sub-section (2), the secured creditor may take recourse to one or more of the following measures to recover his secured debt, namely:-

a. take possession of the secured assets of the borrower including the right to transfer by way of lease, assignment or sale for realising the secured asset;

b. take over the management of the business of the borrower including the right to transfer by way of lease, assignment or sale for realising the secured asset:

Provided that the right to transfer by way of lease, assignment or sale shall be exercised only where the substantial part of the business of the borrower is held as security for the debt:

Provided further that where the management of whole of the business or part of the business is severable, the secured creditor shall take over the management of such business of the borrower which is relatable to the security for the debt;

c. appoint any person (hereinafter referred to as the manager), to manage the secured assets the possession of which has been taken over by the secured creditor;

d. require at any time by notice in writing, any person who has acquired any one of the secured assets from the borrower, and from whom any money is due or may become due

to the borrower, to pay the secured creditor, so much of the money as is sufficient to pay the secured debt."

28. A bare reading of Section 13 (4) of the SARFAESI Act, 2002, makes it clear that, in case the borrower, fails to discharge his liability, secured creditor may take recourse to one or more of the measures to recover the secured debt viz., by way of assignment or by any other modes, as stated supra.

29. Deed of assignment, executed by the Indian Overseas Bank, Chennai, to Phoenix Asset Reconstruction Company Private Limited, Mumbai, first respondent, is an integral part of Section 13 (4) of the SARFAESI Act, 2002, and it is also one of the measures that could be challenged, under Section 17 (1) of the SARFAESI Act, 2002.

30. At this juncture, reference to Section 17 (1) of the SARFAESI Act, 2002 is required, and the same is extracted hereunder:-

"Any person (including borrower), aggrieved by any of the measures referred to in sub-section (4) of Section 13 taken by the secured creditor or his authorised officer under this Chapter (may make an application along with such fee, as may be prescribed) to the Debts Recovery Tribunal having jurisdiction in the matter within forty-five days from the date on which such measures had been taken:

[Provided that different fees may be prescribed for making the application by the borrower and the person other than the borrower]."

31. As per Section 17 (3) (b), the Debts Recovery Tribunal, after examining the facts and circumstances of the case and evidence produced by the parties, comes to the conclusion that any of the measures referred to in sub-Section 4 of Section 13 taken by the secured creditor are not in accordance with the provisions of the Act and the Rules framed thereunder and required restoration of the management or restoration of possession, of the secured assets to the borrower or other aggrieved person, it may, by order -

a. declare the recourse, to any one or more measures referred to in sub-section (4) of Section 13 taken by the secured creditor as invalid.

32. Conjoint reading of provisions of Sections 13 (4) and 17 (1) of the SARFAESI Act, 2002, would repel the contention of the learned counsel for the petitioner that deed of assignment is not one of the measures, under Section 13 (4) of the Act, and therefore, the petitioner cannot challenge the same, unless and until further action is taken by assignee.

33. Material on record further discloses that deed of assignment, dated 30/12/2010, in favour of Phoenix Asset Reconstruction Company Private Limited, has been acted upon by the writ petitioner and others. As per letter, dated 3/1/2011, addressed by the Phoenix Asset Reconstruction Company Private Limited, Mumbai, to Dr.R.Subramaniam, Mr.S.Ramanand, Mrs.S.Valliammal, have been referred to as guarantors, and Dr.Kailasam Kathirvel, and the above have been collectively referred to, as addresses. Subject matter of letter, dated 3/1/2011, is Acceptance of the offer of Settlement, submitted by the addresses to Phoenix Asset Reconstruction Company Private Limited.

34. After considering the OTS proposal of the addresses, Phoenix Asset Reconstruction Company Private Limited, first respondent, have culled out as follows:-

"Dear Sirs,

Ref: Acceptance of the offer of settlement submitted by the Addressees to Phoenix ARC Private Limited ("phoenix") vide their letter dated December 31, 2010 in respect of the financial facilities advanced by the Indian Overseas Bank to Sree Uma Parmeswari Mills Limited (hereinafter referred to as the "Company") and the debt thereon aggregating to Rs.101,79,92,657/- (Rupees One Hundred and One Crore Seventy Nine Lakh Ninety Two thousand Six Hundred and Fifty Seven only).

1. We refer to the captioned letter and the discussions held between us from time to time.

2. As you are aware, the facts relating to the captioned facility are as under:

(a) Indian Overseas Bank (hereinafter referred to as "IOB") had, in its ordinary course of business and at the request of the Company lent and advanced to the Company the captioned facility on the terms and conditions more particularly set out in the facility documents executed by and between IOB and the Company

(hereinafter referred to as the "Facility Documents"); and

(b) The Company was unable to make payments under the captioned facility and its account with IOB was classified as a Non Performing Asset

(c) Under the captioned facility, the Company failed to pay an amount aggregating to Rs.91,99,94,354/- (Rupees Ninety One Crore Ninety

Nine Lakh Ninety Four Thousand Three Hundred and fifty Four only) being the outstanding amount of the principal due under the captioned facility and the interest accrued thereon on February 18, 2010 as noted in the Recovery Certificate bearing No.16 of 2010 dated February 18, 2010 issued by the Debt Recovery Tribunal, Madurai (hereinafter referred to as the "Recovery Certificate") to IOB (hereinafter referred to as the "Debt").

3. As you are aware, phoenix has, pursuant to the Assignment Agreement dated December 30, 2010 (hereinafter referred to as the "Assignment Agreement") executed between IOB and Phoenix, acquired from IOB all its rights, title, interest and benefit in and to:

(a) the Debt together with future accrued interest and other charges stipulated in the Facility Documents; and

(b) the underlying securities provided by the Company and all the guarantees executed by the Guarantors in favour of IOB (hereinafter collectively referred to as the "Personal Guarantees") in connection with the Debt, the details whereof are more particularly stipulated in Schedule I hereto (hereinafter collectively referred to as the "Security Interests").

4. Thus in view of the Assignment Agreement and the provisions of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interests Act, 2002 (hereinafter referred to as the "SARFAESI Act"), phoenix has become the absolute owner of the Debt together with future accrued interest and other charges stipulated in the Facility Documents (hereinafter referred to as the "Entire Outstanding") and of the Security Interests. Therefore phoenix is wholly entitled to enforce the Security Interests including without limitation the personal Guarantees. Phoenix shall also be entitled to approach the Debt Recovery Tribunal, Madurai for the purpose of substitution of IOB's name on the Recovery Certificate with its own name and/or for the purpose of recording the settlement herein contained.

5. Accordingly, the Guarantors are, in terms of the Personal Guarantees, jointly and severally liable with the Company to make payment of the Entire Outstanding to Phoenix. However the Addressees have in the captioned offer letter, requested phoenix to accept the Settlement Amount (as defined hereunder) in full and final settlement of the Guarantors liability under the personal Guarantees and the Company's liability under the Facility Documents. Additionally, the Addressees have expressed to phoenix that since the Guarantors do not have the necessary funds to make payment of the Settlement Amount (or any part thereof), the payment thereof shall be made by Dr.Kathirvel, at the instance of the Guarantors.

6. Accepting to the request of the Addressees, phoenix hereby agrees to accept a sum of Rs.7,50,00,000 (Rupees Seven Crore Fifty Lakh only) together with further interest at the rate of 23% (Twenty Three percent) as full and final settlement of the Entire Outstanding (hereinafter referred to as "Settlement Amount") subject to the terms and conditions hereinafter appearing.

7. The Guarantors and Dr.Kathirvel hereby acknowledge and confirm as under:

(a) The Company has availed of the Facility from IOB which has now been assigned to phoenix vide the Assignment Agreement dated December 30, 2010;

(b) The Entire Outstanding is now due and payable by the Company to phoenix;

(c) Under the terms of the personal Guarantees, the Guarantors to phoenix; severally liable with the Company to make payment of the Entire Outstanding to phoenix;

(d) The Entire Outstanding is secured and guaranteed by the security interests and shall continue to be so secured and guaranteed to the same extent and in the same manner as it was prior to the assignment by IOB.

8. The Guarantors and Dr. Kathirvel represent and warrant that the execution, delivery and performance by them of this Settlement Letter and the acts and transactions contemplated hereby do not violate, conflict with, require any consent under or result in a breach of or default under:

(a) any law to which any of them are subject;

(b) any order, judgment or decree passed against or applicable to any of them; and

(c) any term, condition, covenant,

undertaking, agreement or other instrument to which any of them are a party or by which any of them are bound.

9. Phoenix has, at the request of the Addressees, agreed to grant a moratorium period of 9 (nine) months with regard to the payment of the Settlement Amount. After the expiry of the aforesaid moratorium period, the Settlement Amount shall be paid to phoenix by Dr. Kathirvel in 15 (Fifteen), monthly installments as more specifically mentioned in Schedule II hereto (hereinafter referred to as "Monthly Installments"). Dr. Kathirvel shall simultaneously with the acceptance of this letter and in order to secure his obligation to pay the Monthly Installments under this paragraph 9 deposit with phoenix post dated cheques (hereinafter referred to as "PDCs") in respect of each of the Monthly Installments.

10. In the event there is any delay, on the part of Dr. Kathirvel, in payment of a Monthly Installment, phoenix shall, without prejudice to its order rights under this Settlement Letter (including under Paragraph 13 below) and/or under law, be entitled to recover from Dr. Kathirvel delayed payment charges at the rate of 3% per month on the Monthly Installment or the unpaid portion thereof calculated from the date on which it was payable up to the date of payment or realization.

11. The Addressees agree and confirm that Dr. Kathirvel will be entitled to prepay the Settlement Amount provided that in the even he prepays the Settlement Amount at any time prior to the expiry of 12 months from the acceptance of this letter, phoenix shall be entitled to recover interest at the rate of 23% (Twenty Three percent) p.a. on the Settlement Amount calculated from the date of prepayment until the expiry of the aforesaid 12 month period (hereinafter referred to as the "Prepayment Charges"). It is clarified that after the expiry of the aforesaid 12 month period, Dr. Kathirvel shall be free to prepay the Settlement Amount at any time and without payment of the Prepayment Charges.

12. It is specifically agreed between the Addressees and phoenix that each of the following events shall constitute an event of default (each of which is hereinafter referred to as "Event of Default"):

(a) If any of the PDCs provided by Dr. Kathirvel under Paragraph [9] above are dishonoured for non-payment;

(b) If Dr.Kathirvel fails to make payment of any Monthly Installment on its respective due date and such default continues for a period of 30 (Thirty) days from the due date;

(c) If insolvency proceedings are commenced against the Guarantors (or any of them) or any steps have been taken or threatened for the declaration of insolvency of the Guarantors (or any of them) or for the appointment of a receiver, trustee or similar officer in respect of the guarantors (or any of them) or any of their assets;

(d) If insolvency proceedings are commenced against Dr.Kathirvel or any steps have been taken or threatened for the declaration of insolvency of Dr.Kathirvel or for the appointment of a receiver, trustee or similar officer in respect of Dr.Kathirvel or his assets;

(e) If the Addressees (or any of them) attempt and/or take any steps towards the creation of third party rights over the Security Interests;

(f) If Dr.Kathirvel and/or the Guarantors (or any of them) commit any other breach of the provisions of this Settlement Letter, which breach is either incapable of remedy or which the defaulting Addressee falls to remedy within 30 (Thirty) days of the service of a notice by phoenix on the defaulting Addressee specifying the breach.

13. On the occurrence of an Event of Default, phoenix shall, without prejudice to any other remedies which it may have at law or otherwise, be entitled to take an or all of the following actions:

(a) To recover the Settlement Amount (less any amounts already paid by Dr.Kathirvel under the terms of this Settlement Letter) from Dr. Kathirvel and adopt such legal proceedings for the purpose as phoenix may deem fit.

(b) To revoke the settlement granted by phoenix under Paragraph 6 above and take steps (including legal proceedings) to recover the Entire Outstanding along with the accrued interest thereon from the Company and/or the Guarantors or any of them (under the personal Guarantees);

(c) To enforce the Security Interest, whether in the exercise of phoenix's powers under SARFAESI Act or otherwise through the ordinary judicial process; and

(d) Initiate proceedings (civil or criminal) including proceedings under Section 138 of the

Negotiable Instruments Act, 1882 (in the event of dishonour of the PDCs).

14. The Guarantors and Dr.Kathirvel agree to and do hereby indemnify and save harmless phoenix of, from and against any and all losses, damages, liabilities, suits, claims, actions penalties, expenses (including any stamp duty, attorney's fees and court costs and any expenses incurred by phoenix for the enforcement of its rights under this Settlement Letter, which phoenix may suffer as a result of any breach, failure or default on the part of any of them to observe or perform, in any respect, their respective obligations, undertakings and/or the other terms and conditions contained in this Settlement Letter.

15. The Addressees will at all times, both during the terms of this Settlement Letter and after its expiry or earlier determination, keep confidential this Settlement Letter and all information, data, reports, and other records that the Addressees receive from phoenix that is designated as confidential in writing or, if disclosed orally, reduced to writing and designated as confidential within 30 (thirty) days including the terms, conditions, and existence of this Settlement Letter (hereinafter referred to as "Confidential Information") and will not use such Confidential Information.

16. The Guarantors and Dr.Kathirvel hereby agree that Dr.Kathirvel shall be entitled as against the Guarantors to all the rights available to a surety under the India Contract Act, 1872 including, in particular, the right to recover from the Guarantors all amounts paid by Dr.Kathirvel under the terms of this Settlement Letter.

17. Dr.Kathirvel shall bear all taxes, levies, imposts, duties or other charges of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same) and other charges levied from time to time by any governmental authority pertaining to or in respect of this Settlement Letter and/or the performance of the Terms hereof (including the payment of the Monthly Installments) and shall pay the same, on demand, to phoenix in case it pays any such amounts, whether voluntarily or under compulsion. Phoenix shall however bear its own income tax.

18. This Settlement Letter shall be governed by, and construed in accordance with, the laws of India.

19. This Settlement letter shall be subject to the exclusive jurisdiction of the courts/tribunals at

Tamil Nadu only.

20. This Settlement Letter shall, on acceptance, be binding on the Addressees and on phoenix provided, however, that the Addressees shall not be entitled to assign and/or transfer, in whole or in part, this Settlement Letter and/or any of their rights or obligations arising hereunder without the express prior written consent of phoenix. Any purported assignment effected by the Addressees (or any of them) without such consent shall be null and void. The Addressees acknowledge and confirm that phoenix shall be entitled to assign its and obligations under this Settlement Letter without reference to and without obtaining the consent of the Addressees (or any of them).

21. The waiver of any breach of the provisions of this Settlement Letter shall not constitute a waiver of any prior, concurrent or subsequent breach of the same or any other provisions hereof, and no waiver shall be effective unless made in writing and signed by an authorised representative of the waiving party.

22. All cost and expenses incurred in connection with the preparation, execution, delivery and performance of this Settlement Letter including stamp duty shall be borne solely by Dr.Kathirvel.

The Addressees hereby acknowledge and confirm that the terms and conditions recorded in this Settlement Letter constitute the entire understanding between the parties hereto and supersede and prior agreements, writings and/or arrangements entered into in respect of the Debt either between the parties hereto or otherwise.

#### SCHEDULE I

##### DETAILS OF THE FACILITY AND THE SECURITY INTERESTS

###### A. FACILITY

|    | Nature of Facility | Amount (Rs. In lacs) * |
|----|--------------------|------------------------|
| 1. | WCDL               | 520.00                 |
| 2. | CC(H)              | 320.00                 |
| 3. | BP                 | 300.00                 |
| 4. | FDDBP/UBD (LC)     | 500.00                 |
| 5. | WCTL               | 400.00                 |
| 6. | LC                 | 900.00                 |
| 7. | LG                 | 30.12                  |
|    | Total              | 2970.12                |

\* IOB had filed recovery application before DRT, Madurai claiming an amount of Rs.44,03,27,599/-. The DRT, Madurai had vide order dated 18.02.2010 decreed an amount of Rs.91,99,94,354/- with further interest at 12% in favour of IOB. Therefore, the total dues payable as of 31.12.2010 is Rs.101,79,92,657/-, which is the Debt payable.

## B. SECURITY INTERESTS

### DESCRIPTION OF IMMOVABLE PROPERTY FORMING PART OF THE SECURITY

All that piece and parcel of the land situated at Pirattiyur & Kallikudi Villages Ramjee Nagar, Trichy - Dindigul Main Road in the survey numbers described hereunder and belonging to the Borrower (i.e.the Company):

#### 1. PIRATTIYUR VILLAGE

| S.F.No     | Extent (in acres) |
|------------|-------------------|
| 425/1      | 0.14              |
| 426/1      | 0.27              |
| 426/2      | 0.09              |
| 426/4      | 0.16              |
| 427 (part) | 0.20              |
| 427 (part) | 0.18              |
| 429        | 8.37 ½            |
| 430/1      | 1.61              |
| 430/2      | 4.12              |
| 433/1      | 0.21              |
| TOTAL      | 15.35 1/2         |

#### 2.K.KALLIKUDI VILLAGES

| S.F.No | Extent (in acres) |
|--------|-------------------|
| 51/1A2 | 0.36              |
| 51/4A1 | 0.09              |
| 51/4A3 | 0.21              |
| 51/5A1 | 0.44              |
| 51/5A3 | 0.80              |
| 40/3   | 7.21              |

| S.F.No | Extent (in acres) |
|--------|-------------------|
| TOTAL  | 9.11              |

Total extent 24.46 ½ acres together with building offices, godowns all fittings and fixtures and all other assets within the registration district of Trichirapalli and Joint No. 2 sub registration district. All the plant and machinery of the textile mill including generators, tools computers and all items kept/lying in the factory premises at Ramjee Jagar, Trichy-Dindigul Road, Trichy and other places of the mills.

DESCRIPTION OF MOVABLE PROPERTY FORMING PART OF THE SECURITY INTERESTS

Raw materials, Cotton, Work in Process, Finished Goods, Stores & Spares

Accepted documents and hypothecation of relative merchandise.

All plant and machinery present and future excluding those acquire under IDBI's equipment finance scheme.

Entire inventory book debts and current assets.

Endorsed delivery challans, Document of title to goods and accepted documents backed by Lcs.

DESCRIPTION OF PERSONAL GUARANTEES

Personal Guarantees dated January 13, 1994, December 5, 1994, March 11, 1995, February 7, 1996, February 24, 1997 and August 18, 1998 executed by the Guarantors (s)

SCHEDULE II

MONTHLY INSTALLMENT SCHEDULE

| Installment Date | No. | Installment Amount (Rs.) |
|------------------|-----|--------------------------|
| 31-Jan-11        | 1   | -                        |
| 28-Feb-11        | 2   | -                        |
| 31-Mar-11        | 3   | -                        |
| 30-Apr-11        | 4   | -                        |
| 31-May-11        | 5   | -                        |
| 30-Jun-11        | 6   | -                        |
| 31-Jul-11        | 7   | -                        |
| 31-Aug-11        | 8   | -                        |
| 30-Sep-11        | 9   | -                        |
| 31-Oct-11        | 10  | 44,00,000                |
| 30-Nov-11        | 11  | 44,00,000                |
| 31-Dec-11        | 12  | 44,00,000                |
| 31-Jan-12        | 13  | 77,00,000                |
| 29-Feb-12        | 14  | 77,00,000                |

| Installment Date | No. | Installment Amount (Rs.) |
|------------------|-----|--------------------------|
| 31-Mar-12        | 15  | 77,00,000                |
| 30-Apr-12        | 16  | 77,00,000                |
| 31-May-12        | 17  | 77,00,000                |
| 30-Jun-12        | 18  | 77,00,000                |
| 31-Jul-12        | 19  | 77,00,000                |
| 31-Aug-12        | 20  | 77,00,000                |
| 30-Sep-12        | 21  | 77,00,000                |
| 31-Oct-12        | 22  | 77,00,000                |
| 30-Nov-12        | 23  | 70,00,000                |
| 31-Dec-12        | 24  | 70,00,000                |
| Total            |     | 10,42,00,000             |

(Rupees Ten Crores and Forty Two Lakh only)

We hereby irrevocable and unconditionally accept and agree to be bound by all the terms, conditions and stipulations contained hereinabove.

35. Though Mr.Akil R.Bansali, learned counsel for the petitioner, submitted that the petitioner has not written any letter to Phoenix Asset Reconstruction Company Private Limited. Reading of the letter, dated 3/1/2011, makes it clear that after the deed of assignment, dated 30/12/2010, petitioner along with three others, have written a letter, dated 31<sup>st</sup> December 2010, and offering OTS to Phoenix Asset Reconstruction Company Private Limited.

36. Though the learned counsel for the petitioner submitted that the petitioner has not sent any such letter, dated 31/12/2010 and that there was no acquiescence to the deed of assignment dated 30/12/2010, we are not inclined to accept the said contentions, for the reason that acceptance of offer settlement, on the above terms and conditions, has been made, by Phoenix Asset Reconstruction Company Private Limited. Further, the details of the loan amount to be paid, movable and immovable properties, description of personal guarantees have been set out and more particularly, all the three guarantors as well as Dr.Kathirvel, have signed the acceptance of OTS, in the presence of an Advocate. Having signed the acceptance of offer of settlement submitted to Phoenix Asset Reconstruction Company Private Limited, it is not open to the writ petitioner to challenge the assignment deed, after seven years, from the date of its execution, on the grounds that there was no debt.

37. Even taking for granted that the petitioner had any right to challenge the correctness or validity of deed of assignment, there is an inordinate delay and laches on the part of the petitioner. On the aspect as to whether, a person who had approached the Court, is entitled to relief under Article 226 of the Constitution of India, if there is laches and inordinate delay, this Court deems it fit to consider following decisions.

38. Laches or reasonable time are not defined under any Statute or Rules. "Laches" or "Lashes" is an old french word for slackness or negligence or not doing. In general sense, it means neglect to do what in the law should have been done for an unreasonable or unexplained length of time. What could be the laches in one case might not constitute in another. The laches to non-suit, an aggrieved person person from challenging the acquisition proceedings should be inferred from the conduct of the land owner or an interested person and that there should be a passive inaction for a reasonable length of time. What is reasonable time has not been explained in any of the enactment. Reasonable time depends upon the facts and circumstances of each case.

39. The words "reasonable time", as explained in *Veerayeeammal v. Seeniammal* reported in 2002 (1) SCC 134, at Paragraph 13, is as follows:

"13. The word "reasonable" has in law prima facie meaning of reasonable in regard to those circumstances of which the person concerned is called upon to act reasonably knows or ought to know as to what was reasonable. It may be unreasonable to give an exact definition of the word "reasonable". The reason varies in its conclusion according to idiosyncrasy of the individual and the time and circumstances in which he thinks. The dictionary meaning of the "reasonable time" is to be so much time as is necessary, under the circumstances, to do conveniently what the contract or duty requires should be done in a particular case. In other words it means, as soon as circumstances permit. In P. Ramanatha Aiyar's The Law Lexicon it is defined to mean:

"A reasonable time, looking at all the circumstances of the case; a reasonable time under ordinary circumstances; as soon as circumstances will permit; so much time as is necessary

under the circumstances, conveniently to do what the contract requires should be done; some more protracted space than 'directly'; such length of time as may fairly, and properly, and reasonably be allowed or required, having regard to the nature of the act or duty and to the attending circumstances; all these convey more or less the same idea."

40. The statement of law has also been summarized in Halsbury's Laws of England, Para 911 , pg. 395 as follows:

"In determining whether there has been such delay as to amount to laches, the chief points to be considered are:

(i) acquiescence on the claimant's part; and

ii) any change of position that has occurred on the defendant's part.

Acquiescence in this sense does not mean standing by while the violation of a right is in progress, but assent after the violation has been completed and the claimant has become aware of it. It is unjust to give the claimant a remedy where, by his conduct, he has done that which might fairly be regarded as equivalent to a waiver of it; or where by his conduct and neglect, though not waiving the remedy, he has put the other party in a position in which it would not be reasonable to place him if the remedy were afterwards to be asserted. In such cases lapse of time and delay are most material. Upon these considerations rests the doctrine of laches."

41. In State of M.P. v. Bhailal Bhai reported in AIR 1964 SC 1006, the Hon'ble Supreme Court held that it is not either unreasonable delay denies to the petitioner the discretionary extraordinary remedy of mandamus, certiorari or any other relief.

42. In State of M.P., v. Nandlal Jaismal reported in 1986 (4) SCC 566, the Hon'ble Supreme Court, at Paragraph 24, held as follows:

"24. Now, it is well settled that the power of the High Court to issue an appropriate writ under Article 226 of the Constitution is discretionary and the High Court in the exercise of its discretion does not ordinarily assist the tardy and the indolent or

the acquiescent and the lethargic. If there is inordinate delay on the part of the petitioner in filing a writ petition and such delay is not satisfactorily explained, the High Court may decline to intervene and grant relief in the exercise of its writ jurisdiction. The evolution of this rule of laches or delay is premised upon a number of factors. The High Court does not ordinarily permit a belated resort to the extraordinary remedy under the writ jurisdiction because it is likely to cause confusion and public inconvenience and bring in its train new injustices. The rights of third parties may intervene and if the writ jurisdiction is exercised on a writ petition filed after unreasonable delay, it may have the effect of inflicting not only hardship and inconvenience but also injustice on third parties. When the writ jurisdiction of the High Court is invoked, unexplained delay coupled with the creation of third party rights in the meanwhile is an important factor which always weighs the High Court in deciding whether or not to exercise such jurisdiction. We do not think it necessary to burden this judgment with reference to various decisions of this Court where it has been emphasised time and again that where there is inordinate and unexplained delay and third party rights are created in the intervening period, the High Court would decline to interfere, even if the State action complained of is unconstitutional or illegal. ....Of course, this rule of laches or delay is not a rigid rule which can be cast in a strait jacket formula, for there may be cases where despite delay and creation of third party rights the High Court may still in the exercise of its discretion interfere and grant relief to the petitioner. But, such cases where the demand of justice is so compelling that the High Court would be inclined to interfere in spite of delay or creation of third party rights would by their very nature be few and far between. Ultimately it would be a matter within the discretion of the court; ex hypothesi every discretion must be exercised fairly and justly so as to promote justice and not to defeat it."

(emphasis supplied)

43. In State of Maharashtra v. Digambar reported in AIR 1995 SC 1991, the Hon'ble Supreme Court, considered a case, where compensation for the acquired land was claimed belatedly and at Paragraphs 12, 18 and 21, held as follows:

"12. How a person who alleges against the State of deprivation of his legal right, can get relief of compensation from the State invoking writ jurisdiction of the High Court under article 226 of the Constitution even though, he is guilty of laches or undue delay is difficult to comprehend, when it is well settled by decision of this Court that no person, be he a citizen or otherwise, is entitled to obtain the equitable relief under Article 226 of the Constitution if his conduct is blame-worthy because of laches, undue delay, acquiescence, waiver and the like. Moreover, how a citizen claiming discretionary relief under Article 226 of the Constitution against a State, could be relieved of his obligation to establish his unblameworthy conduct for getting such relief, where the State against which relief is sought is a welfare State, is also difficult to comprehend. Where the relief sought under Article 226 of the Constitution by a person against the welfare State is founded on its alleged illegal or wrongful executive action, the need to explain laches or undue delay on his part to obtain such relief, should, if anything, be more stringent than in other cases, for the reason that the State due to laches or undue delay on the part of the person seeking relief, may not be able to show that the executive action complained of was legal or correct for want of records pertaining to the action or for the officers who were responsible for such action not being available later on. Further, where granting of relief is claimed against the State on alleged unwarranted executive action, is bound to result in loss to the public exchequer of the State or in damage to other public interest, the High Court before granting such relief is required to satisfy itself that the delay or laches on the part of a citizen or any other person in approaching for relief under Article 226 of the Constitution on the alleged violation of his legal right, was wholly justified in the facts and circumstances, instead of ignoring the same or leniently considering it. Thus, in our view, persons seeking relief against the State under Article 226 of the Constitution, be they citizens or otherwise, cannot get discretionary relief obtainable thereunder unless they fully satisfy the High Court that the facts and circumstances of the case clearly justified the laches or undue delay on their part in approaching the Court for grant of such discretionary relief. Therefore, where a High Court grants relief to a citizen or any other person under Article 226 of the Constitution against any person including the State

without considering his blame-worthy conduct, such as laches or undue delay, acquiescence or waiver, the relief so granted becomes unsustainable even if the relief was granted in respect of alleged deprivation of his legal right by the State.

18. Laches or undue delay, the blame-worthy conduct of a person in approaching a Court of Equity in England for obtaining discretionary relief which disentitled for grant of such relief was explained succinctly by Sir Barnes Peacock, long ago, in *Lindsay Petroleum Co. v. Prosper Armstrong* (1874) 5 PC 221) thus :

"Now the doctrine of laches in Courts of Equity is not an arbitrary or a technical doctrine. Where it would be practically unjust to give a remedy, either because the party has, by his conduct, done that which might fairly be regarded as equivalent to a waiver of it, or where by his conduct and neglect he has, though perhaps not waiving that remedy, yet put the other party in a situation, in which it would not be reasonable to place him if the remedy were afterwards to be asserted, in either of these cases, lapse of time and delay are most material. But in every case, if an argument against relief, which otherwise would be just, is founded upon mere delay, that delay of course not amounting to a bar by any statute or limitations, the validity of that defence must be tried upon principles substantially equitable. Two circumstances, always important in such cases, are, the length of the delay and the nature of the acts done during the interval, which might affect either party and cause a balance of Justice or injustice in taking the one course or the other, so far as it relates to the remedy."

21. Therefore, where a High Court in exercise of its power vested under Article 226 of the Constitution issues a direction, order or writ for granting relief to a person including a citizen without considering his disentitlement of such relief due to his blameworthy conduct of undue delay or laches in claiming the same, such a direction, order or writ becomes unsustainable as that not made judiciously and reasonably in exercise of its sound judicial discretion, but as that made arbitrarily."

44. In *State of Rajasthan v. D.R. Laxmi* reported in 1996 (6) SCC 445, the Hon'ble Supreme Court observed that though the order may be void, if the party does not approach the Court within a reasonable time, which is always a question of fact and have the order invalidated or acquiesced or waived, the discretion of the Court has to be exercised in a reasonable manner.

45. In *Larsen and Toubro Ltd., v. State of Gujarat* reported in 1998 (4) SCC 387, the Hon'ble Supreme Court held that a writ petition challenging the notifications issued under Sections 4 and 6 of the Central Act is liable to be dismissed on the ground of delay and laches, if the challenge is not made within a reasonable time.

46. In the case of *Government of W.B., v. Tarun K. Roy and Ors.*, reported in (2004) 1 SCC 347, Their Lordships considered delay as serious factor and not granted any relief.

"The respondents furthermore are not even entitled to any relief on the ground of gross delay and laches on their part in filing the writ petition. The first two writ petitions were filed in the year 1976 wherein the respondents herein approached the High Court in 1992. In between 1976 and 1992 not only two writ petitions had been decided, but one way or the other, even the matter had been considered by this Court in *Debdas Kumar*. The plea of delay, which Mr. Krishnamani states, should be a ground for denying the relief to the other persons similarly situated would operate against the respondents. Furthermore, the other employees not being before this Court although they are ventilating their grievances before appropriate courts of law, no order should be passed which would prejudice their cause. In such a situation, we are not prepared to make any observation only for the purpose of grant of some relief to the respondents to which they are not legally entitled to so as to deprive others there from who may be found to be entitled thereto by a court of law."

47. In *Chairman, U.P. Jal Nigam and another v. Jaswant Singh* reported in AIR 2007 SC 924, the Supreme Court, after considering a catena of decisions on the aspect of delay, at Paragraph 13, held as follows:

"13. ....Therefore, whenever it appears that the claimants lost time or while away and did not rise to the occasion in time for filing the writ petitions, then in such cases, the Court should be very slow in granting the relief to the incumbent. Secondly, it has also to be taken into consideration the question of acquiescence or waiver on the part of the incumbent

whether other parties are going to be prejudiced if the relief is granted."

48. Material on record discloses that when the writ petitioner had challenged the deed of assignment dated 30/1/2010, in S.A.No.328 of 2014, the Tribunal seemed to have dismissed the same, on the grounds of maintainability. According to the petitioner, the Tribunal has failed to consider the loan stood discharged by payment of OTS.

49. According to the petitioner, the Tribunal has erred on facts. Dismissal on the grounds of maintainability and facts, could have been raised before the appellate forum and that the petitioner has failed to do so. Instead, when the petitioner has prayed to set aside the assignment deed, on the submissions extracted supra, we have answered accordingly. There are no merits in the writ petitions and accordingly, the same are dismissed. No costs. Consequently, the connected Miscellaneous Petitions are closed.

Sd/-

Assistant Registrar (CS-II)

//True Copy//

Sub Assistant Registrar

mvs.

To

1. The Assistant General Manager  
Indian Overseas Bank  
Anna Salai  
Chennai 600 001.

2. The Joint I Sub-Registrar  
DR Grade  
Tiruchirapalli 620 001.

3. Reserve Bank of India  
16<sup>th</sup> Floor, Central Office Building  
Shahid Bhagat Singh Marg  
Mumbai 400 001.

+1cc to the Government Pleader, S.R.No. 5525 & 5524

+3cc to Mr.RAMALINGAM & ASSO Advocate, S.R.No.4748 & 5421

+2cc to Mr.BFSLEGAL Advocate, S.R.No.4712 & 4711

Writ Petition Nos.1270 and 1271 of 2018

GMI (CO)

TR(21/02/2018)