

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CIVIL APPELLATE JURISDICTION
WRIT PETITION NO.9151 OF 2010

Krishna Lifestyle Technologies Ltd. .. Petitioner

Vs

State of Maharashtra & Anr. .. Respondents

...

Ms. Heena Rathore i/b Kulkarni & Associates for the Petitioner.

Ms. Shridevi Kotkar i/b Mr. O.A. Das for Respondent No.3 in Writ Petition No.9151 of 2010.

**CORAM: PRADEEP NANDRAJOG, C.J. &
SMT. BHARATI DANGRE, J.**

DATED : 02ND DECEMBER, 2019.

P.C:-

1. Heard learned counsel for the parties.
2. To recover dues payable to it, the third Respondent proceeded under Section 14 of SARFAESI Act, 2002 against the secured assets belonging to Rotex Textile Mills Limited. The asset was land bearing A-164, A-165 and A-166, Phase I, MIDC Industrial Area, Dombivali, District Thane.
3. The Petitioner's bid in sum of ₹ 2,25,00,000/- was

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accepted. The Petitioner deposited the requisite amount and the Sale Certificate dated 23rd March, 2007 was issued.

4. The secured assets being a leasehold property demised by Maharashtra Industrial Development Corporation required the Petitioner to approach the Corporation with a prayer that in the record of the Corporation its name be recorded as the lessee. MIDC wrote back informing that in view of the Government Resolutions requiring clearance from the Labour Department, no such request made could be considered.

5. The Government Resolutions (G-1 to G-3) quashing whereof has been prayed for in the Writ Petition are dated 27th September, 2006, 30th October, 2007 and 12th January, 2009.

6. The Government Resolutions pertain to the manner in which requests received for land use to be changed from commercial or industrial to residential have to be dealt with and mandates that unless dues of the workmen of the establishment are cleared, no such applications can be processed.

7. From the Reply filed by the MIDC, it emerges that Rotex Textile Mills Limited shut down its operations somewhere in the year 2000. Dues of about 300 workmen were to be cleared.

8. Noting that the issue whether the dues of the workmen would rank above or *pari passu* or below the dues of the secured creditor has not been raised in the Petition or in the Reply and, therefore, we are not dealing with the same.

9. Suffice it to record that as regards the auction purchaser, the sale has to be in terms of the bid documents and the same would evince that the Petitioner would be entitled to a clear title *qua* the leasehold interest of Rotex Textile Mills Limited. In what manner the bid amount needs to be apportioned is an *inter se* dispute which has to be sorted out between the workmen and the bank. Meaning thereby, under no circumstances can MIDC refuse to accept the Petitioner as the body corporate entitled to have its name recorded in the record of the MIDC as lessee of the land.

10. So recording, we dispose of the Petition directing MIDC to execute such documents as would be warranted to convey leasehold interest in the subject land for the remaining portion of the lease from the name of Rotex Textile Mills Limited to that of the Petitioner. Needful shall be done within six weeks.

11. No costs.

(SMT. BHARATI DANGRE, J.)

(CHIEF JUSTICE)