



IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated: 05..11..2019
CORAM

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THE HON'BLE MR.JUSTICE V.BHARATHIDASAN

Writ Petition No.39063 of 2003
& W.M.P.No.47333 of 2003
and
W.P.No. & 39064 of 2003

W.P.No.39063 of 2003:-

Hotel Ennordee International (P) Ltd.,
Rep. by its Managing Director,
A Company constituted under The Companies Act,
having Regd. Office at NRD Tower,
No.11, Jawaharlal Nehru Road,
Ashok Nagar,
Chennai 600083.

... Petitioner

-Versus-

State Industries Promotion Corporation of
Tamil Nadu Ltd.,
(SIPCOT),
Rep. by its Managing Director,
A Government of Tamil Nadu Undertaking,
having Regd. Office
at No.19-A, Rukmani Lakshmipathi Road,
Egmore, Chennai 600 008.

... Respondent

Prayer in W.P.No.39063 of 2003: Writ Petition filed under Article 226 of the Constitution of India, praying to issue a Writ of Mandamus directing the respondent to release the balance of the loan duly sanctioned under respondent's Sanction Letter dated 07.01.1999 or alternatively to release the Collateral Security (i.e., the Documents of Title relating to the land and building comprised in T.S.No.2/1, Block No.51, bearing Door No.6, First Avenue, Ashok Nagar, Chennai 600083) held by the respondent.

W.P.No.39064 of 2003:-

Hotel Ennordee International (P) Ltd.,
Rep. by its Managing Director,
A Company constituted under The Companies Act,
having Regd. Office at NRD Tower,
No.11, Jawaharlal Nehru Road,



Ashok Nagar,
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State Industries Promotion Corporation of
Tamil Nadu Ltd.,
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Rep. by its Managing Director,
A Government of Tamil Nadu Undertaking,
having Regd. Office
at No.19-A, Rukmani Lakshmipathi Road,
Egmore, Chennai 600 008.

... Respondent

Prayer in W.P.No.39064 of 2003: Writ Petition filed under Article 226 of the Constitution of India, praying to issue a Writ of Mandamus directing the respondent to re-schedule the repayment of the loan amounts with interest due from the petitioner to the respondent in respect of loans partly released under the respondent's Sanction Letter dated 07.01.1999 with a holiday period as may be fixed by this court considering the totality of circumstances and to scale down the rate of interest in tune with the presently prevalent lending rate of interest as adopted and implemented by Banks.

For Petitioner : Mr.M.Manivasagam for
M/s.MManivasagam Associates
for petitioner in both Writ
Petitions

For Respondent(s) : Mrs.Sudharshana Sundar

COMMON ORDER

The Writ petition in W.P.No.39063 of 2003 has been filed seeking a direction to the respondent to release the balance of the loan sanctioned by the respondent on 07.01.1999 or alternatively to release the collateral security to the land and building comprised in T.S.No.2/1, Block No.51, bearing Door No.6, First Avenue, Ashok Nagar, Chennai 600083) and the other writ petition in W.P.No.39064 of 2003 has been filed seeking a direction to the respondent to re-schedule the repayment of the loan outstanding.

2. According to the petitioner, the respondent had sanctioned a term loan of Rs.1,02,46,797/- to the petitioner. As there was a default in repayment of loan amount, the



respondent had taken steps to initiate proceedings under The State Financial Corporation Act. While so, the petitioner made a request to the respondent to re-schedule the repayment of loan dues. It was not done. Hence, the writ petition in W.P.No.39064 of 2003. The other writ petition in W.P.No.39064 of 2003 has been filed for the disbursement of the balance loan amount as per the loan sanctioned letter.

3. Today, when the writ petitions are taken up for hearing, the learned counsel appearing for the petitioner submitted that pending writ petitions, the petitioner approached the respondent for One Time Settlement (OTS) and the respondent was pleased to send a letter dated 31.05.2019 to the petitioner requiring him to file a separate application for OTS along with the requisite payment towards balance 5% of upfront fee on the principal outstanding along with process fee plus GST so as to consider the request of the petitioner for OTS. According to the learned counsel, the petitioner has already paid the required amount and an application has also been filed as directed by the respondent for OTS and the same is now under the consideration of the respondent.

4. The learned counsel for the petitioner further submitted that in view of the above development, it would be suffice to direct the respondent to consider the application submitted by the petitioner for OTS. The learned counsel appearing for the respondent would also submit that the application of the petitioner for OTS would be considered by the respondent and suitable orders would be passed thereof on merits within a reasonable time. The said statement of the learned counsel for the respondent is recorded.

5. In view of the above, the respondent is directed to consider the application made by the petitioner for one time settlement (OTS) and pass suitable orders on merits after giving opportunity to the petitioner within a period of six weeks from the date of receipt of a copy of this order.

6. In the result, (i) W.P.No.39064 of 2003: This writ petition is disposed of with the above directions. No costs.

(ii) W.P.No.39063: In view of the order passed in W.P.No.39064 of 2003, nothing survives in this writ petition for further adjudication and, therefore, this writ petition is dismissed as infructuous. No costs. Consequently connected WPMP is closed.

Sd/-

Assistant Registrar(CS)

//True Copy//

Sub Assistant Registrar



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To,

1.State Industries Promotion Corporation of
Tamil Nadu Ltd.,
(SIPCOT),
Rep. by its Managing Director,
A Government of Tamil Nadu Undertaking,
having Regd. Office
at No.19-A, Rukmani Lakshmipathi Road,
Egmore, Chennai 600 008.

+4ccs to M/s.M.Manivasagam , Advocate SR.No. 94642

+1cc to Mrs.Sudharshana Sundar, Advocate SR.No. 91477

Writ Petition

Nos.39063 & 39064 of 2003

A.SK(04/12/2019)

05..11..2019