

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 21.10.2019

CORAM :

THE HON'BLE DR.VINEET KOTHARI, ACTING CHIEF JUSTICE
AND
THE HON'BLE MR.JUSTICE C.SARAVANAN

W.P.No.29913 of 2019

M/s.Annapoorani Yarns,
rep. by its Managing Partner R.Jayachandran,
No.30/41-43, S.V. Colony,
2nd Street Extension,
P.N.Road,
Tiruppur-641 602. ... Petitioner

-vs-

The Central Bank of India,
rep. by Authorized Officer,
Branch No.2, Court Street,
Tiruppur-641 601. ... Respondent

Petition filed under Article 226 of the Constitution of India praying for issue of Writ of Certiorarified Mandamus calling for the records on the file of the Respondent in TIRUPU/RECV/2019-20/88, dated 01.06.2019 and CBI/Tirupur/Credit/2019-20/138 dated 04.07.2019 and quash the same as being without jurisdiction and authority of law and contrary to the principles of natural justice and further direct the respondent to consider the offer of One Time Settlement as requested by the petitioner vide letter dated 02.07.2019.

For Petitioner : Mr.R.Senniappan

For Respondents : Mr.F.B.Benjamin George

ORDER

(Order of the Court was made by The Hon'ble Acting Chief Justice)

This writ petition has been filed by the petitioner/borrower - M/s.Annapoorani Yarns, No.30/41-43, S.V. Colony, 2nd Street Extension, P.N. Road, Tiruppur-641 602, aggrieved by the notice issued under Section 13(2) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (in short "SARFAESI Act") by the respondent/Central Bank of India, Tirupur Branch on 01.06.2019, whereby the petitioner was directed to pay the entire amount of Rs.10,27,66,981/-.

2. The respondent Bank also seems to have approached the District Collector, Tuticorin, by way of application under Section 14 of the SARFAESI Act on 14.09.2019 and thereupon, the said District Collector has issued communication to the petitioner to apprise him as to whether in pursuance of the demand notice under Section 13(2) of the SARFAESI Act, the petitioner has paid dues or not.

3. The learned counsel for the petitioner, Mr.R.Senniappan, submitted before the Court that the petitioner/borrower is ready and willing to pay Rs.5.00 Crores to the Bank and he may be granted a short time to make that payment with an application for One Time Settlement (OTS) of dues to the respondent Bank, which the respondent Bank may consider.

4. The learned counsel for the respondent Bank, Mr.F.B.Benjamin George, submitted that if the petitioner is ready and willing to deposit the said sum of Rs.5.00 Crores in four weeks, namely, Rs.2.50 Crores within two weeks and another Rs.2.50 Crores within next two weeks, the respondent Bank can consider the OTS proposal of the petitioner in accordance with law.

5. In these circumstances, we dispose of the writ petition with liberty and direction to the petitioner as under:

- (i) The petitioner shall tender a sum of Rs.5.00 Crores (Rupees Five Crores) within a period of four weeks from today (Rs.2.50 Crores within two weeks and another Rs.2.50 Crores within next two weeks) and while tendering the first sum, as aforesaid, the petitioner shall submit its OTS proposal;
- (ii) If the petitioner makes such OTS proposal with the remittance of the amount aforesaid, the respondent Bank may proceed further and consider

the same in accordance with law.

(iii) We make it clear that no extension of time, nor any reduction of amount will be entertained under any circumstances.

(iv) If the petitioner fails to deposit Rs.5.00 Crores within the period of four weeks from today as aforesaid, the present writ petition shall be treated as dismissed by this Court.

No costs. Consequently, W.M.P.No.29824 of 2019 is closed.

Sd/-

Assistant Registrar (CO)

//True copy//

Sub Assistant Registrar

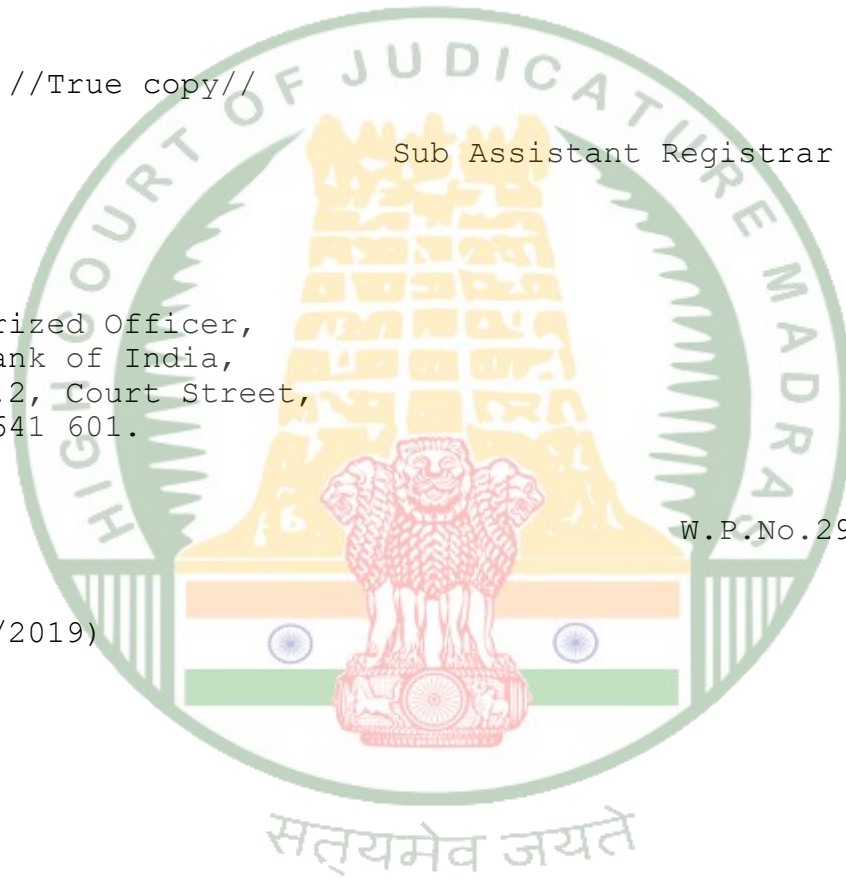
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To:

The Authorized Officer,
Central Bank of India,
Branch No.2, Court Street,
Tiruppur-641 601.

W.P.No.29913 of 2019

MG (CO)
GMY (25/10/2019)



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