

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED 22.12.2020

CORAM

THE HONOURABLE MR. JUSTICE M.SATHYANARAYANAN
AND
THE HONOURABLE MRS. JUSTICE R.HEMALATHA

WP.No.19584/2020

SRE Sumith Garments
rep.by its Partner
Dhayananth J,
SMR House, 6/213,
Kaliyamman Kovil Street,
Salem 637 502.

... Petitioner

Versus

1.Lakshmi Vilas Bank
Scheduled Bank constituted
under Banking Companies Act,
rep.by its Director,
Shri Shakti Sinha
Karur.

2.Lakshmi Vilas Bank Ltd.,
rep.by its Manager,
Salem Town Branch
Salem 636 001.

... Respondents

Prayer:- Writ petition filed under Article 226 of the Constitution of India praying for issuance of a writ of mandamus directing the respondents to consider and pass orders on the improved OTS proposal/representation dated 21.09.2020 of the petitioner.

For Petitioner : Ms.V.V.Uthra

ORDER

[Order of the Court was made by M.SATHYANARAYANAN, J. through Video Conferencing]

(1)The petitioner had availed financial assistance from the 2nd respondent-Bank for their business operations and in lieu of the default committed, their Accounts have been classified as Non Performing Asset and a Notice dated 10.04.2018 under Section 13[2] of the SARFAESI Act, was issued and it was also followed by a Sale Notice dated 08.04.2019. The petitioner expressed certain grievance and also sent a representation dated 03.12.2019 to the Grievance Cell of the Corporate Office of the respondent-Bank at

Chennai and a response was also given by the 2nd respondent on 18.01.2020.

- (2) The petitioner has also submitted a representation dated 04.09.2020 to the 2nd respondent, praying for acceptance of One Time Settlement of Rs.4 Crores within 180 days from the date of acceptance of the said offer and it is also followed by yet another representation dated 21.09.2020 wherein the petitioner has increased the offer from Rs.4 Crores to Rs.4.25 Crores and also undertook to pay the said amount within a period of 90 days from the date of acceptance of the offer.
- (3) The learned counsel for the petitioner would submit that as on date, no response is forth coming from the 2nd respondent-Bank and despite that, further action is being taken to auction the secured assets of the petitioner and hence, prays for appropriate orders.
- (4) This Court has considered the arguments advanced by the learned counsel for the petitioner and also perused the materials placed before it.
- (5) It appears from the Sale Notice dated 08.04.2019 that the petitioner and the guarantors are due and payable to the 2nd respondent-Bank, a sum of Rs.8 Crores and odd and vide representation dated 21.09.2020, the petitioner has improved the offer and willing to pay a sum of Rs.4.25 Crores within 90 days from the date of acceptance of the said proposal.
- (6) This Court, taking into consideration, the above facts and circumstances and without going into the merits of the claim projected by the petitioner, either in their representations or in this writ petition, directs the 2nd respondent-Bank to consider and dispose of the petitioner's representation dated 21.09.2020 on merits and in accordance with law and pass appropriate orders, within a period of three weeks from the date of receipt of a copy of this order / uploading the order in the website and communicate the decision taken, to the petitioner herein.
- (7) The writ petition stands disposed of accordingly. No costs.

Sd/-

Assistant Registrar

//True Copy//

Sub Assistant Registrar

AP

To

1. Shri Shakti Sinha
Director, Lakshmi Vilas Bank
Scheduled Bank constituted
under Banking Companies Act,
Karur.

2.The Manager,
Lakshmi Vilas Bank Ltd.,
Salem Town Branch
Salem 636 001.

+1cc to Mr. Parthasarathy, Advocate, S.R.No. 42673

WP.No.19584/2020

MG (CO)
GN (19/01/2021)



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