



BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: **24.03.2020**

CORAM:

THE HONOURABLE MR. JUSTICE M.DHANDAPANI

W.P (MD) No. 6023 of 2020

and

W.M.P (MD) No. 5199 of 2020

M/s.Selva Steel Foundry,
Rep. by its partner S.Selvanarayanan,
S/o.Late.S.Santhanadurai,
No.10/178, Bhagavathy Amman Koil Street,
Gujiliyamparai, Vedasandur Taluk,
Dindigul District-624 703.
Petitioner

...

Vs.

The Branch Manager,
Tamil Nadu Industrial Investment,
Corporation Limited,
No.9, Thiruvalluvar Salai,
Near Bus Stand,
Dindigul-624 003.

... Respondent

Prayer: Writ Petition filed under Article 226 of the Constitution of India to issue a Writ of Certiorarified Mandamus, to call for the records relating to the impugned order of the respondent in DGL/BO/LAO/KS/2019-2020 dated 16.03.2020 and quash the same and consequently, direct the respondent to regularize the loan account of the petitioner.

For Petitioner : Mr.V.S.Kishok Kumar

For Respondent : Mr.G.Murugan

ORDER

Mr.G.Muruggan, learned counsel takes notice for the respondent.

2. By consent of both parties, the writ petition is taken up for disposal at the admission stage itself.

3. This Writ petition has been filed by the petitioner praying for issuance of a Writ of Certiorarified Mandamus, to call for the records relating to the impugned order of the respondent in DGL/BO/LAO/KS/2019-2020 dated 16.03.2020 and quash the same and consequently, direct the respondent to regularize the loan account of the petitioner.



4. The learned counsel appearing for the petitioner would submit that the petitioner is running business under the name and style of M/s.Selva Streel Foundry. The respondent sanctioned the Term Loan to a sum of Rs.1,30,00,000/- and subsidy bridge loan to a sum of Rs.30,00,000/- on 12.02.2015 and the said loan amount was scheduled to be paid in 84 monthly installments. The petitioner paying the loan installments as on March 2019. Whereas their concern faced huge financial crisis because of the downfall of automobile industry and crusher unit, as they were engaged in manufacturing dyes required for automobiles and crusher units respectively. Hence, unfortunately they defaulted in pay the monthly installments from April 2019. Thereupon, the respondent has been classified the loan account as non-performing asset. Accordingly, even then on 08.01.2020 the petitioner has paid a sum of Rs.2,00,000/- by NEFT transfer. However, the respondent has issued a notice dated 09.03.2020 under Section 13(2) of SARFAESI Act demanding him to pay a sum of Rs.88,51,979/- including interest within 60 days thereon, citing it as his outstanding due as on 29.02.2020. To show their bonafide they are ready and undertaking to pay a sum of Rs.10,00,000/- towards Rs.33,00,000/- and further undertakes to pay the remaining sum of Rs.23,00,000/- within a period of two months. In the meantime, the respondent has issued the impugned order in DGL/BO/LAO/KS/2019-2020 dated 16.30.2020 to take physical possession on 26.03.2020. Challenging the said order, the petitioner has come out with the present writ petition.

5. The learned counsel appearing for the petitioner would submit that the total outstanding amount as on date is nearly Rs.35,00,000/- and the learned counsel for the petitioner undertakes that the petitioner is ready to pay a sum of Rs.35,00,000/- within a period of six weeks.

6. The learned counsel appearing for the respondent concede the submission made by the learned counsel for the petitioner.

7. Considering the facts and circumstances of the case and also considering the undertaking given by the learned counsel for the petitioner, the petitioner is directed to pay a sum of Rs.35,00,000/- to the respondent on or before 05.05.2020 and thereafter, they continue to pay the installment every month till the expiry of the loan amount, without any default. If the petitioner is failed to pay the said amount within the time, it is open to the respondent to take appropriate action against the petitioner by enforcing the impugned order. The respondent is directed to regularize the loan account of the petitioner.



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8. In view of the above observation, the writ petition is disposed No costs. Consequently, connected miscellaneous petition is closed.

Sd/-

Assistant Registrar (AS)

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Sub Assistant Registrar (CS)

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To

The Branch Manager,
Tamil Nadu Industrial Investment,
Corporation Limited,
No.9, Thiruvalluvar Salai,
Near Bus Stand,
Dindigul-624 003.

+1CC to Mr.V.S.Kishok Kumar Advocate SR.12968

ORDER MADE IN
W.P (MD) No. 6023 of 2020

24.03.2020

CN(12.05.2020) 3P C3