



WEB COPY

W.P(MD)No.6698 of 2020

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 19.06.2020

CORAM

THE HONOURABLE MR.JUSTICE P.N.PRAKASH

AND

THE HONOURABLE MR.JUSTICE B.PUGALENDHI

W.P (MD)No.6698 of 2020

and

W.M.P (MD)No.6061 of 2020

M/s.Jesus Modern Rice Mill,
represented by its
Proprietor,
J.Robertson

... Petitioner

Vs.

The Branch Manager,
Tamilnadu Industrial Investment Corporation Ltd.,
Branch Office: 5C/5B,2nd Floor,
Sakunthala Shopping Complex,
Trivandrum Road,
Tirunelveli.

... Respondent

Prayer : Petition filed under Article 226 of the Constitution of India, seeking to issue a writ of Certiorarified Mandamus to call for the records from the respondent in Letter Nos.TIIC/TNY/BO/LAO/2020-21, dated 18.05.2020 and TIIC/TNY/BO/LAO/2020-21, dated 30.05.2020 and quash the same and consequently, direct the respondent to grant sufficient time to settle the loan amount to the petitioner.

For Petitioner : Mr.S.Kumar

For Respondent : Mr.J.S.Dolia

ORDER

[Order of the Court was made by **P.N. PRAKASH, J.**]

On 12.06.2020, this Court passed the following order:

"This petition has been filed as against the order passed by the respondent Industrial Corporation Limited, in letter Nos.TIIC/TNY/BO/LAO/2020-21, dated 18.05.2020 and TIIC/TNY/LAO/2020- 21, dated 03.05.2020. 1 <http://www.judis.nic.in> WP(MD) No.6698 of 2020

2. By the letters imugned in this petition, Tamil Nadu Industrial Investment Corporation Limited [TIIC], Tirunelveli by registered post intimated this

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in order that the properties mortgaged before the



TIIC were put into auction and the Settlement Committee held on 22.05.2020 accorded its approval for confirmation of the auction sale of primary security viz, machinery for Rs.59,44,000/- and one of the collateral security viz, factory land and building for Rs.77,56,000/- [Total Rs.1,37,00,000/-].

3. The learned Counsel for the petitioner submits that as against the sale notice, he moved the Debts Recovery Tribunal [DRT], Madurai in S.A.No.50 of 2020, wherein, DRT, Madurai has granted an interim stay not to confirm the sale till 15.05.2020 with regard to the schedule mentioned property against the respondent bank, with a condition to the petitioner to pay a sum of Rs.15,00,000/- directly to the respondent bank on or before 14.02.2020 as 1st installment, a sum of Rs.11,11,000/- directly to the respondent bank on or before 16.03.2020 as 2nd installment, a further sum of Rs.11,11,000/- directly to the respondent bank on or before 14.04.2020 as 3rd installment and an another sum of Rs.11,11,000/- directly to the respondent bank on or before 14.05.2020 as 4th installment. However, if the conditional order is not complied with, the said interim stay shall stand vacated automatically, as per the order of DRT, Madurai.

4. According to the learned Counsel for the petitioner, the petitioner was able to pay the first installment in time and in view of the prevailing COVID-19 Pandemic, the petitioner is not in a position to pay the subsequent installments. Further, the petitioner is also not in a position to approach DRT, Madurai for modification of the conditional order dated 06.02.2020. The learned Counsel for the petitioner submitted that to show bonafide, the petitioner is willing to deposit a sum of Rs.10,00,000/- [Rupees Ten Lakh].

5. Mr.Suresh, learned Counsel for TIIC, Tirunelveli, has also been contacted through his mobile phone in this connection and he sought time to ascertain as to the confirmation of the sale.

6. Taking into consideration the non functioning of the DRT, Madurai and the prevailing COVID-19 Pandemic, this Court issues notice to the respondent. The petitioner is also permitted to serve notice on the learned Counsel for TIIC.

7. Post this matter on 19.06.2020."

2. Today, when the matter was taken up for hearing,

Mr.J.S.Dolia, learned Counsel for the respondent submitted that the

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property was sold in auction on 14.02.2020 and one Mr.R.Sibi Deepak had purchased the property. However, when the petitioner approached the Debts Recovery Tribunal in S.A.No.50 of 2020, the Debts Recovery Tribunal was pleased to stay the confirmation of sale till 15.05.2020 on condition that the petitioner should make certain payments in installments as stated therein. However, the petitioner had failed to comply with the conditional order passed by the Debts Recovery Tribunal and therefore, interim stay granted by the Debts Recovery Tribunal expired. Pursuant to that, on 12.06.2020, the said Sibi Deepak paid the balance sale consideration and the sale was confirmed.

3. Mr.J.S.Dolia, learned Counsel for the respondent submitted that the petitioner had offered Rs.10,00,000/- (Rupees Ten Lakhs only) pursuant to the orders passed by this Court, but the respondent was not in a position to accept the same as the sale was confirmed in favour of Sibi Deepak.

4. Since third party interests have arisen, it may not be appropriate for us to deal with this matter any further. Hence, this writ petition is closed with liberty to the petitioner to pursue his remedy either before the Debts Recovery Tribunal or before the Debts Recovery Appellate Tribunal in accordance with law. No costs. Consequently, the connected writ miscellaneous petition is also closed.

Sd/-

Assistant Registrar

// True Copy //

/ /2020

Sub Assistant Registrar(CS)

Rsb

Note: In view of the present lock down owing to COVID-19 pandemic, a web copy of the order may be utilized for official purposes, but, ensuring that the copy of the order that is presented is the correct copy, shall be the responsibility of the advocate/litigant concerned.

1.The Branch Manager,The Tamilnadu Industrial Investment Corporation Ltd, Branch Office:5C/5B 2nd Floor,
Sakunthala Shopping Complex,Trivandrum Road,
Tirunelveli.

W. P (MD) No. 6698 of 2020

and

W. M. P (MD) No. 6061 of 2020

19.06.2020

AP (30/06/2020) 3P 2C

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