



WEB COPY

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 01.09.2021

CORAM :

THE HON'BLE MR.SANJIB BANERJEE, CHIEF JUSTICE
AND
THE HON'BLE MR.JUSTICE P.D.AUDIKESAVALU

W.P.No.18260 of 2021

M/s.Sri Chinthaas Stores
Represented by its Proprietor Mr. Yukesh
Krishnan No.402 Nasiyanur Road
Erode

...Petitioner

Vs

1.India Resurgence ARC Pvt. Ltd
(Formerly Known as Piramal Assets
Reconstruction Pvt. Ltd) 3rd Floor Unit No.304
Piramal Towers Peninsular Corporate
Park Mumbai 400 013

2.Union of India Represented by Secretary
Ministry of Finance Government of India
North Block New Delhi 110001

3.Reserve Bank of India
Central Office Building
18th Floor Shahid Bhagat
Singh Road Mumbai 400 001

...Respondents

Prayer: Petition filed under Article 226 of the Constitution of India for issuance of a Writ of Mandamus directing the 1st Respondent to consider the letter dated 05.06.2021 written by the petitioner to extend the time for payment of balance amount of Rs 93,79,998/- within the further period of 3 months.

For the Petitioner : Mr.K.Elangovan

ORDER

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

The prayer in the petition cannot be granted. The petitioner being the auction-purchaser seeks extension of time to pay the balance consideration to the respondent secured creditor. The petitioner participated in an auction sale conducted by the respondent secured creditor under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002.



2. The petitioner claims that despite the petitioner being the highest bidder and depositing a sum in excess of Rs.20 lakh by way of earnest deposit on March 8, 2021, the petitioner could not make the balance payment in respect of the bid of about Rs.2.05 crore except for a further payment of about Rs.91 lakh by June 30, 2021.

3. In accordance with the Security Interest (Enforcement) Rules, 2002, a secured creditor can afford only three months' time to the auction-purchaser to complete the payment. It is evident that the time has elapsed and the petitioner has not been able to make the balance payment.

4. It is now open to the secured creditor to take further measures under Section 13 (4) of the Act of 2002, whereupon the petitioner is entitled to approach the appropriate Debts Recovery Tribunal with a petition under Section 17 of the Act of 2002 as a person aggrieved by any measure taken by the respondent secured creditor.

5. Since there is an efficacious alternative remedy available to the petitioner, the writ petition is not entertained and the petitioner is left free to pursue such remedy in accordance with law.

W.P.No.18260 of 2021 is disposed of without going into the merits thereof. There will be no order as to costs.

Sd/-
Assistant Registrar (CS-VII)

// True Copy //

Sub Assistant Registrar

sra

To

1.The Secretary,
Ministry of Finance,
Government of India,
North Block, New Delhi 110001.

2.Reserve Bank of India,
Central Office Building,
18th Floor, Shahid Bhagat Singh Road,
Mumbai 400 001.

+1cc to M/s.K.Elangovan, Advocate SR.No.44164

W.P.No.18260 of 2021

AJS(CO)
RVM(07/09/2021)