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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 07.01.2022

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THE HONOURABLE MR.JUSTICE M.DHANDAPANI

W.P.NO. 15133 OF 2020

AND

W.M.P.NO.18889 OF 2020

M/s. Sri Vinayaga Tex,
Represented by its Proprietor C. Saravanan,
D.No.7/228, Thalaiyampalayam,
Seenapuram Post, Thudupathi (Via),
Perundurai Taluk,
Erode District-638 057.

.....Petitioner

Vs

The Branch Manager,
The Tamil Nadu Industrial Investment Corporation Ltd.,
C.S. Sengottiah Complex, 2nd Floor,
23, Chidambaram Colony,
80 Feet Road, Periyar Nagar,
Erode-638 001.

.....Respondent

PRAYER:

Petition filed under Article 226 of the Constitution of India to issue a Writ of Certiorarified Mandamus calling for the records pertaining to the notice of the respondent in TIIC/ERODE/FU/2020-21 dated 16.09.2020 and to quash the same as illegal incompetent and ultravires and consequently direct the respondent to re-schedule the payment of loan amount in multiple settlements due to the present pandemic of Covid-19.

For petitioner	: Mr. M. Guruprasad
For Respondent	: Mr. K.Mahesh

ORDER

The present petition has been filed seeking quashment of the notice dated 16.09.2020 issued by the respondent herein and a direction to the respondent to re-schedule the payment of loan amount in multiple settlements.



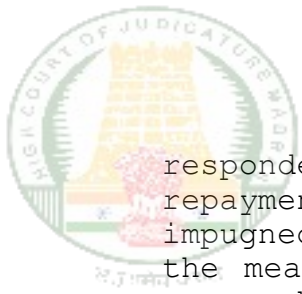
2. It is the case of the petitioner that he had availed the loan to the tune of Rs.26,00,000/- (Rupees Twenty Six Lakhs Only) and the subsidy amount to the tune of Rs.18,13,000/- (Rupees Eighteen Lakh Thirteen Thousand Only) under needs scheme from the respondent, by mortgaging his property as a Collateral Security, which is situated at Erode District. While being so, the respondent had insisted the petitioner to pay a sum of Rs.28,64,093/- vide proceedings dated 04.03.2020 towards principal with further interest along with additional interest, failing which the respondent will proceed in accordance with law. Thereafter, vide another proceedings dated 27.05.2020, the petitioner was directed to pay a sum of Rs.5,92,139/- which is 20% of the total overdue and also to furnish certain particulars. Due to the default of the same, the petitioner's business unit was sealed and taken possession by the respondent on 18.03.2020. Thereafter, the respondent had issued the impugned order dated 16.09.2020 stating that the outstanding amount towards the loan availed by the petitioner is to the tune of Rs.31,87,000/- as on 16.09.2020. As the petitioner's business unit was sealed by the respondent, the petitioner could not repay the loan availed by him. Left with no other alternative, the petitioner has come with the present petition.

3. Learned counsel for the petitioner submits that the petitioner could not repay the loan availed from the respondent, as the respondent had taken physical possession of his business unit and he could not carry on his business. Further, since his business unit has been sealed amidst the pandemic period, due to which he lost his income. Hence, in order to facilitate the petitioner to repay the loan amount, the impugned notice issued by the respondent may be quashed by allowing this Writ Petition and the petitioner's business unit may be de-sealed.

4. Per Contra, learned counsel for the respondent submits that, on the earlier occasion, this Court had granted interim stay of the impugned order dated 16.09.2020, on condition that the petitioner shall pay a sum of Rs.10,00,000/- (Rupees Ten Lakh only) to the respondent herein within a period of eight weeks from the date of receipt of a copy of the order. However, till date, the petitioner had not complied with the said order of this Court. Therefore, the petitioner cannot be granted the relief as sought for in this Writ Petition and this Writ Petition is liable to be dismissed.

5. Heard the learned counsel on the either side and perused the materials available on record.

6. A perusal of the materials available on record reveals that, the petitioner, after availing the loan from the



respondent bank, had not repaid the same and the default in repayment of the said loan has resulted in passing of the impugned order which is under challenge before this Court. In the meanwhile, this Court had granted an order of interim stay on condition that the petitioner makes certain sum within the time stipulated by this Court. However, it is brought to the notice of this Court that the said order has not been complied with.

7. In such circumstances, this Court is of the considered opinion that having defaulted in repayment of the loan availed and having not complied with the order of this Court, filing of Writ Petition before this Court seeking quashment of the impugned order is not sustainable. Therefore, the prayer sought for in this Writ Petition cannot be acceded to and this Writ Petition deserves to be dismissed.

8. Accordingly, this Writ Petition is dismissed. No Costs. Consequently, the connected Miscellaneous Petition is closed.

Sd/-
Assistant Registrar(CS II)

//True Copy//

Sub Assistant Registrar

NHS

To

The Branch Manager,
The Tamil Nadu Industrial Investment Corporation Ltd.,
C.S. Sengottiah Complex, 2nd Floor,
23, Chidambaram Colony,
80 Feet Road, Periyar Nagar,
Erode-638 001.

+1cc to Mr.K.Mahesh, Advocate, S.R.No.1407

+1cc to Mr.M.Guruprasad, Advocate, S.R.No.1688

W.P.NO. 15133 of 2020

SSN(CO)
PM/08/03/2022