



W.P.(MD)No.8786 of 2022

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 11.07.2022

CORAM:

THE HONOURABLE **MR.JUSTICE S.S.SUNDAR**
and
THE HONOURABLE **MRS.JUSTICE S.SRIMATHY**

W.P.(MD)No.8786 of 2022
and W.M.P.(MD) No.6399 of 2022

1.M/s.Prakash Saw Mill and Wood Industries,
Rep. by its Managing Partners,
Mr.Shenbaga Raman,
No.1/506, Tenkasi Shencottai Road,
Pairanoor Border,
Shencottai – 627 609.

2.Mr.Shenbaga Raman

3.Mrs.Mallika

4.Ganesh Priya

5.J.Saranya

6.Thirumal

... Petitioners

Vs.

1.The Authorised Officer,
Karur Vysya Bank Ltd.,
Business Banking Unit – Bank,
No.8-A, 1st Floor, Melur Main Road,
Opp. to District Court, K.K. Nagar,
Madurai – 625 020.

2.The Branch Manager,
Karur Vysya Bank,
Tenkasi Branch,
Tenkasi.

... Respondents



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Prayer: Writ Petition filed under Article 226 of Constitution of India, to issue a Writ of Certiorari, calling for records relating to the impugned E-Auction Sale Notice issued by the 1st Respondent in his proceedings NIL dated 31.03.2022 and to quash the same as illegal, arbitrary and in violation of the provisions of the SARFAESI Act, 2002.

For Petitioner : Mr.R.Chandrasekar

For Respondents : Mr.R.Pandivel
Standing Counsel

ORDER

(Order of the Court was made by **S.S.SUNDAR, J.**)

This Writ Petition has been filed challenging the E-Auction Sale Notice, dated 31.03.2022, issued by the 1st Respondent, fixing the date of sale on 09.05.2022 between 12.00 noon and 1.00 p.m.

2. Heard Mr.R.Chandrasekar, learned counsel for the petitioners and Mr.R.Pandivel, learned Standing Counsel for the respondents.

3. At the time of entertaining the writ petition, this Court has granted interim stay on condition that the petitioners



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shall pay Rs.40 Lakhs on or before 06.05.2022 and another sum of Rs.40 Lakhs on or before 08.06.2022. After making payment of the first instalment of Rs.40 Lakhs before 06.05.2022, the petitioners filed an application for extension of time for paying the second instalment and this Court directed the petitioners to pay the second instalment on or before 07.07.2022.

4. Today, learned counsel for the petitioner as well as learned Standing Counsel for the respondent Bank admitted that the petitioners had complied with condition of this Court. Learned Standing Counsel for the Bank states that sale had not taken place in view of the interim stay granted by this Court. Therefore, the prayer in the Writ Petition has become infructuous. Learned counsel for the petitioners states that the respondents may be directed to regularize the account or reschedule the payment so that the petitioners may ask for deduction of charges like penal interest and other concessions.

5. Considering the submissions of learned counsel on either side, this Court is of the view that the prayer in the writ petition has become infructuous. Therefore, the writ petition is



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liable to be dismissed on that score and accordingly the same is dismissed. No costs. Consequently, connected Miscellaneous Petition is closed.

6. Since the petitioners have complied with the directions of this Court by paying a sum of Rs.80,00,000/- (Rupees Eighty Lakhs only) and thereby reduced the total outstanding by more than 40%, this Court appreciates the petitioners' conduct as a bonafide borrowers, whose intention is to discharge the loan and this cannot be doubted by the respondent Bank. Hence, it is open for the petitioners to apply for regularization of the account or for re-scheduling of payment. When such an application is made within a period of six weeks from the date of receipt of a copy of this order, the respondent bank shall consider the same. Till such time, the respondents consider the application of the petitioners for regularization of account or for rescheduling of payment or for One Time Settlement, they shall not initiate any coercive action.

[S.S.S.R., J.] [S.S.Y., J.]
11.07.2022

Index : Yes / No

sj



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S.S.SUNDAR, J.

and

S.SRIMATHY, J.

sj

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