



W.P.(MD)No.18112 of 2022

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 11.08.2022

CORAM

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

W.P(MD)No.18112 of 2022
and
W.M.P.(MD)No.13209 of 2022

S.Sivaraman

... Petitioner

Vs.

1.The Debts Recovery Tribunal,
IV Floor, Kalyani Tower, Melur Road,
Madurai.

2.The Authorised Officer,
City Union Bank Limited,
Credit Recovery and Management Department,
Administration Office,
No.24-B, Gandhi Nagar,
Kumbakonam- 612 001.

... Respondents

Prayer: Writ Petition filed under Article 226 of Constitution of India, to issue a Writ of Certiorari, to call for the records pertaining to the impugned auction sale notice issued by the second respondent, dated 19.07.2022 issued separately for Srivilliputhur properties fixing the date of sale on 12.08.2022 and for Madurai property fixing the date of sale on 29.08.2022 and to quash the same.

For Petitioner :Mr.M.Arunachalam

For Respondents :Mr.R.Pandivel



W.P.(MD)No.18112 of 2022

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ORDER

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

This Writ Petition is filed challenging the re-tender-cum-sale notice, dated 19.07.2022 for proposing to sell three out of four items mortgaged by the petitioner for the loan.

2.Heard Mr.M.Arunachalam, learned Counsel for the petitioner, and Mr.R.Pandivel, learned Standing Counsel, who takes notice on behalf of respondents. By consent of both parties, the present Writ Petition is taken up for final disposal at admission stage itself.

3.The petitioner borrowed a sum of Rs.1,90,00,000/-, and the liability, as on date, as putforth by the learned Counsel for the respondent bank, is around Rs.2.91 crores. The learned Counsel for the petitioner points out several adverse condition, problem and the reasons for financial constraints to justify the non payment of loan amount as per the repayment schedule. The learned Counsel for the petitioner has come forward with the proposal for One Time Settlement and submitted that the petitioner may be permitted to pay a sum of Rs.15,00,000/- on or before 29.08.2022 and then to make further payment to ensure the payment of 25% of the total outstanding amount within a period of four



W.P.(MD)No.18112 of 2022

months thereafter, in case the respondent bank is restrained from proceeding further with the sale or other coercive action.

4.The learned Counsel for the respondent bank has no serious objection, if a sum of Rs.75,00,000/- is paid, as promised by the petitioner directly to the bank, the end of December 2022.

5.Considering the submission of the learned Counsel on either side and the facts placed before this Court, this Court is inclined to dispose of the Writ Petition in the following lines:

(1)The respondent bank shall defer the sale proceedings as per the impugned sale notice on condition that the petitioner pays a sum of Rs.15,00,000/- on or before 12.00 noon of 29.08.2022, a further sum of Rs.15,00,000/- on or before 28.09.2022, a further sum of Rs.15,00,000/- on or before 28.11.2022 and a further sum of Rs.15,00,000/- on or before 30.12.2022.

(2)In case the petitioner fails to pay any one of the instalments, in the manner directed above, it is open to the respondent bank to proceed further in accordance with law ignoring this order.

(3)In case the petitioner deposits the amount as directed above, the petitioner is permitted to submit a representation to the respondent



W.P.(MD)No.18112 of 2022

bank either for waiver of penal interest or One Time Settlement or for restructuring the loan and other concession, as may be permissible under the guidelines of Reserve Bank of India or the norms applicable to the respondent bank and the respondent bank shall pass appropriate orders in accordance with law.

(4)Till an order is passed on the representation of the petitioner and the same is communicated to the petitioner, the respondent bank shall not initiate any coercive action against the petitioner.

6.With the above directions, this Writ Petition is disposed of. No costs. Consequently, connected miscellaneous petition is closed.

[S.S.S.R., J.] [S.S.Y., J.]
11.08.2022

Index : Yes / No

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W.P.(MD)No.18112 of 2022

S.S.SUNDAR, J.

and

S.SRIMATHY, J.

cmr

W.P(MD)No.18112 of 2022

11.08.2022