



W.P.No.31421 of 2023

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 01.11.2023

CORAM :

THE HON'BLE MR.SANJAY V.GANGAPURWALA, CHIEF JUSTICE

AND

THE HON'BLE MR.JUSTICE D.BHARATHA CHAKRAVARTHY

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1. M/s.Petro Plast Industries Limited
Rep. by its Director Mr.Om Prakash Agarwal
A-68, A-Block, 11th Street, Anna Nagar East
Chennai – 600 040.

2. Om Prakash Agarwal
3. Raj Kumar Agarwal
4. Usha Agarwal
5. Ajay Kumar Agarwal
6. Amit Kumar Agarwal

.. Petitioners

Vs.

1. The Authorised Officer
Tamil Nadu Merchantile Bank Ltd.
Geroge Town Branch, S.T.S.Complex, First Floor
No.194, Anna Pillai Street, Broadway, Chennai.

2. P&C Energy Infra Pvt. Ltd.
S.F.87/2 P&C Garden, Nolambur Mogappair West
Chennai 600 037.

.. Respondents



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Prayer: Petition filed under Article 226 of the Constitution of India seeking a writ of declaration, declaring the E-Auction Sale conducted by the respondent no.1 bank on 16.10.2023 and Sale Certificate dated 21.10.2023 issued to the respondent no.2, Auction Purchaser, communicated vide letter dated 25.10.2023 issued by the respondent no.1 bank to the petitioners, as null and void.

For the Petitioners : Mr.N.L.Rajah
Senior Counsel
for Ms.Ramya Subramaniam

ORDER

(Made by the Hon'ble Chief Justice)

Heard Mr.N.L.Rajah, learned Senior Counsel for Ms.Ramya Subramaniam, learned counsel for the petitioners.

2. Learned Senior Counsel for the petitioners submits that the petitioners filed a securitisation application before the Debts Recovery Tribunal against the action of the Bank for sale of the petitioners' assets. The Debts Recovery Tribunal passed an interim order directing the bank to maintain *status quo* and further directed not to confirm the sale without the leave of the Tribunal. The Tribunal further directed the petitioners to deposit a sum of Rs.5 crores on or before 20.10.2023.



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3. The petitioners could not arrange the said amount on or before 20.10.2023. Now, the petitioners have arranged for Rs.6.5 crores and is ready to deposit with the Bank. The valuation of the property is more than Rs.50 crores. The same has been undervalued by the Bank. The petitioners have a purchaser offering Rs.50 crores and the agreement of the same is also placed on record.

4. As the matter is sub judice before the Tribunal, we need not get into the merits of the matter. The petitioner may deposit Rs.6.50 crores with the bank by 02.11.2023. *Status quo* granted by the Tribunal is continued till 03.11.2023. The parties may appear before the Tribunal on the said date. The parties would be at liberty to put forth their contentions before the Debts Recovery Tribunal, where the securitisation application is pending. The Debts Recovery Tribunal may decide the matter considering the contentions of the rival parties. The petitioners may seek further orders from the Debts Recovery Tribunal.



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5. The aforesaid order is passed on the assurance that the sum of Rs.6.5 crores will be deposited with the bank by 02.11.2023. If the petitioners fail to deposit Rs.6.5 crores by 02.11.2023 with the respondent Bank, then the present order would not enure to the benefit of the petitioners.

6. The writ petition, accordingly, stands disposed of. There will be no order as to costs. Consequently, W.M.P.Nos.31038 and 31039 of 2023 are closed.

(S.V.G., CJ.)

(D.B.C., J.)

01.11.2023

Index : Yes/No
Neutral Citation : Yes/No

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THE HON'BLE CHIEF JUSTICE
AND
D.BHARATHA CHAKRAVARTHY, J.

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