



W.P(MD)Nos.4078 & 6223 of 2019

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 22.08.2023

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THE HONOURABLE MR.JUSTICE G.R.SWAMINATHAN

W.P(MD)Nos.4078 & 6223 of 2019

and

M.P.(MD)No.4969 of 2019

In W.P.(MD)No.4078 of 2019

A.John

... Petitioner

Vs.

1.The Chairman and Managing Director,
Tamil Nadu Industrial Investment Corporation Limited,
No.692, Annasalai,
Nandanam, Chennai-35.

2.The Branch Manager,
Tamil Nadu Industrial Investment Corporation Limited,
No.143, Cape Road, Nagercoil,
Kanyakumari District.

... Respondents

Prayer : Writ Petition filed under Article 226 of the Constitution of India, praying this Court to issue a Writ of Mandamus, to direct the respondents herein to remove the lock and seal and hand over the possession of land, machinery, moulds, files, documents and factory building consisting of 25 cents situated in resurvey No.13/9 (Pt), Natallam Village, Kanyakumari District to the Petitioner and further to disburse the excess amount recovered from him for a sum of Rs. 16,33,025/- with interest thereon on the basis of his representation made before them by RPAD dated 15.09.2018.



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For Petitioner : Mr.B.Brijesh Kishore

For Respondent : Mr.R.Saravanan

In W.P.(MD)No.6223 of 2019

A.John

... Petitioner

Vs.

1.The Chairman and Managing Director,
Tamil Nadu Industrial Investment Corporation Limited,
No.692, Annasalai,
Nandanam, Chennai-35.

2.The Senior Regional Manager,
Regional Office,
Tamil Nadu Industrial Investment Corporation Limited,
5C/5B, Hotel Sahunthala Shopping Complex,
Vannarapettai, Tirunelveli-3.

3.The Branch Manager,
Tamil Nadu Industrial Investment Corporation Limited,
No.143, Cape Road, Nagercoil,
Kanyakumari District.

4.R.Anitha

(R4 is suo motu is impleaded vide order dated 03.02.2023
in W.P.(MD)No.6223 of 2019)

... Respondents

Prayer : Writ Petition filed under Article 226 of the Constitution of India, praying this Court to issue a Writ of Certiorari, to call for the records pertaining to the impugned notice passed by the 2nd respondent herein in his proceedings vide nil dated 22/02/2019 published in daily Tamil News paper nil dated nil for



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auction sale scheduled on 19/03/2019 of the petitioners property and building is concerned situated in R.S.No.13/9 part Nattalam B village, Kuzhivilai, Mulankuzhi Post, Vilavancode Taluk, Kanyakumari District and quash the same as illegal.

For Petitioner : Mr.B.Brijesh Kishore

For Respondent : Mr.R.Saravanan

ORDER

Heard the learned counsel appearing for the petitioner and the learned standing counsel appearing for TIIC.

2. The petitioner had availed loan from TIIC in the year 1987. He committed default. The dues payable by the petitioner accumulated huge amount. Since the petitioner did not comply with the demand, the collateral security offered by the petitioner was brought to sale. The petitioner filed W.P. (MD)No.4078 of 2019 for removing lock and seal and for handing over the possession. In the meanwhile, TIIC proceeded with the recovery measures. He filed W.P.(MD)No.6223 of 2019. Interim order was granted in favour of the petitioner on 18.03.2019. Auction proceedings had taken place on 19.03.2019. One Anitha had turned out to be a highest bidder. She had paid a sum of Rs.3,93,000/- on 19.03.2019. When the matter was taken up for final disposal, the learned counsel for the petitioner submitted that the petitioner is ready for one time settlement.



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3. Taking note of the said submission, the petitioner was permitted to submit an application before TIIC and the board was called upon to take a call in the matter. An order to that effect was passed on 13.12.2022. Pursuant to the order passed by this Court, the board had considered the petitioner's proposal and offered one time settlement to the petitioner on 24.01.2023. The petitioner's counsel states that one time settlement amount of Rs.15,72,000/- will be paid by the petitioner. One Time Settlement offered by the board shall be paid by the petitioner within 30 days from the date of receipt of a copy of this order. Subject to the petitioner adhering to the offer made vide letter dated 24.01.2023, the auction sale notice impugned in W.P.(MD)No.6223 of 2019 is set aside. The petitioner has also produced the copy of the letter dated 14.02.2023 addressed by the said Anitha. It is seen that the said Anitha had paid a sum of Rs.3,93,000/- on 19.03.2019. It is the duty of the board to ensure that the said Anitha is repaid a sum of Rs.3,93,000/- with interest at the rate of 9% per annum. The board must ensure that the dues of Anitha are settled as mentioned above before handing over possession of the security to the petitioner.

4. The learned standing counsel for TIIC states that while they will take care of the principal amount of Rs.3,93,000/- remitted by Anitha, interest



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portion has to be borne only by the petitioner. I do not want to get into the details. But duty is cast on the board as mentioned above. If the petitioner fails to comply with the direction mentioned above within 30 days from the date of receipt of a copy of this order, the writ petition will stand automatically dismissed without reference to this Court.

5. The Writ Petitions are allowed on these terms. No costs.
Consequently, connected miscellaneous petition is closed.

22.08.2023

Index : Yes / No
Internet : Yes/ No
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G.R.SWAMINATHAN, J.

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