



W.P.(MD)No.23759 of 2023

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 29.09.2023

CORAM:

THE HONOURABLE **MR.JUSTICE S.S.SUNDAR**

and

THE HONOURABLE **MR.JUSTICE D.BHARATHA CHAKRAVARTHY**

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M/s.Veda Traders represented
by its Prop. Mrs.Malarkodi.P

... Petitioner

Vs.

Authorized Officer,
Canara Bank,
Thuvakudi Branch,
Trichy.

... Respondent

Prayer: Writ Petition filed under Article 226 of Constitution of India, to issue a Writ of Mandamus directing the respondent bank to issue sale certificate in favour of the petitioner by considering the remitted bid amount as per the order of the DRT Chennai – I vide SA.No.348 of 2022 dated 05.09.2022 on the basis of the petitioner's representation dated 08.08.2023.

For Petitioner :Mr.M.Sankar

For Respondent :Mr.C.Deepak



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ORDER

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

Heard the learned counsel for the petitioner and the learned Standing Counsel for the respondent – bank.

2. The petitioner has filed this writ petition seeking for issuance of a Writ of Mandamus, directing the respondent bank to issue sale certificate in favour of the petitioner by considering the remitted bid amount as per the order of the Debts Recovery Tribunal, Chennai – I in SA.No.348 of 2022, dated 05.09.2022, on the basis of the petitioner's representation, dated 08.08.2023.

3. The petitioner is the borrower. When the property was brought to sale by public auction by the respondent, it appears that the petitioner has paid the amount that was quoted in the auction. It is admitted that the property was sold in public auction for a sum of Rs.12.35 lakhs. The petitioner challenged the sale before the Debts Recovery Tribunal – I, Chennai vide S.A.No.348 of 2022 and obtained order of status quo subject to condition that the petitioner should deposit the amount matching the bid of auction purchaser. It is now stated that the auction purchaser had backed out and hence, the application was disposed of as infructuous. Therefore, the petitioner by remitting the bid amount, has only avoided the



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sale in public auction and she cannot ask for sale certificate. The property is subject to mortgage. Unless the respondent bank agrees for redemption, this Court cannot direct the bank to issue sale certificate to the petitioner, who is a borrower.

4. The learned counsel for the petitioner states that the petitioner is ready to pay the outstanding amount to redeem the mortgage.

5. Therefore, the petitioner is directed to approach the respondent bank for One Time Settlement as major portion of the amount has been settled by the petitioner. On such representation being given to the respondent bank either for One Time Settlement or for waiver of penal interest, the respondent bank shall consider the same in accordance with the Reserve Bank guidelines and the Banking Norms.

6. The petitioner is directed to make a representation before the respondent bank within a period of three weeks from today. On receipt of the same, the respondent bank shall consider the same, within a period of six weeks thereafter. Till such time the respondent bank considers and gives a concrete proposal either for One Time Settlement or for waiver of interest, the respondent bank shall not initiate any coercive action. It is



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open to the respondent bank to re-schedule the loan for the balance amount payable by the petitioner. Till such time the respondent bank communicate its decision on the representation of the petitioner, the respondent shall not take any coercive action.

With the above direction, the writ petition is disposed of.

No Costs.

[S.S.S.R., J.] [D.B.C., J.]
29.09.2023

Index : Yes/No

NCC : Yes/No

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S.S.SUNDAR, J.

and

D.BHARATHA CHAKRAVARTHY, J.

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