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W.P.No.4557 of 2021

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 02.04.2024

CORAM:

THE HONOURABLE MR. JUSTICE **G.K.ILANTHIRAIYAN**

W.P.No.4557 of 2021
and W.M.P.Nos.5179 and 5181 of 2021

M/s V.K.S.Agro Foods Hi Tech Rice Industry
represented by its partner, S.Dhanavel
18, Vellotamparapu, Nadupalayam,
Erode – 648 154.

... Petitioner

-Vs-

1. The Reserve Bank of India,
16, Rajaji Salai,
Fort Glacis, Chennai – 600 001.
2. IDBI Bank Ltd.,
represented by its Chief Manager,
No.77, Aanoor Amman Complex,
Sathy Main Road, Erode – 638 003.
3. D.Arun Sakthi
(R3 impleaded as per order
dated 02.04.2024 in
W.M.P.No.9172 of 2021 in
W.P.No.4557 of 2021)

... Respondents

Prayer : Writ Petition filed under Article 226 of Constitution of India
praying for the issuance of a Writ of Mandamus, to direct the second
respondent bank to accept the amount of Rs.95,32,780/- close the Cash
Credit Account: 0120655100000824 and return the title documents of the



W.P.No.4557 of 2021

properties mortgaged as security against the loan.

For Petitioner : M/s V.Srimathi
For R1 : Mr.C.Mohan
for M/s King and Partridge
For R2 : Mr.Shivakumar
For R3 : Mr.P.M.N.Bhagavath Krishnan

ORDER

This Writ Petition has been filed for direction directing the second respondent bank to accept the amount of Rs.95,32,780/- close the Cash Credit Account: 0120655100000824 and return the title documents of the properties mortgaged as security against the loan.

2. Heard the learned counsel on either side and perused the materials available on record.

3. The petitioner had availed financial assistance from the second respondent Bank by depositing title deeds. Due to various external factors, the loan account was declared as Non Performing Asset. Subsequently, the second respondent issued a demand notice dated 18.02.2016 followed by a possession notice dated 14.07.2016. Subsequently, the property which was mortgaged by way depositing the



W.P.No.4557 of 2021

title deeds was brought for auction sale.

4. The impleaded respondent had purchased the said property and he was issued sale certificate. He was also handed over possession of the subject property which was purchased through auction sale. It was challenged before the Debt Recovery Tribunal, Coimbatore in S.A.No.250 of 2020 on various grounds. According to the petitioner, the second respondent had issued demand notice stating that there is total outstanding payable at Rs.90,85,816.07/-. Subsequently, the petitioner deposited a sum of Rs.92,00,000/- to the credit of the account. Though the second respondent accepted the said amount, subsequently, reversed the said transaction to the petitioner's account. Therefore, the petitioner submitted a representation to accept the loan amount and to return the title document. Even according to the petitioner, the property which was mortgaged by way of depositing the title deeds was sold out through Court auction sale and it was challenged before the Debt Recovery Tribunal, Coimbatore in S.A.No.250 of 2020.

5. When the matter has been already subjudiced by the Debt



W.P.No.4557 of 2021

WEB COPY

Recovery Tribunal, Coimbatore, the direction sought for in this writ petition cannot be considered, since the entire issue has been seized and challenged under SARFAESI Act, 2002 before the Debt Recovery Tribunal, Coimbatore in S.A.No.250 of 2020.

6. In view of the above, this writ petition is devoid of merits and is liable to be dismissed. Accordingly, this writ petition is dismissed. The petitioner is at liberty to approach the Debt Recovery Tribunal for appropriate relief. Consequently, connected Miscellaneous petitions are closed. There shall be no order as to costs.

02.04.2024
(2/2)

Internet: Yes
Index : Yes/No
Neutral Citation: Yes/No
Speaking/Non Speaking order
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WEB COPY



W.P.No.4557 of 2021

To

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G.K.ILANTHIRAIYAN. J.



WEB COPY



W.P.No.4557 of 2021

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W.P.No.4557 of 2021

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