IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 20.03.2024

CORAM

THE HON'BLE MR.SANJAY V.GANGAPURWALA, CHIEF JUSTICE
AND
THE HON'BLE MR.JUSTICE D.BHARATHA CHAKRAVARTHY

WP No.7588 of 2024

P.Usha : Petitioner

Vs

1.The Authorised Officer,
IDBI Bank ltd.,
No.115, Anna Salai,
Saidapet, Chennai 15.

2.M.Sappany Pillai,
Enineer, Surveyor of IDBI Bank Ltd.,
Old No.146, New No.299,
Peters Road, Thousand Lights
Chennai 86 : Respondent

Prayer: Petition filed under Article 226 of the Constitution of India for issuance of a Writ of Declaration declaring that the valuation report of the respondents dated 23.02.2024 sent by the 1st respondent by E-Mail dated 02.03.2024 arriving at a valuation of a sum of Rs.59,57,26,000/- in respect of the property comprised in Old D.No.785, New D.No.192, Vasan Avenue, Karumuttu Nilayam Building, Anna Salai, Thousand Lights, Chennai -600 002 as null and void and consequently direct the respondents to take a fresh valuation based on the dated sale deeds and other factors as stipulated.

For Petitioner : Mr.V.C.Janardhanan
for Mr.C.Prabakaraj

ORDER

(Made by the Hon'ble Chief Justice)

We have heard Mr.V.C.Janardhanan, learned counsel for the petitioner.

2. The petitioner assails the valuation reports submitted to the bank by registered valuers. As per the valuation report dated 12.02.2024 obtained by the bank, the open market value of the subject property is shown as Rs.69,71,08,800/- and the distress sale value (forced sale value) would be Rs.52,28,31,600/-. As per another valuation report dated 23.02.2024, the fair market value of the property is Rs.68,53,22,000/- and the distress sale value would be Rs.51,39,92,000/-.

3. Learned counsel for the petitioner submits that when the property was put to auction on an earlier occasion, the valuation of the property as per the valuation report obtained by the bank was Rs.83,31,31,000/-. The same cannot be reduced after three years. The valuation report was dated 22.08.2021. The learned counsel submits

that seven times, the bank has brought the secured asset to sale. Every time, the sale was set aside by the Debts Recovery Tribunal by imposing cost upon the bank. The learned counsel submits that the valuation report obtained is not in consonance with Rules 8 and 9 of the Security Interest (Enforcement) Rules, 2002. The same deserves to be set aside. Even according to the petitioner, an amount of more than Rs.37 Crore is outstanding against the property.

4. We are not aware if the valuation report submitted by the valuer is accepted by the bank.

5. The learned counsel for the petitioner submits that these valuation reports were e-mailed to the petitioner by the bank. It is for the petitioner to raise objection to the same, as may be permissible in law.

6. If the sale notice states the valuation of the property and if the petitioner challenges the sale notice, it is open for the petitioner to challenge all aspects of matter.

7. Only because two valuation reports are before the bank, that does not give a cause of action to the petitioner to file a writ petition before this Court. Moreover, as yet, no sale notice is issued. It is also not clear as to which valuation report the bank has accepted.

8. In light of the above, no case for interference is made out. The writ petition is dismissed. There shall be no order as to costs. Consequently, WMP No.8511 of 2024 is closed.

(S.V.G., CJ.) **(D.B.C., J.)**
20.03.2024

Index : Yes/No
Neutral Citation : Yes/No
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To

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

(tar)

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