



W.P.No.9382 of 2021

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 14.06.2024

CORAM

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

W.P.No. 9382 of 2021

and

W.M.P.No.9974 of 2021

1. K.C.P.Shivaraman
Erstwhile Managing Director of
M/s.Karur K.C.P.Packkagings Ltd.,

2.K.C.Palanisamy,
Erstwhile Director of
M/s.Karur K.C.P.Packkagings Ltd.,

3.P.Annammal
Erstwhile Director of
M/s.Karur K.C.P.Packkagings Ltd.,

4.M/s.Karur K.C.P.Packkagings Ltd.,
Represented by its
Erstwhile Managing Director
K.C.P.Shivraman

5. P.Kalaiarassee Petitioners

Vs

Union Bank of India,
Rep. by its Chief Manager,
Coimbatore Main Branch,
235, Oppanakara Street,
Post Box No.8, Coimbatore – 641 001. Respondent



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Prayer:- Writ Petition filed under Article 226 of Constitution of India for the issuance of Writ of Certiorari, calling for the records leading up to the passing of the impugned Declaration No.WD:IDC:ORDER:0319 dated 04.02.2021, passed by the respondent and quash the same.

For Petitioners : No appearance

For Respondent : No appearance

ORDER

This Writ Petition has been filed challenging the order passed by the respondent dated 04.02.2021, thereby declaring M/s.Karur K.C.P.Packkagings Ltd., as wilful defaulter.

2. The petitioners are the erstwhile Managing Director and erstwhile Directors of M/s.Karur K.C.P. Packkagings Ltd. The said entity committed default in repaying the loan amount. Before passing an order, M/s.Karur K.C.P. Packkagings Ltd., was duly served with a show cause notice and also notices were served for personal hearing. However, none appeared for personal hearing on behalf of the said Company.



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3. A perusal of the records reveals that the Company maintained current accounts with Axis Bank, Syndicate Bank, Karnataka Bank & HDFC Bank, which were outside the consortium banks. Those accounts were opened by the petitioner without obtaining prior permission from lending banks and it also routed transaction through these accounts leading to diversion of funds. That apart, the Company committed default and as such, the Company was rightly declared as wilful defaulter. Therefore, the contention raised by the petitioner cannot be considered and the writ petition is devoid of merits and is liable to be dismissed.

4. Accordingly, this writ petition stands dismissed. Consequently, connected miscellaneous petition is closed. No costs.

14.06.2024

Internet : Yes
Index : Yes/No
Speaking/Non-speaking order
Neutral Citation : Yes/No
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G.K.ILANTHIRAIYAN, J.

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To
The Chief Manager,
Union Bank of India,
Coimbatore Main Branch,
235, Oppanakara Street,
Post Box No.8, Coimbatore – 641 001

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