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W.P.No.27605 of 2024

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 28.10.2024

CORAM

THE HONOURABLE MR.JUSTICE G.K.ILANTHIRAIYAN

W.P.No.27605 of 2024

Loganathan

.... Petitioner

Vs

1.The Chairman aManaging Director,
The Tamil Nadu Industrial Investment Corporation Limited,
692, Anna Salai, Nandanam,
Chennai-600 035.

2.The Branch Manager,
Tamil Nadu Industrial Investment Corporation,
Maraimalai Nagar,
\Chengalpattu District-603 209.

.... Respondents

Prayer:- Writ Petition filed under Article 226 of Constitution of India for the issuance of Writ of Certiorarified Mandamus, calling for the records in respects of the impugned notice in Ref. No.TIIC/ MMNB/ LAO/ 2024-25 dated 22.07.2024 issued by the 2nd respondent quash the same and directing the respondents 1 to 2 to allow the petitioner to settle the balance payment of Rs.18,337 with interest if any on R.18,337/- as the final loan due amount due to the respondent and further direct the respondent to cancel the mortgage deed and release the mortgaged



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documents.

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For Petitioner : Mr.K.Anandakumar

For R1 & R2 : Mr.K.H.M. Afzal

ORDER

This Writ Petition has been filed challenging the notice dated 22.07.2024 issued by the second respondent, thereby directing the petitioner to apply for settlement under One Time Settlement (hereinafter referred to as “OTS”) scheme by submitting an application within a period of 15 days or to settle the full outstanding loan amount.

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

3. The petitioner availed a loan by mortgaging the property owned by the petitioner, located at No.20, Devinagar, Madhavaram Milk Colony, Madhavaram, Chennai, as collateral security. The petitioner owned property and availed loan from one Raj Kumar as collateral security to run a business in the name and style of M/s.Creative Concrete Co., for the purpose of purchasing machines. Thereafter, the said Raj



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Kumar could not able to remit the loan amount periodically. Therefore, through the said Raj Kumar, the petitioner requested the respondents for a one time settlement to close the outstanding loan. The request made by the petitioner was considered by the respondents and directed the petitioner to pay a sum of Rs.62 lakhs. However, only a sum of Rs.27.26 lakhs was paid and the remaining amount was not paid. Therefore, the second respondent sent a communication dated 08.06.2020 clearly stating that the waiver concessions granted stands cancelled automatically, as the OTS was not paid within the prescribed time limit as per the OTS approval.

4. Thereafter, by a communication dated 28.11.2021, the petitioner informed the second respondent that one Balaji would pay the balance amount on or before 08.12.2021 in order to settle the property in his favour. He remitted a sum of Rs.28 lakhs towards the loan amount. Further, the petitioner, by a communication dated 07.03.2022, requested to condone the delay in payment of OTS amount. It was forwarded to the first respondent and the same was rejected, since the firm had become wilful defaulter. However, the petitioner neither submitted any request



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for OTS nor paid the entire loan amount. Therefore, the petitioner was rightly informed by a communication dated 22.07.2024 and directed the firm to pay a sum of RS.97,49,783/- as outstanding loan amount. The petitioner was also instructed to apply for settlement under the OTS scheme or make the payment within a period of 15 days. If the petitioner failed to do so, the second respondent would proceed to auction the said property and recover the loan amount.

5. In view of the above, this Court finds no infirmity or illegality in the notice dated 22.07.2024 issued by the second respondent. Thus, the writ petition lacks merit and is liable to be dismissed. Accordingly, this writ petition stands dismissed. No costs.

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

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