



W.P.(MD)No.4814 of 2019

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BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: **28.11.2024**

CORAM:

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

W.P.(MD)No.4814 of 2019

and

W.M.P.(MD)No.3820 of 2019 & 1784 of 2020

C.Radha Stella Bai

... Petitioner

/Vs./

The Branch Manager and Authorized Officer,
The Tamil Nadu Industrial Investment Corporation Limited,
No.143, Cape Road,
Nagercoil – 629 001,
Kanyakumari District.

... Respondent

PRAYER: Petition filed under Article 226 of the Constitution of India, to issue a Writ of Certiorari to call for the records pertaining to the impugned order passed by the respondent u/s.29 of State Financial Corporation Act, 1951 dated 16.02.2019 and quash the same as illegal within the time that may be stipulated by the Court.



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For Petitioner : Mr.M.Natarajan
For Respondent : Mr.R.Saravanan
Standing Counsel

ORDER

This writ petition has been filed challenging the possession notice issued by the respondents under Section 29 of the State Financial Corporation Act, 1951, in respect of the machineries of the petitioner.

2. Heard the learned counsel appearing on either side and perused the materials placed before this Court.

3. The petitioner is running Cashew Industries in the name and style of M/s.ABC Cashew Industries at Door No.5/166C, RS 343/II Part, Arankuvilai, Kattathurai, Valvachagostam Village, Maruthoorkurichy Post, Kanyakumari District. The petitioner availed financial assistance with the respondent. However, due to business loss, the petitioner could not be able to repay the said loan. Therefore, the respondent had initiated proceedings and thereby issued notice under Section 29 of the State



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Financial Corporation Act, 1951, demanding a sum of Rs.31,83,075/- within seven days, failing which the assets of the petitioner will be brought for public auction.

4. At the time of admission of this writ petition, this Court granted an order of interim stay on condition that the petitioner shall pay a sum of Rs.5,00,000/- within a period of four weeks from the date of receipt of a copy of the order and another sum of Rs.5,00,000/- shall be paid within a period of four weeks thereafter, by order dated 01.03.2019.

5. However, the petitioner failed to comply with the aforesaid condition so far. In view of the pendency of this writ petition, the respondent could not be able to conduct further action as against the petitioner. That apart, admittedly, the petitioner failed to repay the said amount and as such, in accordance with law, the respondent now issued demand notice. Therefore, this Court finds no infirmity or illegality in the notice issued by the respondent. This writ petition is devoid of merits and is liable to be dismissed. Accordingly, this writ petition is dismissed. The respondent is at liberty to proceed as against the petitioner in



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accordance with law. No costs. Consequently, connected miscellaneous petitions are closed.

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Index : Yes / No
NCC : Yes / No
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G.K.ILANTHIRAIYAN, J.

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Order made in
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