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W.P.No.18194 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 16.05.2025

CORAM:

THE HONOURABLE MR. JUSTICE G.R. SWAMINATHAN
AND
THE HONOURABLE MR. JUSTICE V. LAKSHMINARAYANAN

W.P.No.18194 of 2025 and W.M.P.No.20372 of 2025

Mathan Cars Decors
represented by its Proprietrix
M. Sangeetha
No.286/8 Madurai Bye Pass Road
NH 7, Near Vanitha Valaham
East Andan Koil
Karur 639 002

Petitioner

vs.

The Authorised Officer
Indian Bank
Car Street
Karur District 639 002

Respondent

Writ Petition filed under Article 226 of the Constitution of India seeking a writ of mandamus directing the respondent bank not to confirm the sale conducted by it on 30.04.2025 and permit the petitioner to pay the dues in a period of eight weeks.

For petitioner Mrs. Ananda Gomathy
 for Ms. K. Jayaganga

For respondent Mr. T. Sundar Rajan

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ORDER

(made by G.R. SWAMINATHAN, J.)

The petitioner herein availed financial assistance from the respondent bank. The petitioner committed default. The petitioner had offered as many as three items of properties as secured assets. Since owing to the default committed by the petitioner, the account became a non-performing asset (NPA), proceedings under the SARFAESI Act were initiated.

2. The petition-mentioned property was the subject matter of auction sale on 30.04.2025. In the meanwhile, the petitioner filed S.A.No.449 of 2025 before the Debts Recovery Tribunal, Coimbatore. Before the Debts Recovery Tribunal, Coimbatore, the petitioner had filed an affidavit of undertaking dated 01.05.2025 to pay a sum of Rs.2.63 crores to save the petition-mentioned property.



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3. Based on the petitioner's affidavit of undertaking, the Debts Recovery Tribunal, Coimbatore, passed an order dated 01.05.2025. The scanned reproduction of the operative portion of the order dated 01.05.2025 is as follows:

Recording the undertaking of the 2nd Applicant as also the submissions of the Ld. Counsel appearing for parties hereto, the Tribunal directs the Applicants to deposit into their loan account with the Respondent Bank a sum of Rs.73.00 lakhs on or before 10.05.2025 and another sum of Rs.1.90 crores on or before 15.05.2025 with further directions to the Respondent Bank to defer confirmation of sale and its receiving of 75% of balance sale amount from the Auction purchaser to facilitate the Applicants' adherence to their undertaking filed before the Tribunal. It is made clear that non-payment of any of the amounts undertook to be paid within stipulated timelines would entitle the Respondent Bank to surge ahead with its further SARFAESIA measures and actions. The Applicant shall strictly adhere to and abide by the affirmations made by her in the Undertaking Affidavit without acting in defiance of it and demonstrate the illegalities attendant to the impugned Sale Notice consequent upon the Respondent's filing of pleadings and evidences for deciding on the applicant's entitlement to the reliefs sought for in the SA.

R/S and documents in response to the contentions raised in the SA be filed by next date. Call on 16.05.2025.

Sd/-
N.SOMASUNDAAR
PRESIDING OFFICER
DRT, COIMBATORE



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4. Unfortunately, the petitioner could not abide by the terms of affidavit of undertaking. The amount of Rs.2.63 crores should have been paid on or before 15.05.2025 in two instalments. Since the petitioner was not in a position to pay the said amount and since she was not in a position to move the Debts Recovery Tribunal, Coimbatore once again, seeking extension of time, this writ petition has come to be filed seeking a writ of mandamus directing the respondent bank not to confirm the sale conducted by it on 30.04.2025 and permit the petitioner to pay the dues in a period of eight weeks.

5. Heard Mrs. Ananda Gomathy, learned counsel representing Mrs. K. Jayaganga, learned counsel on record for the petitioner and Mr.T. Sundar Rajan, learned Standing Counsel for the respondent bank.

6. This writ petition was filed on 12.05.2025. It was listed for admission on 14.05.2025. Since the sale confirmation took place after the writ petition was filed before this Court, we are of the view that the confirmation proceedings is also subject to the outcome of this writ petition.



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7. The learned counsel for the petitioner submitted that the petitioner undertakes to pay the sum of Rs.2.63 crores and also interest @ 18% per annum on the sum of Rs.72,30,750/-, being the amount deposited by the auction purchaser, within a period of four weeks from today.

8. Since the petitioner had already shown her *bona fides* by paying a sum of Rs.27,12,300/-, we are of the view that some indulgence can be shown. This is more so because in the petition-mentioned premises, the petitioner has been running her car service business and the petitioner is critically dependent on this property for her very livelihood.

9. Accordingly, the undertaking given today by the petitioner through her counsel, is recorded. It is made clear that in the event of the petitioner failing to honour the undertaking given before us today, sale confirmation already issued by the respondent bank shall hold good. On the contrary, if the petitioner abides by the undertaking given before us, the sale confirmation will stand cancelled but even



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thereafter, the property will continue to remain securitised with the respondent bank.

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10. This writ petition stands allowed on the above terms.

Connected W.M.P. stands closed. There shall be no order as to costs.

(G.R.S.,J.) (V.L.N.,J.)
16.05.2025

cad



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To
The Authorised Officer
Indian Bank
Car Street
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G.R. SWAMINATHAN, J.

and

V. LAKSHMINARAYANAN, J.

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