

S U P R E M E C O U R T O F I N D I A
RECORD OF PROCEEDINGS

Transferred Case (Civil) No.10 of 2003@@
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MODERN TERRY TOWELS LTD. & ORS. Petitioner (s)

VERSUS

STATE OF RAJASTHAN & ORS. Respondent (s)

(With appln.(s) for directions)

Date : 11/03/2003 This matter was called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE SYED SHAH MOHAMMED QUADRI
HON'BLE MR. JUSTICE ASHOK BHAN

For Petitioner (s) Mr. Ashok H. Desai,Sr.Adv.
Mr. Gopal Jain,Adv.
Mr. Paras Kuhad,Adv.
Mr. R.N. Karanjawala,Adv.
Ms. Nandini Gore,Adv.
Mr. Gourab Khanna,Adv.
Ms. Manik Karanjawala,Adv.

For Respondent (s) Mr. Harish N. Salve,Sr.Adv.
Mr. Sunil Dogra,Adv.
Ms. Rashi Malhotra,Adv.
Ms. Ruchi A. Mahajan,Adv.
for M/s Suresh A. Shroff & Co.,Advs.

UPON hearing counsel the Court made the following
O R D E R

.....L.....I..T.....T.....T.....T.....T.....T.....T.....J
Having heard Mr. Harish N. Salve, learned senior
counsel for the ICICI Bank, and Mr. Ashok H. Desai, learned
senior counsel for the petitioners, we are of the view that
there exist no special reason to give a different direction
in the instant case than the one already given by this Court
on 4th October, 2002 in Writ Petition (C) No. 541 of 2002.
Accordingly, we issue following directions:

.....L..T.....T.....T.....T.....T.....T.....J
"Pending further orders of this Court on the
transferred case, it would be open to the secured
creditors to proceed against the borrowers under
sub-clauses (2) and (4) of Clause 13 of the
Securitisation and Reconstruction of Financial
Assets and Enforcement of Security Interest
(Second) Act, 2002. However, they shall not part
with the assets of the borrower by way of lease,
assignment or sale.

It is made clear that this order will not preclude the secured creditors from taking recourse to any other alternatives provided under clause 13(4) of the Act."

.....L.....I..T.....T.....T.....T.....T.....T.....T.....T.....J

We record the representation made by Mr. Harish N. Salve that consent of all concerned financial institutions would be obtained under sub-section (9) of Section 13 of the Act. We also make it clear that this order does not preclude the financial institutions and the petitioner-company from entering into any further negotiations between them.

Application for direction is, accordingly, ordered.

(T.I. Rajput)
Court Master

(Kanwal Singh)
Court Master