

**HON'BLE SRI JUSTICE R.SUBHASH REDDY
AND
HON'BLE SRI JUSTICE A.SHANKAR NARAYANA**

WRIT PETITION No.29896 of 2015

ORDER : (per Hon'ble Sri Justice R.Subhash Reddy)

The petitioner has filed this writ petition seeking *Mandamus* to declare the order dated 10.09.2015 in I.A.No.2745 of 2015 in S.A.No.162 of 2014 passed by the 4th respondent-Debts Recovery Tribunal, Hyderabad, in refusing to grant stay of confirmation of sale and issuance of Sale Certificate, as arbitrary and illegal, and consequently, sought a direction to the 1st respondent not to confirm the sale and issue Sale Certificate in favour of respondent No.3.

2. The petitioner has challenged the proceedings initiated by the 1st respondent-Bank under the provisions of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 in S.A.No.162 of 2014 and also sought for interim stay of all further proceedings pursuant to the auction conducted for sale of the secured assets by way of filing I.A.No.2745 of 2015.

3. Mainly, it is the case of the petitioner that as per the valuation guidelines notified by the Government, though the secured assets were valued at Rs.4,77,38,000/-, the respondent-Bank has fixed the reserve price at Rs.2,10,00,000/- only and hence the same is arbitrary and illegal and consequently the auction conducted on 29.06.2015 is also illegal.

4. While issuing notice before admission, this Court

passed interim order dated 14.09.2015 directing that if the Sale Certificate is not issued in favour of the auction purchaser, the same should not be issued in his favour and the said order continued till date.

5. Learned counsel for the petitioner submits that the said order could not be communicated to the 1st respondent-Bank and, in the meanwhile, the 3rd respondent-Auction purchaser has deposited the entire amount of Rs.2,10,00,000/- and the Sale Certificate was also issued in his favour on 16.09.2015. A copy of the Sale Certificate issued by the Authorised Officer of the 1st respondent-Bank in favour of the 3rd respondent-Auction purchaser is produced before this Court.

6. Inasmuch as the very application being I.A.No.2745 of 2015 in S.A.No.162 of 2014 filed by the petitioner is for grant of stay of confirmation of sale and issuance of Sale Certificate and in view of the fact that the Sale Certificate has already been issued in favour of the 3rd respondent-Auction purchaser on 16.09.2015, we are of the view that no relief can be granted in this writ petition, at this stage.

7. With regard to the plea of fixation of Reserve Price, we are of the view that it is a matter to be considered by the 4th respondent-Debts Recovery Tribunal, at the time of disposal of S.A.No.162 of 2014 filed by the petitioner.

8. In that view of the matter, we deem it appropriate to dispose of the writ petition permitting the petitioner to raise all such objections in S.A.No.162 of 2014, which is to be disposed of by the 4th respondent-Debts Recovery Tribunal,

Hyderabad, as expeditiously as possible, preferably within a period of two months from the date of receipt of a copy of this order. However, we direct the 3rd respondent-Auction purchaser not to alienate or create any third party interest in respect of the auctioned properties till disposal of the S.A.No.162 of 2014.

9. Subject to the above directions, this writ petition is disposed of, at the admission stage. As a sequel, miscellaneous petitions pending, if any, shall stand closed. No order as to costs.

JUSTICE R. SUBHASH REDDY

JUSTICE A.SHANKAR NARAYANA

30.10.2015.
Msr

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