

IN THE HIGH COURT OF JUDICATURE AT HYDERABAD
FOR THE STATE OF TELANGANA AND
THE STATE OF ANDHRA PRADESH

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WRIT PETITION No.22530 OF 2015

Between:

Mr. B. Pavan Kumar and others

.. Petitioners

and

Debts Recovery Tribunal, Hyderabad

and others

.. Respondents

DATE OF JUDGMENT PRONOUNCED: July 28, 2015

SUBMITTED FOR APPROVAL:

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THE HON'BLE SRI JUSTICE R. SUBHASH REDDY

AND

THE HON'BLE SRI JUSTICE A. SHANKAR NARAYANA

1. Whether Reporters of Local newspapers Yes/No
may be allowed to see the Judgments?

2. Whether the copies of judgment may be Yes/No
marked to Law Reporters/Journals?

3. Whether their Ladyship/Lordship wish to Yes/No
see the fair copy of the Judgment?

THE HON'BLE SRI JUSTICE R. SUBHASH REDDY

AND

THE HON'BLE SRI JUSTICE A. SHANKAR NARAYANA

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WRIT PETITION No.22530 OF 2015

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

This Writ Petition is filed questioning the order, dated 13.07.2015, passed in S.A.No.305 of 2015 by the Debts Recovery Tribunal, Hyderabad.

Respondent No.4 – Company has availed loan facility from respondent No.2 – Housing Development Finance Corporation Limited by creating security interest. Respondent Nos.5 and 6 are the guarantors for the loan obtained by respondent No.4. As respondent No.4 committed default in repaying the loan amount, proceedings under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (for short, 'the Act'), were initiated to recover the loan amount and auction notice, dated

10.04.2015, was issued to auction the property covered under security interest. The petitioners, who are seven in number, claiming that they have purchased different extents of land covered by one of the items of security interest created in favour of respondent No.2, approached the Debts Recovery Tribunal under Section 17 of the Act by filing S.A.No.305 of 2015. The Tribunal, by order, dated 28.04.2015, issued urgent notice to respondent Nos.2 to 6, under Section 17 (4) of the Act, and directed to maintain *status quo* in respect of the petition schedule properties. Subsequently, the matter was taken up by the in-charge officer at Kolkata. When the matter was called on 13.07.2015, as the petitioners have not appeared in spite of service of notice of hearing of the matter at Kolkata, the in-charge officer has passed the impugned order vacating the earlier order, dated 28.04.2015, and fixing the date of hearing as 30.07.2015.

Heard Sri M.V. Pratap Kumar, learned counsel for the petitioners, and Sri B. Srinivasa Reddy, learned counsel for respondent No.2.

It is submitted by the learned counsel for petitioners that when the matter was listed on 13.07.2015, in view of some inconvenience caused to the petitioners, they could not appear before the in-charge officer at Kolkata, and in spite of the same, without giving any opportunity of hearing to the petitioners, the impugned order was passed.

On the other hand, it is submitted by the learned counsel for respondent No.2 that as per the notified schedule, the in-charge officer is holding the Court at Hyderabad on 17.08.2015, and hence, a direction be given to dispose of the very S.A., if the petitioners are ready.

From a perusal of the impugned order, it appears that the

Tribunal, by order, dated 28.04.2015, has directed to maintain *status quo* in respect of the petition schedule properties, but subsequently, the in-charge officer at Kolkata has passed the impugned order vacating the order, dated 28.04.2015. At the same time, it is not in dispute that pursuant to the auction notice, dated 10.04.2015, issued by respondent No.2, auction was not conducted in view of the interim order, dated 28.04.2015, passed by the Tribunal.

As it is submitted that the Presiding Officer is holding the Court on 17.08.2015 at Hyderabad, we deem it appropriate to dispose of the Writ Petition with a direction to the Debts Recovery Tribunal, Hyderabad, to dispose of S.A.No.305 of 2015 either on 17.08.2015/ 18.08.2015 or on any other convenient day, but as expeditiously as possible, preferably within a period of two (2) months from the date of receipt of a copy of this order. Further, there shall be a direction to respondent No.2 not to take any steps for auction of the petition schedule properties till the disposal of S.A.No.305 of 2015, and at the same time, *status quo* with regard to possession of plots claimed by the petitioners shall be maintained and the petitioners also shall not take any steps for developing the plots in question.

Subject to the above, the Writ Petition is disposed of. Miscellaneous Petitions, if any, pending in this Writ Petition, shall stand closed. No costs.

R. SUBHASH REDDY, J

A. SHANKAR NARAYANA, J

July 28, 2015

MD

