

IN THE HIGH COURT OF JUDICATURE AT HYDERABAD
FOR THE STATE OF TELANGANA & THE STATE OF ANDHRA PRADESH
(Special Original Jurisdiction)

THURSDAY, THE TWENTY FIFTH DAY OF JUNE
TWO THOUSAND AND FIFTEEN
PRESENT

THE HON'BLE SRI JUSTICE VILAS V. AFZULPURKAR

WRIT PETITION No.18738 of 2015

BETWEEN

SKM Technologies Pvt. Limited.

... PETITIONER

AND

The State of Telangana, Rep. by its Principal Secretary (Industries),
Secretariat, Hyderabad and three others.

...RESPONDENTS

Counsel for the Petitioner: MR. K.V. BHANU PRASAD

Counsel for the Respondents: GP FOR IND. & COMMERCE (TG)

The Court made the following:

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ORDER:

Petitioner unit seeks a direction against respondents 3 and 4 for not taking steps for rehabilitation of the petitioner unit in terms of the guidelines of

the Reserve Bank of India (RBI), second respondent herein and the recommendation of the State Level Inter Institutional Committee.

2. Learned counsel for the petitioner has placed on record resolutions passed by the aforesaid committee on more than one occasion recommending that respondents 3 and 4 shall consider the proposal of the petitioner unit for its rehabilitation. Learned counsel also states that the aforesaid exercise was in pursuance of the guidelines issued by RBI. Learned counsel states that the revised guidelines of RBI are required to be followed in letter and spirit in respect of rehabilitation of the units and the petitioner unit, which has great potential, ought not to be allowed to become non-functional by refusing to consider its rehabilitation, as recommended by the committee. Learned counsel has also pointed that though the respondents 3 and 4 are under obligation to consider the rehabilitation proposals in terms of the recommendation of the committee, they have refused to adhere to their obligation and on the contrary, have approached the Debts Recovery Tribunal, Hyderabad in O.A.No.605of 2015 and obtained a restraint order with regard to alienation of all the properties of the petitioner.

3. I have given my earnest consideration to the contentions of the learned counsel for the petitioner. However, I am unable to appreciate as to how a Mandamus, as sought for, can be issued, particularly, when a pure commercial decision to be taken by the respondents

3 and 4. It may be that respondents 3 and 4 were recommended to consider the rehabilitation proposal but that by itself would expose them to further risk of credit and such decisions, therefore,

are entirely left with respondents 3 and 4 as to whether the petitioner unit requires rehabilitation or whether any option is left other than recovery of the outstanding loan amount. A decision of this nature, being clearly involving release of finance by respondents 3 and 4 for the purpose of rehabilitation, the same is entirely left with them to consider and it is not for this Court under Article 226 of the Constitution of India to give a direction, as sought for,

by the petitioner. I am, therefore, not inclined to entertain the writ petition.

The writ petition is dismissed. As a sequel, the miscellaneous applications, if any, shall stand closed. There shall be no order as to costs.

VILAS V. AFZULPURKAR, J

June 25, 2015
DSK