

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 09.06.2016

CORAM

THE HONOURABLE MR.JUSTICE HULUVADI G. RAMESH
and
THE HONOURABLE MR.JUSTICE M.V.MURALIDARAN

Writ Petition No.19450 of 2016

and WMP.No.16861 of 2016

- 1.Arvind Remedies Ltd.,
Rep. By its Managing Director
Mr.B.Arvind Shah, S/o.Babhumaliji Shah
Having registered office at New No.190
Poonamallee High Road, Chennai-600 084
- 2.B.Arvind Shah ...Petitioners
Vs.
- 1.Punjab National Bank
Rep. By its Chief Manager
Large Corporate Branch
Rayala Towers, III Floor, 781-782 Anna Salai, Chennai-2
- 2.United Bank of India
Rep. By its Assistant General Manager
Branch Office at New No.233,
Sreepuram 1st Street, Royapettah, Chennai-14
- 3.State Bank of India
Rep. By its Chief Manager
Branch Office at 221, NSC Bose Road
Chennai-1
- 4.Allahabad Bank
Rep. By its Chief Manager
Branch Office at George Town
Armenian Street, Chennai-1
- 5.The Karur Vysya Bank Limited
Rep. By its Chief Manager
Branch Office at Dev's Ark,
AD 79 & 80
5th Avenue, Anna Nagar, Chennai-40

6. Corporation Bank
Rep. By its Assistant General Manager
Branch Office at 38 & 39 Whites Road
Royapettah, Chennai-14

7. Indian Overseas Bank
Rep. By its Chief Manager
Branch Office at 98-A
Dr. Radhakrishnan Salai
Mylapore, Chennai-4

8. IDBI Bank Limited
Specialized Corporate Branch
Rep. By its Deputy General Manager
Having Office at No. 7,
Chevalier Sivaji Ganesan Salai
South Boag Road, T. Nagar, Chennai-17

9. The Presiding Officer
Debt Recovery Tribunal-II,
Chennai.

... Respondents

Writ Petition filed under Article 226 of the Constitution of India praying to issue a Writ of Mandamus forbearing the respondent from implementing exparte interim order dated 13.05.2016 passed in I.A.No.272 of 2016 in O.A.No.298 of 2016 and the consequential exparte order dated 23rd May 2016 passed in I.A.No.290 of 2016 in O.A.No.298 of 2016 on the file of the 9th respondent until an appeal is preferred by the Petitioners challenging the same before the Debt Recovery Appellate Tribunal, Allahabad, within a reasonable time frame.

For Petitioners : Mr. T. K. S. Gandhi

O R D E R

(Order of the Court was made by HULUVADI G. RAMESH, J.)

Heard the learned counsel for the petitioners. Notice to respondents is dispensed with.

2. As against the order of the Debts Recovery Tribunal-II, Chennai, dated 13.05.2016 and 23.05.2016, appeal lies before the Debts Recovery Appellate Tribunal, Allahabad. However, instead of approaching the said appellate forum, the petitioners approached this Court. Since the matter has not reached the finality and the appellate remedy is very much available, on consideration of the facts and circumstances of the case, we are of the view that it is for the petitioners to approach the Appellate Tribunal, within one month from today. Till then, this Court is inclined to grant an interim direction, directing the

parties concerned to maintain status quo as on date till 17th July, 2016, to enable the petitioners to exhaust their remedy before the Appellate Tribunal, by filing the appeal. The petitioners are at liberty to raise all the contentions raised herein before the Appellate Authority.

3. Since it is submitted that the petitioner industry is functioning, it may not be feasible to seize the functioning of the unit, more particularly in view of the reason that more number of workers are working in the said industry. However, in the mean while, the petitioners herein can either pursue their remedy by way of One Time Settlement with the respondents-Bank or to find out some purchaser for their unit, to settle the debts to the respondents-Bank and other Banks on priority basis.

4. It appears that as against the order of Debts Recovery Tribunal, Chennai, parties have to run all the way from Chennai to Allahabad, which is too difficult, because, there is no direct connectivity of flight and Allahabad is more than 2000 kilometers from Chennai. In the circumstances, Mr.Su.Srinivasan, the learned Assistant Solicitor General of India is directed to take notice on behalf of the Central Government and it is for him to take up the issue before the Central Government about the constitution of the Debts Recovery Appellate Tribunal in the Southern Zone and advise at the appropriate level of the Central Government to take a policy decision, in this regard, so that it would mitigate the litigation expenses and also it would avoid the hardship and inconvenience caused to the parties.

5. With the above directions, the Writ Petition is disposed of. No costs. Consequently, connected WMP is closed. This Court, even on earlier occasions, has made recommendation on the above aspect. However, so far, there was no steps taken in this regard. Hence, we direct the Departments concerned to expedite the exercise as stated above.

Sd/-
Assistant Registrar(CCC)

//True Copy//

Sub Assistant Registrar

To

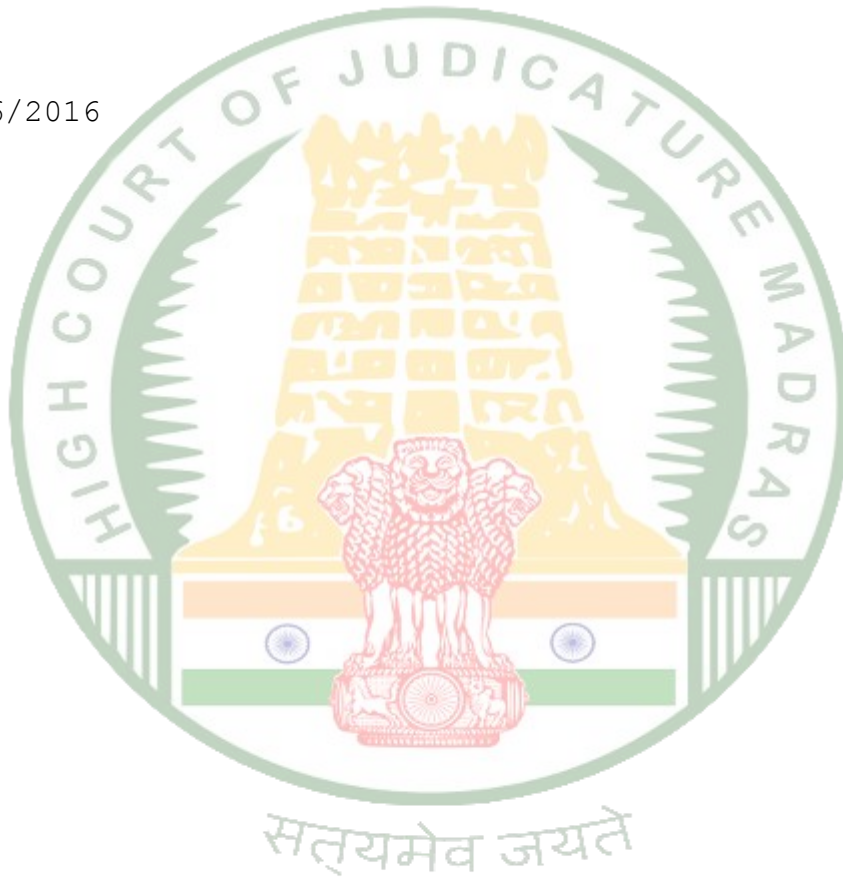
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9. The Presiding Officer
Debt Recovery Tribunal-II, Chennai.

10.The Assistant Solicitor
General of India,
High Court Madras.

+1cc to Mr.T.K.S.Gandhi, Advocate sr.30833

W.P.No.19450 of 2016

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