

IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated:14.03.2016

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THE HONOURABLE Mr. JUSTICE SATISH K.AGNIHOTRI
AND
THE HONOURABLE Mr. JUSTICE M.VENUGOPAL

C.R.P.(PD).No.731 of 2016
and
C.M.P.No.3748 of 2016

1.M/s.Shri Sivaraam Spinning Mill,
Rep. By its Partner Mr.K.R.Gurusami,
No.647/1C, Kulathur Road,
Venkitapuram, Coimbatore.

2.K.R.Gurusami
3.G.Geetha

... Petitioners/Respondents

V.

1.State Bank of India,
Rep. By its Assistant General Manager,
Veerappan Complex,
No.24, Stanes Road, Tiruppur – 641 014.

2.The Authorised Officer,
State Bank of India,
Stressed Assets Management Branch,
Red Cross Building, No.32,
Montieth Road, Egmore,
Chennai – 600 008.

... Respondents/Appellants

Prayer: Petition filed under Article 227 of the Constitution of India,
praying against the order dated 20.01.2016 passed in
M.A.(S.A.).No.4/2016 on the file of the Debts Recovery Appellate
Tribunal, Chennai seeking to set aside the same.

For Petitioners : Mr.R.Nagasundaram

For Respondents : Mr.Omprakash

For M/s.Ramalingam & Associates

ORDER

(ORDER of the Court was made by M.VENUGOPAL, J.)

The Petitioners/Respondents have focussed the present Civil Revision Petition as against the order dated 20.01.2016 in M.A.(SA).No.4 of 2016 passed by the Debts Recovery Appellate Tribunal, Chennai.

2.It comes to be known that the Revision Petitioners/Appellants/Applicants had filed I.A.No.1833/2015 in S.A.No.97 of 2011 before the Debts Recovery Tribunal, Coimbatore praying for passing of an order of status quo till the set aside application i.e. I.A.No.1457/2015 is heard and disposed of.

3.It is to be noted that the Debts Recovery Tribunal, Coimbatore on 22.12.2015 in I.A.No.1457/2015 opined that the classification of the present account as NPA as on 1.7.2009 was in accordance with the norms issued by the RBI and ultimately dismissed the said I.A. as unsustainable. Insofar as the I.A.No.1833/2015 [filed by the

Petitioners to maintain status quo] is concerned, it transpires that the Tribunal, on 22.12.2015 had, inter alia, passed the following order:

"... Therefore, the question whether the impugned auction sale notice is in accordance with S.13(2), S.13(4) and S.8(6)(a) of the Security Interest (Enforcement) Rules, has to be inquired into before disposing IA 1833/2015. Hence, for further inquiry in IA 1833/15 by 06.01.2016 at 4.00 P.M. Therefore, till such time, the status-quo to be maintained. Accordingly, Respondent is directed to maintain status-quo till 06.01.2016. Call on 06.01.2016 at 4.00 P.M."

4. Being aggrieved against the order dated 22.12.2015 in I.A. No. 1833/2015 passed by the Debts Recovery Tribunal, Coimbatore, the Respondents/Bank had preferred the M.A.(SA).No.4 of 2016 on the file of the Debts Recovery Appellate Tribunal, Chennai and on 20.01.2016, the Appellate Tribunal had opined that there was no reason to continue the status quo order after the disposal of I.A.No.1457/2015 and ordered issuance of notice in the Appeal and I.A. and further observed that in the meantime, the Bank would be at liberty to receive 75% of the remaining amount from the highest bidder and posted the matter to be called on 30.03.2016. That apart, the Respondents/Bank filed an

interlocutory application in M.A.(SA).No.4 of 2016 seeking to advance the hearing from 30.03.2016 to 04.03.2016.

5.At this stage of the hearing, the Learned Counsel for the Respondents/Bank submits that the main M.A.(SA).No.4 of 2016 is listed for hearing before the Debts Recovery Appellate Tribunal, Chennai on 16.03.2016, which fact is not disputed on the side of the Revision Petitioners.

6.This Court, taking note of the fact that M.A.(SA).No.4 of 2016 on the file of the Debts Recovery Appellate Tribunal, Chennai is slated for hearing on 16.03.2016, at this stage, is not inclined to interfere with the order dated 20.01.2016 in M.A.(SA).No.4 of 2016. However, this Court, considering the facts and circumstances of the instant case in an encircling manner, grants liberty to the respective parties to raise all factual and legal pleas consisting the subject matter in issue before the Debts Recovery Appellate Tribunal, Chennai and the Appellate Tribunal is directed to consider the same and pass a reasoned speaking order on merits in a dispassionate manner and in accordance with law [of course, after providing due opportunity of hearing to the parties by adhering to the Principles of Natural Justice].

7. With the aforesaid observation, the Civil Revision Petition stands disposed of. No costs. Consequently, connected Miscellaneous Petition is closed.

(SATISH K.AGNIHOTRI, J.) (M.VENUGOPAL, J.)
14th March 2016

Index : Yes / No

Internet : Yes / No
Sgl

To

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