

HON'BLE SRI JUSTICE C.V.NAGARJUNA REDDY

CRP.No.4344 of 2016

Date:19.8.2016

Between:

Axis Bank Limited,
Having Corporate Office
at Bombay.

..... Petitioner

And:

Seven Hills Healthcare Private Limited,
Visakhapatnam and two others.

....Respondents

Counsel for the petitioner: Mr. S.Niranjana Reddy
For Mr. Avinash Desai

Counsel for respondent No.1: Mr. L.Ravi Chander
Senior counsel
For N.Avaneesh

The Court made the following:

ORDER.

Though in normal course, this Court does not deal with the main case at the SR stage, in view of the extra-ordinary nature of the order passed by the lower Court, this Court has chosen to deal with the revision petition at this stage.

I have heard Mr. S.Niranjan Reddy, learned counsel appearing for Mr. Avinash Desai, learned counsel for the petitioner and Mr. L.Ravi Chander, learned senior counsel appearing for Mr. N.Avaneesh, learned counsel for respondent No.1.

Respondent No.2 is stated to be defendant No.1 and respondent No.3 is defendant No.3 in the suit, against whom the petitioner is not claiming any relief. Therefore, there is no need for issuing a notice to the said respondents.

Mr. S.Niranjan Reddy, learned counsel for the petitioner, submitted that the lower Court has entertained the suit in violation of Section-34 of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (for short 'SARFAESI Act') and passed order in I.A.No.452 of 2016 without assigning any reasons for directing both the parties to maintain *status quo*, while reserving the I.A. for final orders. A perusal of order, dated 10.8.2016, shows that the lower Court has not assigned any reasons whatsoever for

directing the parties to maintain *status quo* as on that date. This Court therefore feels that the impugned order is indefensible.

Mr. L.Ravi Chander, learned senior counsel, has fairly agreed for setting aside the said order with the direction to the lower Court to pass an appropriate order in I.A.No.452 of 2016 expeditiously.

While this Court *prima facie* feels that Section-34 of SARFAESI Act imposes a bar on the entertaining of the afore-mentioned suit by the civil Court, I refrain from expressing conclusive opinion on this aspect as, no final order has been passed by the lower Court in I.A.No.452 of 2016.

For the afore-mentioned reasons, the order, dated 10.8.2016, in I.A.No.452 of 2016 in O.S.No.951 of 2016 on the file of the I Additional Senior Civil Judge, Visakhapatnam is set aside and the lower Court is directed to pass a final order in I.A.No.452 of 2016 within two weeks from the date of receipt of a copy of this order.

Subject to the above directions, the Civil Revision Petition is allowed.

As a sequel to disposal of the Civil Revision Petition, CRPMP(SR).No.23802 of 2016 filed by the petitioner for interim relief is dismissed as infructuous.

JUSTICE C.V.NAGARJUNA REDDY

19th August 2016

DR