

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 28.06.2017

CORAM:

THE HON'BLE MR.JUSTICE HULUVADI G RAMESH
AND
THE HONOURABLE MR.JUSTICE A.D.JAGADISH CHANDIRA

W.P.No.12379 of 2017
and
W.M.P.No.13131 of 2017

Hi-Tech Engineering Services,
rep. By its Prop. A.Veeranna.

... Petitioner

Versus

The Authorized Officer,
State Bank of India,
Stressed Assets Management
Branch, No.112, Raja Plaza,
Avinashi Road, Coimbatore-641 037.

... Respondent

Writ Petition filed under Article 226 of the Constitution of India for the issuance of a Writ of Certiorarified Mandamus calling for the records pertaining to letter No.SAMB/CBE/CLO-III/207 dated 05.05.2017 and quash the same as illegal and arbitrary and consequently direct the respondent bank to receive the amount of 25% of the bid amount paid by the petitioner towards the auction conducted on 02.05.2017.

For Petitioner : Mr.S.Haja Mohideen Gisthi

For Respondent : Mr.S.Sethuraman

O R D E R

(Order of the Court was made by Huluvadi G Ramesh, J)

Writ petition has been filed by the auction purchaser challenging the letter dated 05.05.2017 issued by the respondent bank calling upon the petitioner to show cause as to why the sale cannot be cancelled and the amount already paid be forfeited.

Heard Mr.S.Jayasankar, learned counsel appearing for the petitioner and Mr.S.Sethuraman, learned counsel appearing for the respondent.

2.The petitioner is the highest bidder in the e-auction sale held on 02.05.2017 for the machineries of Padmabalaji Steels in the factory situated at Karegoundampalayam Village, Annur. As per the terms and conditions of the e-Auction sale, the petitioner has to pay the 25% of the sale amount i.e. Rs.28,05,000/- within the same working day from the date of e-auction sale and the remaining balance of 75% of the sale amount i.e. Rs.1,38,75,000/- within fifteen days from the date of e-auction sale. It is more than one month the auction purchaser/petitioner is in default for non-payment of the e-auction sale amount.

3.The learned counsel appearing for the petitioner sought for extension of time till 17.07.2017 to make payment of the remaining balance of 75% of the sale amount i.e. Rs.1,38,75,000/-. Finally, time is extended to make payment of remaining balance of 75% of the sale amount on or before 17.07.2017, failing which, the respondent bank shall forfeit the 25% of the sale amount already deposited by the petitioner.

4.The writ petition is disposed of accordingly. No costs. Consequently, W.M.P.No.13131 of 2017 is closed.

Gr

28.06.2017

FOR BEING MENTIONED

This matter having been posted on Friday, the Eighteenth day of August, Two Thousand and Seventeen 'Being Mentioned' in pursuance to the Order dated 28.06.2017 and made herein the presence of the above said counsel on either side, the Court made the following order:-

This matter is listed today under the caption "For Being Mentioned" at the instance of the petitioner.

2. It is brought to the notice of this Court by the petitioner/auction purchaser that pursuant to the order passed by this Court, dated 24.07.2017, passed in WMP No.19948 of 2017, the petitioner/auction purchaser has deposited the entire remaining amount with the bank, which has been duly acknowledged by the bank. However, inspite of the said payment, it is the grievance of the petitioner/auction purchaser, that the bank is yet to issue sale certificate in favour of the petitioner/auction purchaser.

3. Learned counsel appearing for the respondent/bank submits that due to the continuous intervening holidays, the bank could not take effective steps to issue sale certificate. Learned

counsel, however, assures that all diligent and immediate steps will be taken by the bank to issue sale certificate after verification of all relevant documents and payments as has been made by the auction purchaser/petitioner.

4. In such view of the matter, this Court directs that the respondent/bank shall satisfy itself, on the basis of verification of all the relevant records and payments made by the petitioner and upon satisfying itself as to the receipt of the amounts due to it, shall take necessary steps to issue the sale certificate in favour of the petitioner/auction purchaser, at any rate, within a period of ten days from the date of receipt of a copy of this order.

GLN

18.08.2017

-s/d-

Assistant Registrar(CS-IV)

True Copy

Sub-Assistant Registrar

To

The Authorized Officer,
State Bank of India,
Stressed Assets Management Branch,
No.112, Raja Plaza, Avinashi Road,
Coimbatore - 641 037.

+1 CC to Mr.S.Sethuraman, Advocate, S.R.No.59603

+1 CC to Mr.S.Haja Mohideen Gisthi, Advocate, S.R.No.59458

सत्यमेव जयते

W.P.No.12379 of 2017

SP(10/07/2017)

CA(22.08.2017)

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