

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 08.06.2017

CORAM

THE HON'BLE MR.JUSTICE HULUVADI G.RAMESH
AND
THE HON'BLE MR.JUSTICE RMT.TEEKAA RAMAN

W.P.Nos.12958, 13002 to 13004 of 2017 &
WMP.Nos.13826, 13827, 13874 to 13876 of 2017

Maharaja Sathyam Industries Private Limited
Represented by its Authorized Signatory
Mr.K.Paramasivam
Son of Mr.(Late).Karuppanna Gounder,
119, Bhavani Road, Erode - 638 004, Tamil Nadu

.. Petitioner in W.P.No.12958 of 2017

P.Sathiyamoorthy .. Petitioner in W.P.Nos.13002 &
13003 of 2017

Sri Maharaja Refineries,
Represented by its Partner Mrs.S.Saradha
119, Bhavani Road, Erode - 638 004,
Tamil Nadu. .. Petitioner in W.P.No.13004 of 2017

Vs.

1. State Bank of India
Represented by its Authorized Officer,
Commercial Branch,
45, Sathy Road, Erode - 638 003.

2. State Bank of India
Represented by its Authorized Officer,
Stressed Assets Management Branch,
1112, Raja Plaza, Avinashi Road,
Coimbatore - 641 037. .. Respondents in W.P.No.12958 of 2017

The Karur Vysya Bank Limited
Represented by its Authorized Officer,
Chief Manager, Erode Main,
No.24, Muthurangam Street,
Erode - 638 001.

.. Respondent in W.P.Nos.13002
to 13004 of 2017

Prayer in W.P.No.12958/2017:- Writ Petition filed under Article 226 of the Constitution, to issue a writ of certiorarified mandamus calling for the records of the first respondent culminating in its notices bearing DGM/ADV/1981 and DGM/ADV/1983, both dated 01.03.2017 issued under Section 13(2) of the SARFAESI Act, quash the same in so far as it seeks to apply provisions of the SARFAESI Act to the agricultural lands of the petitioner set out in the schedule of the said notice and to forbear the respondents from invoking any provision of the SARFAESI Act in respect of the agricultural lands of the petitioner.

Common Prayer in W.P.Nos.13002, 13003 & 13004/2017:- Writ Petitions filed under Article 226 of the Constitution, to issue a writ of certiorarified mandamus calling for the records of the first respondent culminating in its impugned notice dated 08.03.2017 issued under Section 13(2) of the SARFAESI Act, quash the same in so far as it seeks to apply provisions of the SARFAESI Act to the agricultural lands of the petitioner set out in the schedule A of the said notice and to forbear the respondent, their men, officers, agents, assigns, representatives and/or anyone acting or claiming through or under them from in any manner invoking any provision of the SARFAESI Act in respect of agricultural lands.

W.P.No.12958 of 2017:-

For petitioner -Mr.N.L.Rajah, Senior Counsel, for
Mr.Arun Anbumani

For Respondents-Mr.P.Elayarajkumar for
M/s.Ramalingam Associates

W.P.Nos.13002 to 13004 of 2017:-

For petitioner -Mr.N.L.Rajah, Senior Counsel, for
Mr.Arun Anbumani

For Respondent-Mr.R.Umasuthan

COMMON ORDER

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

Challenging the notices issued by the first respondent dated 01.03.2017 and 08.03.2017 respectively issued under Section 13 (2) of the SARFAESI Act, the petitioners are before this Court with these writ petitions.

2.Heard the learned counsel for the petitioners and the learned counsel for the respondent.

3.M/s.Maharaja Sathyam Industries Private Limited stood as a Corporate Guarantor for the financial assistance extended by the State Bank of India/respondents in W.P.No.12958 of 2017 to M/s.Sri Maharaja Oil Imports and Exports India Private Limited. Mr.P.Sathyamoorthy, the petitioner in W.P.Nos.13002 & 13003 of 2017 stood as a guarantor for the financial assistance extended to Sri Maharaja Industries by the Karur Vysya Bank Limited. Sri Maharaja Refineries/petitioner in W.P.No.13004 of 2017 availed financial assistance from the Karur Vysya Bank Ltd. For the said purpose, the Guarantors had mortgaged their respective agricultural lands. Since, the borrower companies are not in a position to pay the loan amount secured, the respondent Banks issued notices under the SARFAESI Act to the borrower Companies as well as the guarantors.

4.In the mean while, the Guarantors have sought the respondent Banks to furnish certain documents and clarifications with regard to the said loan. The petitioners have also submitted individual representations to the respondent Banks to consider their cases sympathetically. But the respondent Banks failed to consider the case of the petitioners.

5.According to the petitioners, since, the mortgaged properties are agricultural lands, the respondent Banks have failed to show some concern thereby excluding the same from the purview of SARFAESI proceedings. If the agricultural lands are being attached, the land owners will be put to great hardship.

6.This Court is of the view that attachment of the properties is a different aspect and for that, the petitioners cannot approach this Court. The petitioners are directed to approach the appropriate Forum under the SARFAESI Act. The petitioners are at liberty to raise the contentions raised before this Court before the appropriate forum.

7.With the above directions, the writ petitions are disposed of. No costs. Consequently, connected miscellaneous petitions are closed.

s/d-
Assistant Registrar(CS-V)

True Copy

Sub-Assistant Registrar

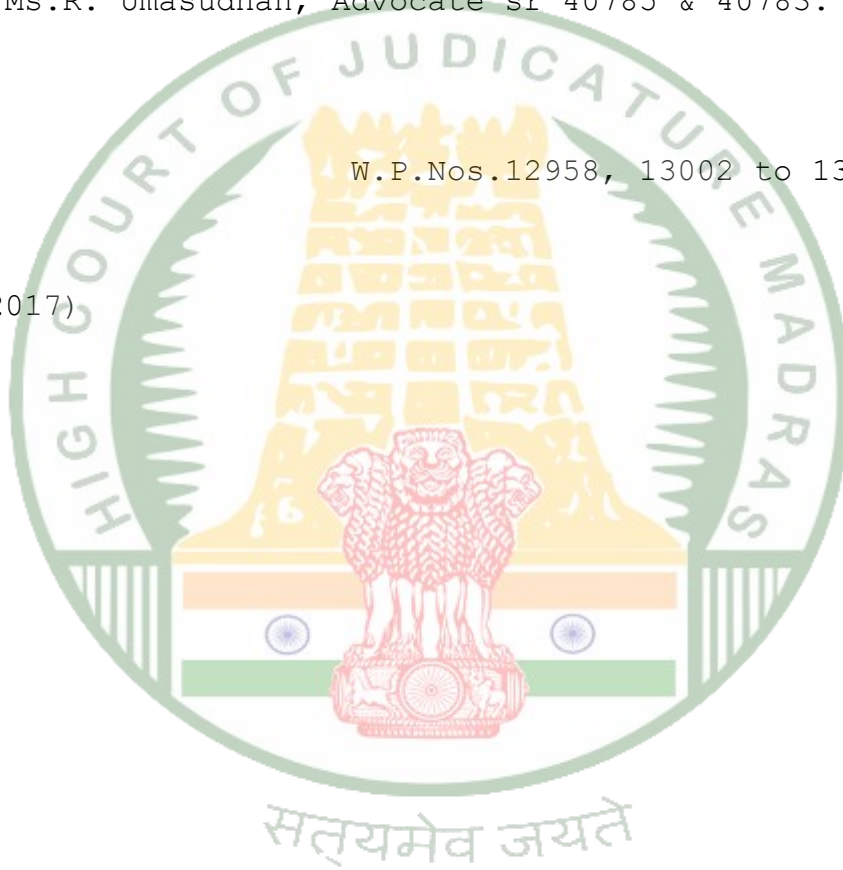
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To

1. The Debt Recovery Tribunal - II
Chennai, 4th Floor, Dewa Towers,
770-A, Anna Salai, Chennai - 2.
 2. The Debt Recovery Appellant Tribunal
Chennai, 4th Floor, Indian Bank Circle Office,
55, Ethiraj Salai, Chennai.
- +2 Ccs to Ms. Ramalingam, Advocate sr 40765
+2 Ccs to Ms.R. Umasudhan, Advocate sr 40785 & 40783.

W.P.Nos.12958, 13002 to 13004 of 2017

SP(31/08/2017)



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