THE HON'BLE SRI JUSTICE SANJAY KUMAR
AND
THE HON'BLE MS. JUSTICE J. UMA DEVI

WRIT PETITION No.38187 of 2016

ORDER: (per Justice Sanjay Kumar)

Challenge in this writ petition is to the order dated 31.10.2016 passed by the Debts Recovery Tribunal, Visakhapatnam, in I.A.No.594 of 2016 in S.A.No.250 of 2016.

Perusal of the said order reflects that the Tribunal recorded that the petitioners agreed to pay the overdue amount of Rs.45.00 lakhs by 07.11.2016 and the remaining amount within two months as per the schedule submitted by them. The Punjab National Bank, the respondent, was accordingly directed by the Tribunal to maintain *status quo* and in the event the petitioners failed to pay the overdue amount of Rs.45.00 lakhs by 07.11.2016 or the remaining balance amount as per the schedule, the bank was given liberty to proceed as per rules.

Alleging that the petitioners never agreed to pay the amounts as recorded by the Tribunal, this writ petition was filed before this Court.

By order dated 06.01.2017, this Court took note of the affidavit dated 05.12.2016 filed by the first petitioner undertaking to liquidate the entire liability of the bank within five months and granted interim stay of all further proceedings on the condition that the petitioners would deposit a sum of Rs.2.50 crores with the bank on or before 28.02.2017. This Court further observed that the question as to how the balance amount would be paid would be decided on 01.03.2017 depending upon the *bonafides* established by the petitioners by making payment of the amount. This Court also left it open to the bank to take further steps in the event the petitioners failed to comply with the said order.

Sri Siva, learned counsel for the petitioners, would fairly state that owing to the non-compliance by his clients with the order dated 06.01.2017, the respondent bank took further steps and one of the secured assets has already been brought to sale. He would however submit that as the Securitisation Application, S.A.No.250 of 2016, is still pending before the Tribunal and various issues have been raised by his clients therein, it would be appropriate for the Tribunal to consider the said Application on its own merits and in accordance with law.

As the petitioners approached this Court being aggrieved by the interlocutory order passed by the Tribunal in the pending S.A. and as the said order has come to naught owing to the intervening circumstance of the order passed by this Court on 06.01.2017, challenge to the said order no longer survives for consideration on merits.

The writ petition is accordingly dismissed leaving it open to the petitioners to pursue their pending Securitisation Application before the Tribunal. Needless to state, the Tribunal shall consider the Securitisation Application on its own merits and in accordance with law uninfluenced by the dismissal of this writ petition.

Pending miscellaneous petitions, if any, shall also stand dismissed. No order as to costs.

SANJAY KUMAR, J

J. UMA DEVI, J

Date: 06.11.2017
IBL