

THE HON'BLE SRI JUSTICE SANJAY KUMAR
AND
THE HON'BLE SRI JUSTICE K. LAKSHMAN
WRIT PETITION No.8281 of 2019

ORDER: (Per Hon'ble Sri Justice Sanjay Kumar)

This writ petition was filed assailing the order dated 16.04.2019 passed by the Debts Recovery Tribunal-I, Hyderabad, in SA.No.130 of 2019 (wrongly shown as SA.No.113 of 2019 in the writ prayer). By the said order, the petitioner herein, the applicant in the securitization application, sought stay of all further proceedings including his dispossession from the secured asset pursuant to the order passed in CRLMP.No.216 of 2019 by the learned Chief Metropolitan Magistrate, Cyberabad, at L.B Nagar, Ranga Reddy District, in exercise of power under Section 14 of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ('SARFAESI Act' for short). By the order under challenge, the Tribunal opined that no grounds were made out to stay the taking over of physical possession of the secured asset and adjourned the IA. Aggrieved thereby, the petitioner came before this Court.

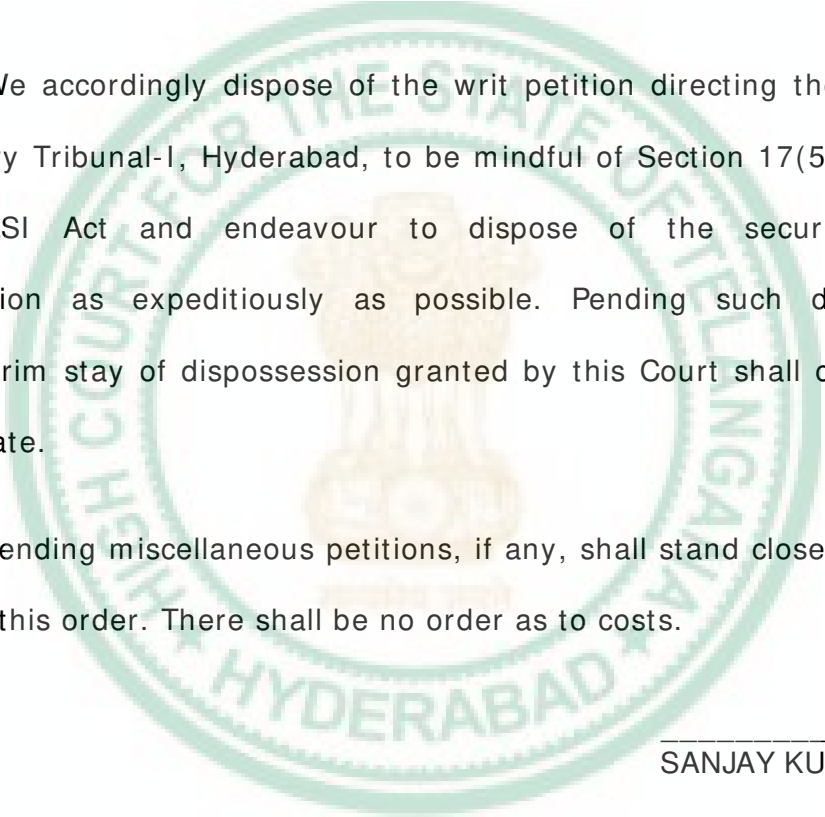
2. By order dated 18.04.2019, this Court directed that the petitioner should not be dispossessed. This order was extended thereafter from time to time.

3. While so, Sri S. Sainathan, learned counsel for the Canara Bank, the secured creditor, would inform this Court that the secured asset has already been put to sale successfully and the sale certificate has been executed and registered in the name of the auction purchaser. He however concedes that SA.No.130 of 2019 is still pending consideration before the Tribunal.

4. In the light of the aforestated facts, we are of the opinion that no cause is made out for this Court to go into the merits of the case, at this stage, as the Tribunal is seized of the matter. However, as the petitioner had the benefit of the interim relief granted by this Court since April 2019, we are of the opinion that the same should continue to operate pending disposal of the securitization application. Significant to note, Section 17(5) of the SARFAESI Act requires the Tribunal to dispose of securitization applications within a time frame. Unfortunately, this statutory mandate is followed more in breach.

5. We accordingly dispose of the writ petition directing the Debts Recovery Tribunal-I, Hyderabad, to be mindful of Section 17(5) of the SARFAESI Act and endeavour to dispose of the securitization application as expeditiously as possible. Pending such disposal, the interim stay of dispossession granted by this Court shall continue to operate.

Pending miscellaneous petitions, if any, shall stand closed in the light of this order. There shall be no order as to costs.

SANJAY KUMAR, J

K. LAKSHMAN, J

September 9, 2019
DSK