

THE HIGH COURT FOR THE STATE OF TELANGANA

THE HON'BLE SRI JUSTICE V.RAMASUBRAMANIAN

AND

THE HON'BLE SRI JUSTICE P. KESHA VA RAO

WRIT PETITION No.11280 OF 2019

Date: 11.06.2019

Between:

M/s. Techtrans Construction India Pvt. Ltd.,
Ameerpet, Hyderabad, Rep. by its Director
Haridass Ramesh

... Petitioners

v.

State Bank of India,
Stressed Assets Management Branch,
Khairatabad, Hyderabad,
Rep. by its Authorised Officer

... Respondent

For Petitioners : Mr. V. Murali Manohar

For Respondent : Mr. M. Srikanth Reddy

Gist :

Head Note :

Cases Referred :

C/15

HONOURABLE SRI JUSTICE V. RAMASUBRAMANIAN

AND

HONOURABLE SRI JUSTICE P. KESHA RAO

WRIT PETITION No.11280 OF 2019

ORDER: *(Per Hon'ble Sri Justice V. Ramasubramanian)*

Aggrieved by the dismissal of an appeal filed under Section 17 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (for short 'Securitization Act'), the petitioners have come up with the above writ petition.

2. Heard Mr. R. Raghunandan Rao, learned Senior Counsel for the petitioners. Mr. M. Srikanth Reddy, learned Standing Counsel for the respondent bank takes notice.

3. The main grievance of the petitioners is that the National Highways Authority of India awarded a contract to a Company by name, "Reliance Utility Engineers Limited", who in turn sub-contracted the contract to the 1st petitioner company. The 1st petitioner is a joint venture company promoted by an Iranian company. The only objection of the petitioners to the invocation of the measures under Section 13 (4) of the Securitization Act, 2002 is that technically there is no liability on the part of the petitioners to make any payment to the Bank and that the Bank was entitled to collect the money from an Iranian Bank which had provided an irrevocable bank guarantee. According to the petitioners, the Tribunal refused to go into this issue on the ground that they had no jurisdiction to look into the same.

4. But, it is seen from the impugned order of the Tribunal that there are factual issues involved. The Tribunal, no doubt, has come to the conclusion that the issue relating to the entitlement of the bank to invoke the bank guarantee and recover the money from the Union Bank falls outside the purview of its jurisdiction. But, the said opinion of the Tribunal is also amenable to challenge before the Debts Recovery Appellate Tribunal. Therefore, the appropriate course of action open to the petitioners⁰⁰ is only to go before the Debts Recovery Appellate Tribunal and raise these issues.

5. The order of the Tribunal is dated 08.04.2019. The Tribunal also has power to condone the delay if any. Therefore, leaving it open to the petitioners to approach the Debts Recovery Appellate Tribunal and directing the Debts Recovery Appellate Tribunal to consider leniently any application for condonation of delay, if there is any, this writ petition is dismissed.

The miscellaneous petitions, if any pending, shall stand dismissed. No order as to costs.

The original order shall be returned to the petitioners to enable them to file an appeal.

V. RAMASUBRAMANIAN, J

P. KESHA VA RAO, J

June 07, 2019

Note:

Registry to return the original impugned order to the petitioners to enable them to file an appeal.

B/O. KTL

