

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.35900 OF 2018

Date: 15.04.2019

Between:

Andhra Bank, Bodhan Branch,
Bodhan Town, Nizamabad District

... Petitioner

v.

The State of Telangana rep. by its Principle Secretary,
Consumern Affairs, Food and Civil Supplies,
Secretariat Buildings, Hyderabad and others

... Respondents

For Petitioner : Smt. V. Dyumani

For Respondents : G.P. for Civil Supplies (TG)
Sri A. Jagan.

Gist :

Head Note :

Cases Referred : Nil

HONOURABLE SRI JUSTICE V. RAMASUBRAMANIAN

AND

HONOURABLE SRI JUSTICE P. KESHA VA RAO

WRIT PETITION No.35900 OF 2018

ORDER: *(Per V. Ramasubramanian, J)*

Aggrieved by the refusal of the Registering Officer to register the sale certificate issued by them under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (for short 'the SARFAESI Act'), the Andhra Bank has come up with the above writ petition.

2. Heard Smt. V. Dyumani, learned Standing Counsel for the petitioner and Mr. A. Jagan, learned counsel for the Civil Supplies Corporation. Service of notice on the other respondents was completed through paper publication. They have not appeared.

3. Upon an intimation by the Civil Supplies Corporation, the Sub-Registrar refused to register the sale certificate issued by the Bank under the SARFAESI Act. The claim of the civil Supplies Corporation was that for the paddy supplied by the Corporation to the 7th respondent Rice Mill, they became due and liable to pay around Rs.80.00 lakhs and that due to non-repayment, proceedings under the A.P. Revenue Recovery Act have been initiated.

4. The question as to whether the Civil Supplies Corporation will have priority over the properties against which they have proceeded under the Revenue Recovery Act, over the mortgage in

favour of the Bank, is pending consideration before the Full Bench. But, in this case, the property now sold, is that of one of the family members of the partner of the 7th respondent Rice Mill. The files produced by the learned counsel for the Civil Supplies Corporation show that this property is not under attachment. Therefore, the question of the Civil Supplies Corporation having any priority does not arise, so long as no proceedings are initiated against this property.

5. Therefore, the Writ Petition is allowed directing the Sub-Registrar to register the sale certificate issued by the petitioner, subject, however, to the rights of other parties, if they have already challenged the sale before any Forum.

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

V. RAMASUBRAMANIAN, J

P. KESHA VA RAO, J

April 15, 2019

CTL

