

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 09.12.2020

CORAM :

THE HONOURABLE MR. JUSTICE M. SATHYANARAYANAN
AND
THE HONOURABLE MRS. JUSTICE R. HEMALATHA

W.P.No.17691 of 2020

The Authorized Officer,
South Indian Bank Limited,
Regional Office, Post Box No.3868,
Trichy Road, Sungam,
Coimbatore - 18.

...Petitioner

Vs.

1. The District Collector cum Magistrate,
Salem,
Tamil Nadu.
2. V.Arunsimhan
3. V.Veerasimhan
4. V.Selvi

...Respondents

Prayer : Writ Petition filed under Article 226 of the Constitution of India for issuance of a Writ of Mandamus for a direction to the 1st respondent to dispose of the application filed under Section 14 of SARFAESI Act in 19th March 2019 within a time frame pertaining to the secured property belonging to the 2nd respondent herein.

For Petitioner : Mr.M.L.Ganesh
For R1 : Mr.S.Kamalesh Kannan
Government Advocate

O R D E R

(Order of the Court was made by M. SATHYANARAYANAN, J.)

The respondents 2 to 4 availed credit facilities aggregating to the tune of Rs.96 Lakhs, and for the due repayment of the loan, also executed loan security documents in favour of the petitioner Bank.

2.The 2nd respondent had committed default in repayment of the loan amount, and therefore, the loan account was classified as 'Non-Performing Asset', and thereafter, the petitioner Bank has issued demand notice under Section 13(2) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ("SARFAESI Act" for brevity) on 07.12.2016, and since the terms of the notice have not been complied with, possession notice under Section 13(4) of the SARFAESI Act, came to be issued on 07.06.2017.

3.Mr.M.L.Ganesh, learned counsel appearing for the petitioner, would submit that, despite adequate opportunities given to private respondents, they did not take any steps to clear the loan outstanding, and as on 19.08.2020, they are due and payable of a sum of Rs.1,78,74,462/-. The petitioner Bank, in order to secure the physical possession of the Secured Assets, has invoked the jurisdiction of the 1st respondent by filing an application, dated 19.03.2019, under Section 14(1) of the SARFAESI Act, and despite lapse of nearly one year and odd, no progress is taking place, and prays for appropriate orders for earlier disposal of the said application.

4.Heard the submissions of Mr.S.Kamalesh Kannan, learned Government Advocate, who accepts notice on behalf of the 1st respondent.

5.This Court, taking into consideration the limited scope of the prayer sought for by the petitioner, without going into the merits of the application filed under Section 14(1) of the SARFAESI Act, dated 19.03.2019, as well as this writ petition, directs the 1st respondent to take note of the Circular in Rc.No.RA.6(3)/6075/2019 dated 01.03.2019 issued by the Commissioner of Revenue Administration and Disaster Management, Chepauk, Chennai - 600 005, and give a disposal to the application in accordance with law, as expeditiously as possible, not later than six weeks from the date of receipt of a

copy of this order, and communicate the decision taken to the petitioner.

This writ petition is disposed of accordingly. No costs.

Sd/-
Assistant Registrar(CJ CONF)

//True Copy//

Sub Assistant Registrar

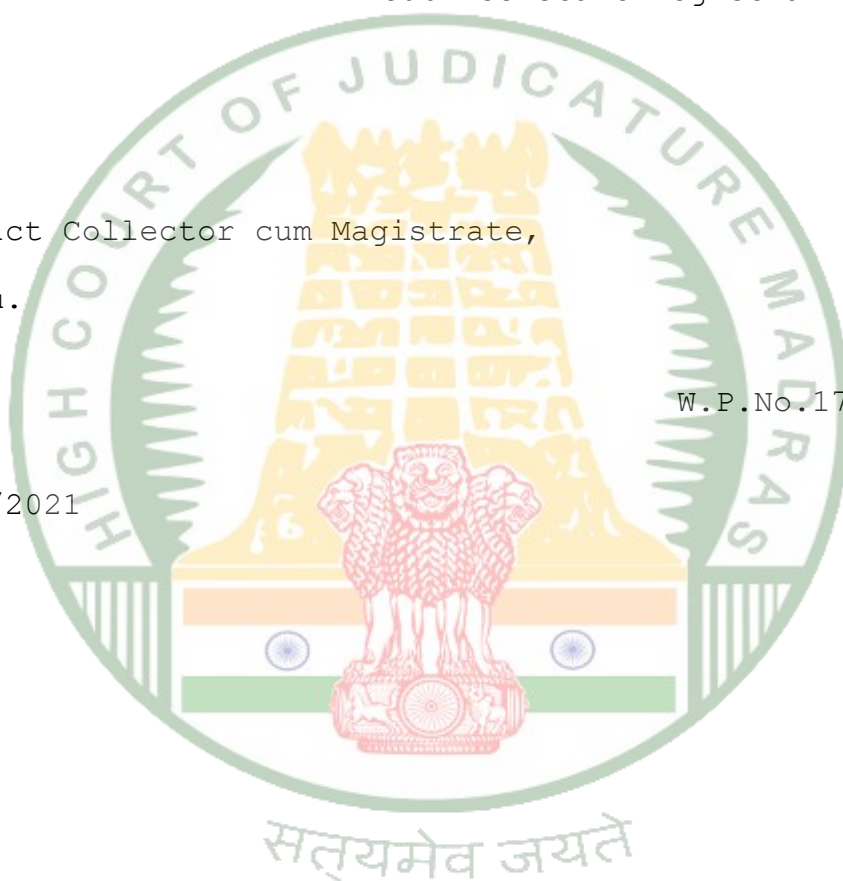
mkn

To

The District Collector cum Magistrate,
Salem,
Tamil Nadu.

W.P.No.17691 of 2020

CO(RP)
BDL/06/01/2021



WEB COPY