

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 18.12.2020

CORAM :

THE HONOURABLE MR. JUSTICE M. SATHYANARAYANAN
AND
THE HONOURABLE MR. JUSTICE R. PONGIAPPAN

W.P.No.19362 of 2020
and
W.M.P.No.23956 of 2020

M/s.Jai Mata Agro Industries,
Represented by its Partner,
Mr.Ashok Kumar Bhardwaj,
No.28 A & B, L.G. Nagar,
Meena Estate,
Coimbatore - 641 028.

... Petitioner

Vs.

1. The Governor,
Reserve Bank of India,
Fort 21st Floor,
Central Office Building,
Shahid Bhagat Singh Marg,
Mumbai - 400 001.
2. The Registrar,
Debt Recovery Tribunal,
Coimbatore.
3. The State Bank of India,
Represented by its Manager,
Nagar Branch, Permutti,
Coimbatore - 641 001.
4. M/s.U.V.Assets Reconstruction Company Ltd.,
Represented by its Authorized Officer,
1304, 13th Floor, Chirajv Tower,
34, Nehru Place, New Delhi - 110 019.
5. Seva Roller Flour Mills,
Proprietorship Firm,
Represented by its Proprietor,
M.Prashanth,
No.10-C, Vishvanathapuram,
Ganapathy,
Coimbatore.

... Respondents

Prayer : Writ Petition filed under Article 226 of the Constitution of India for issuance of a Writ of Mandamus directing the 2nd respondent to conduct speedy trial and dispose of the S.A.No.16 of 2017 and S.A.No.414 of 2018 as early as possible within the time frame that may be fixed by this Honourable or in the alternative to transfer the said appeals in S.A.16 of 2017 and S.A.No.414 of 2018 pending on the file of the 2nd respondent to the Debt recovery Tribunal at Chennai.

For Petitioner : Mr.R.Syed Mustafa
For R1 : Mr.C.Mohan
for M/s.King and Partridge

O R D E R

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

The petitioner have availed financial assistance from the 2nd respondent Bank, and in lieu of the defaults committed, their account has been classified as "Non-Performing Asset". The 3rd respondent has initiated action under Section 13(2) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ("SARFAESI Act" for brevity), by issuing notice, dated 17.12.2009, claiming a sum of Rs.3,11,22,124/-, and also initiated proceedings under Section 19(1) of the Recovery of Debts Due to the Bank and Financial Institutions Act, 1993, and in the said proceedings, there was a compromise, wherein, a sum of Rs.3,71,46,765/- was agreed to be paid in 65 monthly installments, commencing from January 2012 to December 2016. The terms of the compromise could not be adhered to, and consequently, a tri-party agreement, dated 14.03.2014, came to be executed between the petitioner, the 3rd respondent and the Asset Reconstruction Company, who also agreed to repay the entire outstanding dues of Rs.3,70,00,000/- with interest. However, the defaults continued, and therefore, the 3rd respondent has taken action by initiating proceedings under Section 14(1) of the SARFAESI Act, and after taking physical possession, sold the assets in favour of the auction purchaser also. The petitioner made a challenge to the sale notice as well as the sale certificate in S.A.Nos.16 of 2017 and 414 of 2018 on the file of the 2nd respondent Tribunal, and both appeals are pending.

2.Mr.R.Syed Mustafa, learned counsel appearing for the petitioner, has drawn the attention of this Court to the proceedings/order sheet and would submit that, though originally there was no Presiding Officer at Debts Recovery Tribunal, Coimbatore, which resulted in calling of the matters before the Debts Recovery Tribunal, Madurai, and in the light of the fact

that the Presiding Officer has been posted to preside over the Debts Recovery Tribunal, Coimbatore, prays for appropriate orders for early disposal of the said appeals.

3.Mr.C.Mohan, for M/s.King and Partridge, who entered appearance for the 1st respondent, would submit that the 1st respondent has nothing to do with the prayer sought for by the petitioner, and he is unable to understand as to why the Governor of the Reserve Bank of India is added as the 1st respondent, and prays for dismissal of this writ petition as against the 1st respondent with exemplary costs.

4.This Court has considered the arguments advanced by the learned counsel appearing for the petitioner, and Mr.C.Mohan, learned Standing Counsel appearing for the 1st respondent, and also perused the materials placed before it.

5.In the light of the submission made by the learned Standing Counsel appearing for the 1st respondent, this writ petition stands dismissed as against the 1st respondent alone.

6.This Court, taking into consideration the limited scope of prayer sought for by the petitioner, without going into the merits of the claim as projected by the petitioner in S.A.Nos.16 of 2017 and 414 of 2018 pending on the file of the 2nd respondent Tribunal, requests the Debts Recovery Tribunal, Coimbatore, to accord priority, expedite the hearing and final disposal of both the appeals as expeditiously as possible, not later than twelve weeks from the date of receipt of a copy of this order/uploading of this order in the website.

This writ petition is disposed of accordingly. No costs. Consequently, connected miscellaneous petition is closed.

s/d-
Assistant Registrar(CS V)

True Copy

Sub-Assistant Registrar

To

1.The Governor,
Reserve Bank of India,
Fort 21st Floor,
Central Office Building,
Shahid Bhagat Singh Marg,
Mumbai - 400 001.

2. The Registrar,
Debts Recovery Tribunal,
Coimbatore.

3. The Manager,
State Bank of India,
Nagar Branch, Permutti,
Coimbatore - 641 001.

+1 CC to Mr.R.Syed Mustafa, Advocate sr 42041.

+1 CC to M/s. King and Partridge, sr 42067.

W.P.No.19362 of 2020

AD(CO)
SP(21/01/2021)