IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 12.03.2021

CORAM :

THE HON'BLE MR.SANJIB BANERJEE, CHIEF JUSTICE

AND

THE HON'BLE MR.JUSTICE SENTHILKUMAR RAMAMOORTHY

C.R.P.No. 583 of 2021

Rajan
Partner of M/s.MRP Garments
No.2/11, Palayakkadu
Uthukuli Main Road
Mannarai, Tirupur – 641 601. .. Petitioner

Vs.

1.The Authorised Officer,
M/s. State Bank of India,
Pudur Pirivu Branch,
Two Win Chambers, Pudur Pirivu,
Dharapuram Road,
Tirupur – 641 608.

2.M/s.Vastra Textiles,
Rep. By its Partner,
Mr.P.Suresh Kumar,
No.5A, 4th Cross Street,
Palayakadu, B.S.Road,
Tirupur – 641 607. .. Respondents

Prayer: Petition filed under Article 227 of the Constitution of India against the order dated 12.02.2021 made in I.A.No. 429 of 2020 in AIR(SA) No. 132 of 2020 passed by the Debt Recovery Appellate Tribunal, Chennai.

For Petitioner : Mr.K.A.Ramakrishnan

For Respondents : Mr.B.Raghavalu Naidu for respondent No.1

ORDER
(Delivered by The Hon'ble Chief Justice)

The matter pertains to the deposit required to be made by the petitioner under Section 18 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002.

2. In terms of Section 18(1) of the Act, the deposit has to be 50% of the amount of debt due as claimed or as ascertained by the Debts Recovery Tribunal, whichever is less. The discretion that the Appellate Tribunal has is to reduce the quantum of deposit, but not below 25% of the debt referred to in second proviso to Section 18(1) of the Act of 2002. In the present case, the petitioner herein has been directed to deposit a sum of Rs.1.25 crore after taking into account the claim of the bank to have been Rs.3.34 crore and admitted deposit of the petitioner of a sum of Rs.84 lakh.

3. This amount of Rs.1.25 crore should be deposited by the petitioner herein within the next three weeks. The first tranche of deposit should be Rs.50 lakh within a week from date, within a further week a sum of Rs.25 lakh should be deposited and at the end of three weeks from date, the final amount of Rs.50 lakh should be deposited. Upon the deposits being tendered in terms of this order, the order impugned passed by the Tribunal dated February 12, 2021 will stand set aside and the Appellate Tribunal will be obliged to hear the appeal on merits and dispose of the same in accordance with law.

4. It is recorded that the Bank is represented.

5. Nothing further remains of the matter and C.R.P.No.583 of 2021 is disposed of. The connected application, C.M.P.No.4926 of 2021, is closed. There will be no order as to costs.

Sd/-
Assistant Registrar

//True Copy//

Sub Assistant Registrar

To:

The Presiding Officer,
Debt Recovery Appellate Tribunal, Chennai.

+1cc to Mr.K.A.Ramakrishnan, Advocate SR.NO..16408

AKM/09.04.21/2P-3C/

C.R.P.No. 583 of 2021
12.03.2021