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BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 31.01.2022

CORAM :

THE HONOURABLE MR.JUSTICE S.VAIDYANATHAN
and
THE HONOURABLE DR.JUSTICE G.JAYACHANDRAN

C.R.P (MD) No.1959 of 2021

and

C.M.P (MD) Nos.10552 and 10553 of 2021

The Authorized Officer,
State Bank of India,
having its Corporate Centre at Mumbai,
and one of its branches namely,
Stresses Asset Recovery Branch,
Thiruvananthapuram,
Kerala State.

.. Petitioner/Respondent/Defendant

Vs.

1.M/s.Sree Narayana Modern Rice Mills,
A Partnership Firm represented by its,
Partner N.Muthuselvi Namapoo,
having its Business premises at
Door No.10/936 D1,
Melapavoor Road,
Kulasekarapatti,
Pavoorchathatram Post,
Tenkasi District-627 808.

2.N.Muthuselvi Namapoo

3.N.Karthika

4.N.Revathi

.. Respondents 1 to 4 /
Petitioners /Applicants

Prayer:- Civil Revision Petition filed the Under Article 227 of the Constitution of India, against the order passed in I.A.No.1653 of 2021 in S.A.No.461 of 2021, dated 29.10.2021 passed by the learned in-charge Debts Recovery Tribunal, Madurai.

For Petitioner : Mr.N.Dilip Kumar

For Respondents : No appearance

**O R D E R****S.VAIDYANATHAN, J.****And****DR.G.JAYACHANDRAN, J.**

Aggrieved by the order of the Tribunal granting interim stay to give effect to the auction sale, the present revision is filed by the Bank.

2. According to the pleadings, the respondent herein running a Rice mill business has availed loan from the petitioner Bank, but failed to repay the loan. Hence, vide order, dated 24.06.2019, the respondent Bank has issued demand notice under Section 13(2) of SARFAESI Act for a sum of Rs.7,94,30,379/- and thereafter possession was taken and the Bank has proceeded for the sale of the property through auction. Accordingly, auction was fixed on 26.04.2021 and the property was also sold. Thereafter, the debtor/respondent has approached the Debts Recovery Tribunal and got an interim order, which is impugned in this revision petition.

3. Wherein, the Debts Recovery Tribunal directed the respondent to pay a sum of Rs.1,50,00,000/- on or before 19.11.2021 and the balance sum of Rs.4,50,00,000/- by 27.12.2021. It is now brought to the notice of this Court that the respondent, though remitted a sum of Rs.1,50,00,000/-, the second instalment of Rs.4,50,00,000/- not paid on or before 27.12.2021. Meanwhile, the auction purchaser has deposited the entire auction sale consideration, but, because of the interim order, the Bank is unable to proceed further.

4. This Court, on perusing the impugned order of the Debts Recovery Tribunal, dated 29.10.2021 finds that the Tribunal has made it clear that if the respondent herein fails to pay the conditional amount, without reference to the Tribunal, the auction sale can be given effect. Now, it is an admitted fact that except Rs.1,50,00,000/- paid as per the conditional order in the first instalment, the second instalment not paid before 27.12.2021 and therefore, even going on by the impugned order of the Debts Recovery Tribunal, the sale can be given effect.

5. In the said circumstances, this Court finds that the interim order of the Debts Recovery Tribunal, which is challenged in this revision has already become ineffective. Without reference to the said order, the petitioner Bank shall proceed and give effect to the sale and the amount already deposited shall be permitted to be withdrawn by the petitioner Bank and given credit to the loan account.



6. With the above direction, this Civil Revision Petition stands disposed of. Consequently, connected miscellaneous petitions are closed.

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Sd/-

Assistant Registrar(Records)

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/ /2022

Sub Assistant Registrar(CS)

PJL

Note: In view of the present lock down owing to COVID-19 pandemic, a web copy of the order may be utilized for official purposes, but, ensuring that the copy of the order that is presented is the correct copy, shall be the responsibility of the Advocate/litigant concerned.

To
The Debts Recovery Tribunal,
Madurai.

+1 CC to M/s.N.DILIPKUMAR, Advocate (SR-3522[F] dated 01/02/2022)

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31.01.2022

nsn(CO)
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