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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 04-04-2025

CORAM

THE HONOURABLE MR JUSTICE N. ANAND VENKATESH

**WP No. 10363 of 2025
and WMP No. 11662 of 2025**

1. State Bank Of India
Rep. by its Assistant General Manager,
Stressed Asset Management Branch
No. 1112, Raja Plaza, Avinashi Road
Coimbatore-641037

Petitioner(s)

Vs

1. The Sub Registrar
Joint- I, Tiruppur.

2.The Sub Registrar
Joint-II, Tirupur

3.The Sub Registrar
Avinashi

4.M/s.Sydney Apparels
A Partership Firm, S.F. No. 572, Kuttai
Thottam, Sirupoolavapatti Post,
Tirupur – 641603
Represented by K.R. Velmurugan



5.K.R.Velmurugan

6.K.Natarajan

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7.N.Premalatha

8.V.Kuppana Gounder

9.Minor Aadhavan

Represented by his Grand Mother,

Mrs. S. Subbulakshmi

Respondent(s)

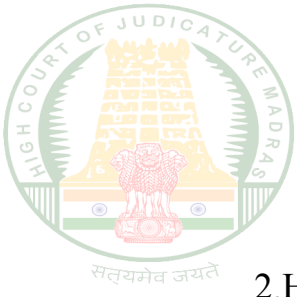
PRAYER Writ Petition filed under Article 226 of the Constitution of India for issuance of a Writ of Mandamus, direction to the Respondents 1 to 3 to register the sale certificate(s) if presented by the petitioner bank in favour of the auction purchaser(s) by invoking SARFAESI action notwithstanding the final decree obtained by the ninth respondent.

For Petitioner(s): Mr.M.L. Ganesh

For Respondent(s): Mr.U.Baranidharan
Special Government Pleader
for R1 to R3

ORDER

This writ petition has been filed for issue of writ of mandamus directing the respondents 1 to 3 to register the Sale Certificate that has been executed by the Bank in favour of intending auction purchaser pursuant to the proceedings initiated under the SARFAESI Act.



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2. Heard Mr.M.L.Ganesh, learned counsel appearing on behalf of the petitioner and Mr.U.Baranidharan, learned Special Government Pleader appearing on behalf of the respondents 1 to 3.

3.The learned Special Government Pleader appearing on behalf of respondents 1 to 3 submitted that till date no Sale Certificate has been presented for registration and therefore, there is no occasion for the respondents to take a decision on the registration or refusal to register the Sale Certificate.

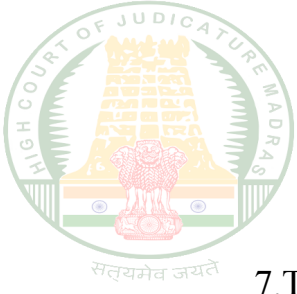
4.Per contra, the learned counsel for the petitioner submitted that the proceedings were initiated under the SARFAESI Act and the property was brought for auction sale and when the Bank was in the process of presenting the Sale Certificate for registration before the respondents 1 to 3, the borrower had adopted deceitful tactics whereby, a partition suit came to be filed and the preliminary and final decree were also passed and that decree has been registered before the concerned Sub Registrar Office. In view of the same, there



is a difficulty in presenting the Sale Certificate for registration since that is being put against the petitioner and the proposed auction purchaser.

5. In the considered view of this Court, the right of the bank cannot be defeated by instituting such collusive litigations and the bank has got the absolute right under the SARFAESI Act and therefore, once the bank has followed the procedure under the Act and it has ended in the execution of the Sale certificate in favour of the auction purchaser, it has to be entertained and registered by the concerned Sub Registrar. If the Sale Certificate is refused to be registered, then any borrower will be able to manipulate the system by instituting a collusive suit and registering the decree before the concerned Sub Registrar. Admittedly, the Bank was not even a party in any of these litigations and the Bank is now sought to be throttled from exercising its rightful power conferred under the SARFAESI Act.

6. In the light of the above discussion, as and when any Sale Certificate is presented for registration by the petitioner, the same shall be registered by respondents 1 to 3, if it is otherwise in order.



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7.This writ petition is disposed of in the above terms. No Costs.

Consequently, connected miscellaneous petition is closed.

04-04-2025

Index: Yes/No

Speaking/Non-speaking order

Internet: Yes

Neutral Citation: Yes/No

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To
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1.The Sub Registrar
Joint- I, Tiruppur.

2.The Sub Registrar
Joint-II, Tirupur

3.The Sub Registrar
Avinashi



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N.ANAND VENKATESH J.

SSR

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