



WEB COPY



W.P.No.21092 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 18.06.2025

CORAM

THE HON'BLE MR.K.R.SHRIRAM, CHIEF JUSTICE

AND

THE HON'BLE MR.JUSTICE SUNDER MOHAN

W.P.No.21092 of 2025

Shanmugapriya

.. Petitioner

-VS-

State Bank of India
Stressed Assets Recovery Branch,
Indian Red Cross Society Building,
No.32, Montieth Road,
Egmore, Chennai 600 008.

.. Respondent

Prayer: Petition filed under Article 226 of the Constitution of India for issuance of a Writ of Mandamus directing the respondent Bank to refund the auction sale consideration of Rs.80,40,000/- paid by this petitioner together with interest @ 6% per annum from the date of deposit till date of realization, as per the order dated 09.12.2016 in C.P.No.6 of 2015 passed by the learned Recovery Officer, DRT-I, Chennai and to pay a sum of Rs.6,43,000/- to the petitioner herein, being registration charges paid by the petitioner from the date of deposit till date of realization.

For Petitioner : Mr.S.Ravi
Senior Counsel
for Mr.A.Venkatesh Kumar

For Respondent : Mr.M.L.Ganesh
Stdg. Counsel



WEB COPY



W.P.No.21092 of 2025

ORDER

(Order of the Court was made by the Hon'ble Chief Justice)

Mr.Ganesh takes notice on behalf of respondent.

2. Sri.Ganesh states that the Recovery Officer has paid over to respondent bank only Rs.40,21,320/- and not the entire amount of Rs.80,40,000/-. Sri.Ganesh, in fairness and on instructions, states that the bank will hand over the amount of Rs.40,21,320/- together with interest as ordered by the Recovery Officer from the date of receiving the amount until payment/realisation.

3. Sri.Ravi is justified in submitting that the bank could not have retained this money which it received some time in 2013 and therefore, the Court should direct the bank to pay more interest. Sri.Ravi submitted that the bank would have earned at least 18% with the money and therefore, at least 9% interest should be directed to be paid.



W.P.No.21092 of 2025

WEB COPY

4. In our view, the interest of justice will be met if the bank is directed to pay the amount together with interest at the current highest Fixed Deposit rate and the interest shall be payable from the date the bank received the money until payment/realisation. The Chief Manager of the concerned branch shall file an affidavit giving the details as to when the amount was received, the highest rate of interest applicable today on Fixed Deposit and a separate calculation annexed thereto. Sri.Ravi states that petitioner will submit Form 15H, if he does not want any TDS to be deducted and this Form shall be given by tomorrow. This amount shall be credited to the account nominated by petitioner by 5.00 p.m. on 20.06.2025.

5. As regards the balance, that is the difference between Rs.80,40,000/- and Rs.40,21,320, which is Rs.40,18,680/-, Sri.Ganesh states that the amount is with the Recovery Officer. The Recovery Officer shall foreclose the Fixed Deposit and hand over the entire amount together with accumulated interest within one week from the date of receiving a copy of this order.



W.P.No.21092 of 2025

WEB COPY

6. Sri.Ravi stated that petitioner has also paid Rs.6,43,200/- towards stamp duty and registration charges. Sri.Ganesh, on instructions, states that this amount will be paid back to petitioner along with the amount mentioned above. Sri.Ganesh states that liberty may be given to the bank to apply for refund/return of money by the Revenue authorities and the Revenue authorities be directed to hand over the payment to the bank. In our view, it is a fair request made by Mr.Ganesh.

7. Therefore, if the Recovery Officer/respondent Bank makes an application for cancellation of sale deed and consequently, return of the stamp duty and registration charges paid, the Department shall pay over the amount in accordance with law to the bank/Recovery Officer. This order should be construed as the consent of petitioner to the bank applying for cancellation of the sale deed and also applying for refund of the stamp duty and registration charges.

8. Sri.Ganesh states that since the sale was executed by the Recovery Officer as also the documents for payment of stamp duty and



W.P.No.21092 of 2025

WEB COPY

registration charges, the Recovery Officer of the concerned Debts Recovery Tribunal be directed and authorised to collect these amounts. Ordered accordingly.

Petition is disposed of. There shall be no order as to costs.

(K.R.SHRIRAM, C.J.)

(SUNDER MOHAN, J.)

18.06.2025

Index : Yes/No

Neutral Citation : Yes/No

sra

To

1. State Bank of India
Stressed Assets Recovery Branch,
Indian Red Cross Society Building,
No.32, Montieth Road,
Egmore, Chennai 600 008.
2. The Debts Recovery Tribunal-I,
Chennai.



WEB COPY



W.P.No.21092 of 2025

The Hon'ble Chief Justice
and
Sunder Mohan, J.

(sra)

W.P.No.21092 of 2025

18.06.2025