HIGH COURT FOR THE STATE OF TELANGANA AT HYDERABAD (Special Original Jurisdiction)

WEDNESDAY, THE TWENTY FIRST DAY OF AUGUST TWO THOUSAND AND TWENTY FOUR

PRESENT

THE HONOURABLE THE CHIEF JUSTICE ALOK ARADHE AND THE HONOURABLE SRI JUSTICE J SREENIVAS RAO

WRIT PETITION NO: 327 OF 2006

Between:

Smt. Baby Sarojini,, W/o. Tata Rao, House Wife, R/o. Flat No. G1 in Ground Floor of Akshara Enclave, on Plot No. 33, Phase-I Kalyannagar, Yousufguda, Hyderabad.

...PETITIONER

AND

- 1. The Government of Andhra Pradesh,, Rep by its SHO Police Station S.R. Nagar, Hyderabad.
- 2. The Authorized Officer, under Securitisation act, Standard Chartered Bank, Office at 4th flour, Amsri Plaza, S.D. Road, Secunderabad.
- 3. The Standard Chartered Bank, Principal Office at London, Indian Corporate Office at Mumbai, Branches at 4th flour, Amsri Plaza, S.D. Road, Secunderabad, Rep by GPA Holder M. Venkat Rao, S/o. M.S.Rao, Occ R.M. Collections
- 4. Guntaka Kumar Veera Pratap Reddy, S/o. Ramakrishna Reddy, Business, R/o. H.No. 5-3-405/1, Laxminagar, Kukutpally, Hyderabad.

...RESPONDENTS

Petition under Article 226 of the Constitution of India praying that in the circumstances stated in the affidavit filed therewith, the High Court may be pleased to issue appropriate Writ, Order, or Direction, more particularly one in the nature of Writ of Certiorari by calling records pertains to order passed in Crl MP NO. 4116 of 2005 dt. 9-11-2005 on the file of the Chief Metropolitan Magistrate at Hyderabad and quash the same.

I.A. NO: 1 OF 2007(WPMP, NO: 26445 OF 2007)

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to grant permission to raise additional grounds in the Writ Petition in the interest of justice and equity.

I.A. NO: 2 OF 2006(WPMP. NO: 404 OF 2006)

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to suspend the order passed by the Chief Metropolitan Magistrate at Hyderabad in Crl.MP No. 4116 of 2005 dt. 9-11-2005 pending disposal of the above Writ Petition.

I.A. NO: 1 OF 2006(WVMP. NO: 387 OF 2006)

Between:

- 1. The Authorized Officer, under Securitisation act, Standard Chartered Bank, Office at 4th flour, Amsri Plaza, S.D. Road, Secunderabad.
- 2. The Standard Chartered Bank, Principal Office at London, Indian Corporate Office at Mumbai, Branches at 4th flour, Amsri Plaza, S.D. Road, Secunderabad, Rep by GPA Holder M. Venkat Rao, S/o. M.S.Rao, Occ R.M. Collections

...PETITIONERS/RESPONDENTS No.2 and 3

AND

1. Smt. Baby Sarojini,, W/o. Tata Rao, House Wife, R/o. Flat No. G1 in Ground Floor of Akshara Enclave, on Plot No. 33, Phase-I Kalyannagar, Yousufguda, Hyderabad.

...RESPONDENT/WRIT PETITIONER

- 2. The Government of Andhra Pradesh,, Rep by its SHO Police Station S.R Nagar, Hyderabad.
- **3.** Guntaka Kumar Veera Pratap Reddy, S/o. Ramakrishna Reddy, Business, R/o. H.No. 5-3-405/1, Laxminagar, Kukutpally, Hyderabad.

...RESPONDENTS/RESPONDENTS 1 AND 4

(R3 is not necessary party in this petition)

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to vacate the interim orders passed in WPMP No. 404/2006 in WP No. 327/2006, dt. 5-1-2006 and dismiss the Writ Petition.

Counsel for the Petitioner: SRI K. SATYANARAYANA, APPEARS FOR SRI CH. SIVA REDDY

Counsel for the Respondent No.1: GP FOR HOME

Counsel for the Respondent No.3: SRI K. SURESH REDDY

Counsel for the Respondent No.4: MS. NAUSHEEN NAJM US SAHAR, APPEARS FOR SRI M. V. DURGA PRASAD

The Court made the following: ORDER

THE HON'BLE THE CHIEF JUSTICE ALOK ARADHE AND THE HON'BLE SRI JUSTICE J. SREENIVAS RAO

WRIT PETITION No.327 of 2006

ORDER: (per the Hon'ble the Chief Justice Alok Aradhe)

Mr. K. Satyanarayana, learned counsel appears for Mr. Ch. Siva Reddy, learned counsel for the petitioner.

Ms. Nausheen Najm Us Sahar, learned counsel appears for Mr. M.V. Durga Prasad, learned counsel for respondent No.4.

- 2. In this Writ Petition, the petitioner has assailed the validity of the order dated 09.11.2005 passed by the Chief Metropolitan Magistrate, Hyderabad, in Crl.M.P.No.4116 of 2005 filed under Section 14 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (for short "the SARFAESI Act").
- 3. Admittedly, against the aforesaid order, statutory remedy lies under Section 17 of the SARFAESI Act (see Bajarang Shyamsunder Agarwal v. Central Bank of India¹).

^{1 (2019) 9} SCC 94

- 4. The Supreme Court in United Bank of India v. Satyawati Tondon² has deprecated the practice of the High Courts in entertaining the writ petitions despite availability of an alternative remedy. The aforesaid view has also been reiterated by the Supreme Court in Varimadugu Obi Reddy v. B.Sreenivasulu³. The relevant portion of para 36 reads as under:
 - In the instant case, although the respondent **"**36. borrowers initially approached the Debts Recovery Tribunal by filing an application under Section 17 of the SARFAESI Act, 2002, but the order of the Tribunal indeed was appealable under Section 18 of the Act subject to the compliance of condition of pre-deposit and without exhausting the statutory remedy of appeal, the respondent borrowers approached the High Court by filing the writ application under Article 226 of the Constitution. We deprecate such practice of entertaining the writ application by the High Court in exercise of jurisdiction under Article 226 of the Constitution without exhausting the alternative statutory remedy available under the law. This circuitous route appears to have been adopted to avoid the condition of predeposit contemplated under 2nd proviso to Section 18 of the 2002 Act."

² (2010) 8 SCC 110

^{3 (2023) 2} SCC 168

- 5. The view taken in Satyawati Tondon (supra) has been reaffirmed by a three Judge Bench of the Supreme Court in PHR Invent Educational Society v. UCO Bank.
- In view of aforesaid enunciation of law by the Supreme 6. Court and in view of availability of alternative remedy, we are not inclined to entertain the Writ Petition. However, liberty is reserved to the petitioner to take recourse to the statutory remedy provided under the provisions of the SARFAESI Act, within a period of four (4) weeks from today. Needless to state that in case the petitioner avails the aforesaid statutory remedy within the aforesaid period, the petitioner shall be entitled to the benefit of principles contained in Section 14 of the Limitation Act, 1963. Further, with regard to the deposit of the amount by the petitioner in compliance with the interim order dated 05.01.2006, as mentioned in the order dated 19.07.2010 passed by the Division Bench of erstwhile High Court of Andhra Pradesh, the Debts Recovery Tribunal shall pass appropriate order in the statutory remedy that may be availed of by the petitioner.

7. Accordingly, the Writ Petition is disposed of.

Miscellaneous applications, if any pending, shall stand closed. There shall be no order as to costs.

SD/-N.RAJGOPAL ASSISTANT REGISTRAR

//TRUE COPY//

SECTION OFFICER

To,

- The SHO Police Station S.R Nagar, The Government of Telangana, Hyderabad.
- 2. The Authorized Officer, under Securitisation act, Standard Chartered Bank, Office at 4th flour, Amsri Plaza, S.D. Road, Secunderabad.

3. One CC to Sri CH. Siva Reddy, Advocate [OPUC]

- 4. One CC to Sri M. V. Durga Prasad, Advocate [OPUC]5. Two CCs to GP for Home, High Court for the State of Telangana, at Hyderabad [OUT]
- 6. One CC to Sri K. Suresh Reddy, Advocate [OPUC]

7. Two CD Copies

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DATED:21/08/2024

ORDER

WP.No.327 of 2006



DISPOSING OF THE WRIT PETITION WITHOUT COSTS

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