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

WEDNESDAY, THE EIGHTEENTH DAY OF SEPTEMBER
TWO THOUSAND AND TWENTY FOUR

PRESENT

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

WRIT PETITION NO: 25553 OF 2024

Between:

- 1. M/s. Sri Sri Cotton Concern, Rep. by its Proprietor Mr. Maddali Kameswara Rao, 5/6, G.T. Road Vengalayapalem, Guntur-522 005, Andhra Pradesh.
- 2. Mr. Maddali Kameswara Rao, S/o. Venkateswara Rao, Aged 57 years, Occ. Business, 5/6, G.T. Road Vengalayapalem, Guntur-522 005, Andhra Pradesh.
- 3. Smt. Maddali Sriranjani, W/o. Maddali Kameswara Rao, Aged. 53, Years ,Occ. Business, 5/6, G.T. Road Vengalayapalem, Guntur-522 005, Andhra Pradesh

...PETITIONERS

AND

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- HDFC Bank Ltd, Department of Special Operations, Hyderabad, H. No. 6-3-246 AND 6-3-244/A, 3rd Floor, Desk. No.1074, Roxana Palladium Road No.1, Banjara Hills, (Besides Virinchi Hospital), Hyderabd-500034, Hyderabad Mandal, Hyderabad, Rep. by its Authorized Officer AND POA Holder Srikanth, Senior Manager, Department of Special Operations, R/o. Hyderabad.
- 2. The Debt Recovery Tribunal-II, 3rd Floor, Triveni Complex, ABIDS, Hyderabad 500001

... 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 Writ of Mandamus declaring the impugned Order dated 07.02.2024 in I.A No. 1091/2023 in O.A No. 843/2019 on the file of DRT-II, Hyderabad passed by Respondent No.2as arbitrary, non-application of mind, without jurisdiction, contrary to law and procedure contemplated under law, untenable and against the principles of natural justice and consequently direct the Hon'ble DRT-II, Hyderabad to return the file of O.A No. 843/2019 to its original

territorial jurisdiction i.e., DRT, Visakhapatnam for fair adjudication of subject matter.

IA NO: 1 OF 2024

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 condone the delay 172 days in filing the present Writ Petition.

IA NO: 2 OF 2024

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 stay of all further proceedings in in view of the orders dated 07.02.2024 in I.A No. 1091/2023 in O.A 843/2019 on the file of DRT-II, Hyderabad till disposal of the above Writ Petition.

Counsel for the Petitioners: SRI Y. AUGUSTINE REUBENSON, REPRESENTING FOR SRI K. B. RAMANNA DORA

Counsel for the Respondents: -----

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.25553 of 2024

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

Mr. Y.Augustine Reubenson, learned counsel representing Mr. K.B.Ramanna Dora, learned counsel for the petitioners.

- 2. In this writ petition, the petitioners have assailed the validity of the order dated 07.02.2024 passed by the Debts Recovery Tribunal-II, Hyderabad in I.A.No.1091 of 2023 in O.A.No.843 of 2019, by which the Tribunal has held that it has territorial jurisdiction to try the proceeding initiated for recovery by the Bank.
- 3. The Supreme Court in United Bank of India v.
 Satyawati Tondon¹ has deprecated the practice of the
 High Courts in entertaining the writ petitions despite

^{1 (2010) 8} SCC 110

availability of an alternative remedy. The aforesaid view has also been reiterated by the Supreme Court in **Varimadugu Obi Reddy v. B.Sreenivasulu²**. The relevant extract of para 36 reads as under:

"36. In the instant case, although respondent 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 pre-deposit contemplated under 2nd proviso to Section 18 of the 2002 Act."

4. The view taken in **Satyawati Tondon** (supra) has been reaffirmed by a three Judge Bench of the

^{2 (2023) 2} SCC 168

Supreme Court in PHR Invent Educational Society v.

UCO Bank³.

- 5. Admittedly, against the order passed by the Debts Recovery Tribunal, an appeal lies before the Debts Recovery Appellate Tribunal.
- 6. In view of the aforesaid enunciation of law, we are not inclined to entertain the writ petition. However, it is directed that in case the petitioners file an appeal within a period of four weeks from today, the Debts Recovery Appellate Tribunal shall entertain the appeal and decide the same on merits. Needless also to state that it will be open for the petitioners to make an application for grant of stay, if so advised, before the Debts Recovery Appellate Tribunal, which shall be dealt with by the Debts Recovery Appellate Tribunal in accordance with law.
- 7. With the aforesaid liberty, the Writ Petition is disposed of.

³ 2024 SCC OnLine SC 528

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

> SD/-N. SRIHARI ASSISTANT REGISTRAR

//TRUE COPY//

SECTION OFFICER

 HDFC Bank Ltd, Department of Special Operations, Hyderabad, H. No. 6-3-246 AND 6-3-244/A, 3rd Floor, Desk. No.1074, Roxana Palladium Road No.1, Banjara Hills, (Besides Virinchi Hospital), Hyderabd-500034 Hyderabad
 Hyderabad Rep. by its Authorized Officer AND POA Holder Srikanth, Mandal, Hyderabad, Rep. by its Authorized Officer AND POA Holder Srikanth, Senior Manager, Department of Special Operations, R/o. Hyderabad.

2. The Debt Recovery Tribunal-II, 3rd Floor, Triveni Complex, ABIDS, Hyderabad 500001

3. One CC to Sri K. B. Ramanna Dora, Advocate [OPUC]

4. Two CD Copies

TJ **GJP**

HIGH COURT

DATED:18/09/2024

ORDER

WP.No.25553 of 2024



DISPOSING OF THE WRIT PETITION WITHOUT COSTS

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