(2020) 09 DRT CK 0009

In the Debts Recovery Tribunal

Case No : Original Application No. 265 Of 2018

IDBI Bank Limited — APPELLANT

Vs

Anil Singh And Ors. — RESPONDENT

Date of Decision : 07-09-2020

Acts Referred:

Recovery of Debts Due to Banks and Financial Institution Act, 1993 — Section 19

Citation : (2020) 09 DRT CK 0009

Hon'ble Judges : Duppala Vasudeva Rao, J

Bench : Single Bench

Final Decision : Allowed

Judgement

1. This application is filed under Section 19 of Recovery of Debts Due to the Banks and Financial Institutions Act, 1993 to pass an order directing the defendants to pay a debt amount of Rs.1,82,20,210/- with future interest @13.00% p.a with compounded yearly including interest Tax and penal interest from the date of application till the realization of the entire amount and for issue of Recovery Certificate accordingly.

2. According to the facts of the case in brief, during March, 2011 the first defendant and 7 other persons approached the applicant bank requesting for financial assistance for fish cultivation. They offered defendants 2 and 3 as guarantors who agreed to give their properties situated in West Godavari District as security. The applicant's bank after scrutinizing the proposals and the securities offered and after obtaining necessary opinions with regard to title and value granted loans to a total number of 8 individuals. Likewise the other six borrowers were also issued individual letters of intent. Out of the eight accounts three accounts of Sri D.K.Singh, Smt. S.A.Singh and Smt. Ramadevi were closed and the remaining five accounts are not closed and the amounts are due to the bank in those five accounts. The accounts of the applicants are in these five accounts. However, the borrowers failed to repay the amount due. The accounts have been classified as NPA.

3. Sri Pambi Vasu Reddy S/o. Sri Prasad Reddy, Asst Manager of the applicant bank filed the evidence on affidavit along with the copies of documents verified by the Registry which have been proved and marked as Ex.Al to A22 viz Ex. Al Evidence Affidavit, A2 List of documents, A3 Letter of Intent issued to 1st defendant, A4 Demand Promissory Note, A5. Take Delivery letter to DPN, A6. Deed of hypothecation, A7.Loan Undertaking, AS. Guarantee Agreement, A9. Guarantee Undertaking, A10 Guarantee Agreement, All Guarantee Undertaking, A12 Memorandum of entry of deposit of title deeds, A13 Declaration and undertaking, A14 Sale deed executed in favour of the Third Defendant by Sri. B.Rajandhra Prasad Doc.No.781 of 1999 (along with translation), A15 Sale deed executed in favour of the Second Defendant by M.V.GangahaRao and another. Doc.No.814 of 2002 (along with translation), A16 Sale deed executed in favour of the Third Defendant by Sri. B.Rajandhra Prasad Doc.No.781 of 1999 (along with translation), A17 Letter addressed by the applicant bank of the defendants, A18 Letter addressed by the applicant bank of the defendants, A19 Possession Notice, A20 Sezire Memo, A21 Statement of account, A22 Authorization Letter respectively.

Thus the applicant prays the Tribunal to pass an order and issue a Recovery Certificate for a sum of Rs.1,82,20,210/- with future interest @13.00 % p.a with compounded yearly from the date of OA, till the date of realization.

4. Even though the Defendants 2& 3 filed the written statement before the Tribunal, did not adduce any evidence to substantiate their averments though sufficient time was given. Hence, evidence of the defendants 2 & 3 was closed by treating that defendants 2 & 3 have no evidence. Defendant 1 was called absent and set exparte on 23.10.2018

5. Heard the learned Counsel for applicant bank and having perused the OA, evidence affidavit along with documents filed and marked as Exhibits Al to A22, and Defendant 1 was called absent and set exparte on 23.10.2018 and in view of the averments made in the application, the claim of the applicant bank is proved against defendants and OA deserves to be allowed with costs for recovery of an amount of Rs.1,82,20,210/- with future interest @13.00% p.a with compounded yearly rests, from the date of OA till date of realization from the defendants individually, jointly and severally.

6. In the result, the OA is allowed with costs. Issue Recovery Certificate for an amount of Rs.1,82,20,210/- with future interest @13.00% p.a with compounded yearly rests, from the date of application till the realization, to be recovered from the defendants jointly and severally and/or by sale of mortgaged/ hypothecated properties mentioned in the schedule, if any.

Accordingly issue Recovery Certificate. Let the copy of order be made available to the parties as per rule.

[Typed to the dictation, corrected and pronounced by me in the open court on this day of 7th September, 2020]