

IN THE SUPREME COURT OF INDIA

CIVIL APPELLATE JURISDICTION

CIVIL APPEAL NO. _____ OF 2024
(arising out of SLP(C) NO. 14982 of 2017)

STATE BANK OF INDIA

..... APPELLANT(S)

VERSUS

DEVENDRA KUMAR SINHA & ORS.

..... RESPONDENT(S)

O R D E R

Leave granted.

Learned counsel for the contesting respondent no. 1 - Devendra Kumar Sinha fairly states that the impugned judgment is not sustainable in law and the present appeal may be allowed.

We have considered the impugned judgment, which arises out of Writ Petition (Civil) no. 11907/2016 preferred by respondent no. 1- Devendra Kumar Sinha, challenging the proceedings initiated by the appellant - State Bank of India under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002¹, by issue of notice under Section 13(4) of the SARFAESI Act.

There being a mortgage and the loan amounts recoverable, the appellant is entitled to proceed under the SARFAESI Act.

The liability of the guarantor is joint and several with the principal debtor.

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 Deepak Gupeni
 Date: 2024.03.14
 19:02:04 IST
 Reason: []

1 For short, "SARFAESI Act".

In view of the said position, the impugned judgment is set aside. Consequently, the appellant- State Bank of India is entitled to proceed under the SARFAESI Act, including the notice under Section 13(4), which was impugned and quashed *vide* the impugned judgment.

However, we clarify that it will be open to respondent no. 1 and other respondents, if aggrieved, to initiate and take steps in accordance with the provisions of the SARFAESI Act.

It is pointed out that respondent no. 1- Devendra Kumar Sinha had made an application for a one-time settlement which was approved but some payments were not made. We make no comments in this regard.

The appeal is allowed and disposed of in the above terms.

Pending application(s), if any, shall stand disposed of.

.....J.
(SANJIV KHANNA)

.....J.
(DIPANKAR DATTA)

.....J.
(PRASHANT KUMAR MISHRA)

NEW DELHI;
MARCH 12, 2024.

ITEM NO.2

COURT NO.2

SECTION XI-A

S U P R E M E C O U R T O F I N D I A
R E C O R D O F P R O C E E D I N G S

SPECIAL LEAVE PETITION (CIVIL) NO. 14982/2017

STATE BANK OF INDIA

Appellant(s)

VERSUS

DEVENDRA KUMAR SINHA & ORS.

Respondent(s)

(IA No. 115669/2023 - APPROPRIATE ORDERS/DIRECTIONS)

Date : 12-03-2024 This matter was called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE SANJIV KHANNA
HON'BLE MR. JUSTICE DIPANKAR DATTA
HON'BLE MR. JUSTICE PRASHANT KUMAR MISHRA

For Appellant(s)

Mr. Sanjay Kapur, AOR
Mr. Surya Prakash, Adv.
Mrs. Shubhra Kapur, Adv.
Ms. Mahima Kapur, Adv.

For Respondent(s)

Mr. Shovan Mishra, AOR
Ms. Bipasa Tripathy, Adv.

UPON hearing the counsel the Court made the following
O R D E R

Leave granted.

The appeal is allowed and disposed of in terms of the signed order.

Pending application(s), if any, shall stand disposed of.

(DEEPAK GUGLANI)
AR-cum-PS

(R.S. NARAYANAN)
ASSISTANT REGISTRAR

(signed order is placed on the file)