



IN THE HIGH COURT OF ANDHRA PRADESH AT AMARAVATI
FRIDAY, THE TWENTY FIRST DAY OF MAY,
TWO THOUSAND AND TWENTY ONE
: PRESENT:
THE HONOURABLE SMT JUSTICE LALITHA KANNEGANTI

IA No. 1 OF 2021

IN

WP NO: 10430 OF 2021

Between:

STCI FINANCE LIMITED, Company under the Companies Act, 1956, Registered office at- A/B1-802, A Wing, 8th Floor, Marathon Innova, Off Ganpatrao Kadam Marg, Lower Parel (W), Mumbai - 400013 Branch office at-401, 412, Prakash Deep Building, 7, Tolstoy Marg, New Delhi - 110001. Rep by its Asst. General Manager, Mr. Rajesh Khanna.

...Petitioner

AND

1. The State of Andhra Pradesh, Department of Industries and Commerce (Sugar) Rep by its Principal Secretary, Secretariat, Amaravati Andhra Pradesh
2. The Commissioner of Sugar and Cane, O/o Director of Sugar and Cane Flat No. 103, 202 and 205, Garuda Enclave, H.No.12-545/A, Beside Kanakadurga Varadhi, Opp Manipal Hospital, Tadepalli, Guntur.
3. The Assistant Cane Commissioner, MIG-5, Door No. 2/1465, Near DSP office, Opp BV Reddy Colony, Chittoor, Andhra Pradesh.
4. The Collector and District Magistrate, Collectorate Complex, Chittoor.
5. The District Revenue Officer, Chittoor, Andhra Pradesh.
6. The Tehsildar, Nindra Mandal, Dist. Chittoor, Andhra Pradesh.
7. NATEMS SUGAR PRIVATE LIMITED, Company under the Companies Act, 1956, CIN U15421TG2014PTC093249. House of Shalom, III Floor, Plot No.22, Survey No. 90/1, Trendz Eternity, Green Land Colony, Gachibowli, Hyderabad, Rangareddi, Telangana- 500032.

...Respondents

Counsel for the Petitioner: SRI K SIDDHARTH RAO

Counsel for the Respondent No.1 to 3: GP FOR INDUSTRIES & COMMERCE

Counsel for the Respondent No.4 to 6: GP FOR REVENUE

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the writ petition, the High Court may be pleased to stay all further proceedings pursuant to Attachment Notice dated 03.05.2021 issued by Respondent No. 6, pending disposal of WP No.10430 of 2021, on the file of the High Court.

The court while directing issue of notice to the Respondents herein to show cause as to why this application should not be complied with, made the following order.(The receipt of this order will be deemed to be the receipt of notice in the case). The Court made the following

ORDER

"This writ petition is filed questioning the action of respondent No.6 in issuing attachment notice dated 03.05.2021.

Heard.

Learned Senior Counsel appearing on behalf of the petitioner submits that respondent No.7 has approached the petitioner company with a request letter dated 29.11.2017 for grant of loan under the scheme of Corporate Term Loan. Loan was sanctioned. Respondent No.7 by depositing the title deeds dated 29.03.2018 created the first exclusive charge in favour of the petitioner.

Learned senior counsel further submits that the respondents have issued demand notice dated 20.04.2021 and attachment notice dated 03.05.2021 under the Revenue Recovery Act.

Learned Senior Counsel submits that in the light of judgment of the Hon'ble Apex Court reported in Central Bank of India v. Siriguppa Sugars and Chemicals Ltd. and Ors. 2007 8 SCC 353, the pledge created by the petitioner company will have first charge and the respondents have no authority to proceed under the Revenue Recovery Act.

On the other hand, learned Government Pleader for Industries and Commerce submits that respondent No.7 having received the sugarcane from the innocent farmers failed to pay and the amount runs into crores of rupees. Respondents have initiated proceedings under the Revenue Recovery Act. On a query from the Court on the legal aspect who will have the first charge over the properties, he submits that he will file a detailed counter.

The contention advanced by the learned Senior Counsel needs consideration. In that view of the matter there shall be stay of all further proceedings pursuant to the attachment notice dated 03.05.2021 issued by respondent No.6 till 20.06.2021"

SD/- E.KAMESHWAR RAO
DEPUTY REGISTRAR

//TRUE COPY//


SECTION OFFICER

To,

1. The Principal Secretary, Department of Industries and Commerce (Sugar) State of Andhra Pradesh, Secretariat, Amaravati Andhra Pradesh
2. The Commissioner of Sugar and Cane, O/o Director of Sugar and Cane Flat No. 103, 202 and 205, Garuda Enclave, H.No.12-545/A, Beside Kanakadurga Varadhi, Opp Manipal Hospital, Tadepalli, Guntur.
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8. One CC to Sri K Siddharth Rao, Advocate [OPUC]
9. Two CCs to GP for Industries & Commerce, High Court of Andhra Pradesh.
[OUT]
10. Two CCs to GP for Revenue, High Court of Andhra Pradesh.[OUT]
11. One spare copy

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HIGH COURT

LKJ

DATED: 21/05/2021

POST THIS MATTER ON 14.06.2021.

ORDER

IA No. 1 OF 2021

IN

WP.No.10430 of 2021



INTERIM STAY