



सत्यमेव जयते



COMPETITION COMMISSION OF INDIA

Case No. 11 of 2024

In Re:

A V Satheeshkumar

R/O Alingal House, Mahatma Grandalayam Road End,
Vaduthala Valavu, Vaduthala Post,
Ernakulam-682023, Kerala.

Informant

And

The Chief Manager/CEO, Catholic Syrian Bank Ltd.

Head Office, CSB Bhavan, P.O Box No.502,
St. Mary's College Road, Thrissur-680020, Kerala.

Opposite Party No. 1

The Head Recovery (DGM), Catholic Syrian Bank Ltd.

Head Office, CSB Bhavan, P.O. Box No.502, St. Mary's
College Road, Thrissur-680020, Kerala.

Opposite Party No. 2

The Branch Head, Asset Recovery Branch, CSB Ltd.

Chittoor Rd, Valanjambalam,
Ernakulam-682016, Kerala.

Opposite Party No. 3

CORAM:

Ms. Ravneet Kaur

Chairperson

Ms. Sweta Kakkad

Member

Mr. Deepak Anurag

Member



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Order under Section 26(2) of the Competition Act, 2002

1. The present Information has been filed on 11.03.2024 by Mr. A V Satheeshkumar (**‘the Informant’**) under Section 19(1) (a) of the Competition Act, 2002 (**‘the Act’**) against (i) The Chief Manager/CEO, Catholic Syrian Bank Ltd (**‘CSB Bank’**), (ii) The Head Recovery (DGM), CSB Bank, and (iii) The Branch Head, Asset Recovery Branch, CSB Ltd. alleging contravention of provisions of the Act.
2. The Informant has stated himself to be an uneducated man and that during the year 2004 he had been suffering from financial crisis and was approached by Mr. George Mathew, who had promised him to get loans from Bank of India and Union Bank of India.
3. It is stated in the information that the Informant had executed two sale deeds in respect of the property registered in the name of his wife *viz.* Mrs. Girija M P and himself, in favour of Mr. Mathew without receiving any consideration. These sale deeds were based on two separate agreements dated 10.03.2004 and 29.03.2004 with Mr. Mathew with an understanding that after the repayment of the bank loans, the said property will be re-conveyed back in their favour. Accordingly, Mr. Mathew availed loans from Bank of India and Union Bank of India, and purportedly paid Rs 5 lakhs each out of both the loans to the Informant. The Informant was to pay Mr. Mathew monthly instalments against the bank loan. As per the Informant, he paid back the amount, resulting to total sum of Rs.19,40,000/- till 2019.
4. It is further stated in the information that the loans with the Union Bank of India and the Bank of India were settled by Mr. Mathew, and a new loan was taken by him (Mr. Mathew) on the aforesaid property of the Informant and/ or Informant’s wife from CSB Bank, which the Informant alleged to have been done without his knowledge or any enquiry by the bank officials into the credentials of ownership/ possession of the property.
5. The Informant stated himself to be unaware of the said fraud until 2020 when a possession notice dated 08.10.2020 issued by CSB Bank for recovery of Rs. 3.89



Crores, which had been borrowed by Mr Mathew/ his wife *viz.* Ms. Mareena Mathew and his firm M/s Team Sustain, was received.

6. The Informant further stated that he and his wife are in possession of the property and have been paying the taxes *etc.* regarding the property till date. He also stated to have a tenant in the said property since 2002.
7. Upon knowing of the charge upon the property, Informant stated to have filed an OS No. 234/2020 before the Hon'ble District Court, Ernakulum on 17.10.2020 and as per the order dated 05.11.2020, the Hon'ble Court was pleased to grant stay on evicting the Informant. The Informant further stated that a suit filed by him before Debt Recovery Tribunal in November 2020 is still pending.
8. On the other hand, the CSB Bank is also stated to have filed a petition under Section 34 of the SARFAESI Act in the year 2023.
9. The Informant stated that when a CSB bank official, came for taking physical possession, they managed to get 'Private Treaty' signed from Informant's son and wife *viz.* Mr. Sarin A S and Mrs. Girija M P respectively, by threatening to take the possession of the property. It is also asserted that the officials also forced the Informant to write a 'litigation withdrawal consent'. Due to fear of losing his property, the Informant had managed to pay 10% of the agreed consideration in terms of the private treaty by borrowing from relatives and financier.
10. The Informant also stated that Mr. Mathew, by colluding with CSB Bank officials, managed to sale of a portion of his (Mr. Mathew's) own property which is also purportedly pledged under the same loan account with CSB bank.
11. The Informant has requested the Commission to conduct an inquiry into the conduct of CSB Bank and allow compensation to the Informant and his wife and to relieve liability over the property.



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12. The Informant has also sought interim relief in the form of direction to CSB Bank to stop all proceedings of recovery action in relation to the property till the matter is inquired by the Commission.
13. The Commission considered the matter in its ordinary meeting held on 01.05.2024 and decided to pass an appropriate order in due course.
14. The Commission has perused the Information and other material provided by the Informant and observed that the Informant appears to be aggrieved from the conduct of Mr. Mathew of mortgaging Informant and Informant's wife's property to CSB Bank purportedly without Informant's knowledge for availing loan/ credit from the bank and resultant default by Mr. Mathew in repayment of the said loan. Due to alleged collusion between Mr. Mathew and the Bank officials, recovery proceedings against Informant's property were initiated by CSB Bank, purportedly leaving/sparing the other property belonging to Mr. Mathew pledged under the same loan account (allegedly sold by Mr. Mathew). As a result of such alleged fraudulent conduct, the Informant is compelled to part away with his property.
15. The Commission observes that there have been some financial arrangements between the Informant and Mr. Mathew due to which the Informant executed sale deed(s) of his property (registered in the name of Informant/Informant's wife) in favour of Mr. Mathew. Mr. Mathew appears to have used those sale deed(s) to secure further credit for himself/ his wife/ his firm from CSB Bank and defaulted in repayment due to which the mortgaged property of the Informant became the subject matter of the recovery proceedings initiated by CSB Bank.
16. The Commission further observes that since the suit referred by the Informant regarding stay on eviction has been decided in favour of the bank, the Informant and his family were left with no other choice except to buy back own ancestral property mortgaged with CSB Bank. In order to buy back the said property, the Informant and his family entered into an MOU for carrying out sale through a private treaty under SARFAESI Act and rules. In return, it was agreed to withdraw all litigation over the property in different forums.



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17. The Commission also notes that the Informant has approached various forums to get relief but appears to have failed in doing so, and has filed the instant matter before the Commission in anticipation of some relief.
18. The Commission also notes that the Informant has alleged collusion between Mr. Mathew and bank officials in contravention of the provisions of the Act but has not invoked any specific provision of the Act which is allegedly violated and also not made Mr. Mathew a party to these proceedings.
19. Be that as it may, the Commission is of the view that the above facts and circumstances do not involve any competition issue, and resultantly, does not warrant scrutiny from the perspective of the Act.
20. Given the facts and circumstances of the present case, the Commission finds that no *prima facie* case of contravention of the provisions of the Act is made out against the OPs. Accordingly, the information is ordered to be closed forthwith in terms of the provisions contained in Section 26(2) of the Act. Consequently, no case for grant for relief(s) as sought under Section 33 of the Act arises and the said request is rejected.
21. The Secretary is directed to communicate to the Informant, accordingly.

Sd/-

(Ravneet Kaur)
Chairperson

Sd/-

(Sweta Kakkad)
Member

Sd/-

(Deepak Anurag)
Member

Place: New Delhi

Date: 13/05/2024