

**HON'BLE SRI JUSTICE R.SUBHASH REDDY
AND
HON'BLE SRI JUSTICE A.SHANKAR NARAYANA**

WRIT PETITION No.20509 of 2015

ORDER : (per Hon'ble Sri Justice R.Subhash Reddy)

The petitioners have filed this writ petition challenging the notice dated 13.05.2013 issued under Section 13(2) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (for brevity "the SARFAESI Act") and the consequential demand notice dated 18.07.2013 issued under Rule 8(6) of the Security Interest (Enforcement) Rules, 2002, demanding them to pay an amount of Rs.1,01,81,895/- towards the outstanding loan amount due to the respondent-Bank, as arbitrary and illegal.

2. While issuing notice before admission, this Court, by order dated 06.07.2015, granted interim order directing the respondent-Bank not to proceed further pursuant to the Notice dated 18.07.2013, on condition of the petitioners depositing Rs.25,00,000/- (Rupees twenty five lakhs only) within a period of one week from the date of the said order.

3. It is submitted that the said order has not been complied with. It is also brought to the notice of this Court that subsequent to the filing of writ petition, the respondent-Bank has filed Securitisation Appeal before the Debts Recovery Tribunal under the provisions of the Debts Recovery Tribunals Act, 1983, for recovery of the loan amount due.

4. Heard Sri P. Venkataswamy, learned counsel for the petitioners and Sri B.S. Prasad, learned Standing Counsel for the respondent-Bank.

5. Even assuming that such Appeal is filed under the provisions of the Debts Recovery Tribunals Act, 1983 before the Debts Recovery Tribunal concerned, it is open to the respondent-Bank to proceed under the provisions of the

SARFAESI Act to enforce the secured assets, in the event of default committed by the petitioners in payment of the loan amount. In any event, since the impugned notice dated 13.05.2013 is issued under Section 13(2) of the SARFAESI Act, if the petitioners are aggrieved by the said notice, they can file objections to such notice, but there is no reason in entertaining this writ petition, at this stage.

6. For the aforesaid reasons, this writ petition is devoid of merits and accordingly dismissed. It is open to the respondent-Bank to take further steps for recovery of amount due from the petitioners in accordance with law. Interim order granted by this Court on 06.07.2015 is vacated. As a sequel, miscellaneous petitions pending, if any, shall stand closed. No order as to costs.

JUSTICE R. SUBHASH REDDY

JUSTICE A.SHANKAR NARAYANA

27.10.2015.

Msr

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