IN THE HIGH COURT OF JUDICATURE AT HYDERABAD
FOR THE STATE OF TELANGANA AND THE STATE OF ANDHRA PRADESH

* * * *

WRIT PETITION No.18544 of 2015

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Between:

Ramavath Sangeetha.

.. Petitioner

And

The Bank of India,
Rep. by Chief Manager
and another.

.. Respondents

DATE OF JUDGMENT PRONOUNCED: 31-07-2015

SUBMITTED FOR APPROVAL:

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

1. Whether Reporters of Local newspapers may be allowed to see the Judgment? Yes/No

2. Whether the copies of judgment may be marked to Law Reporters/Journals Yes/No

3. Whether Their Lordship wish to see the fair copy of the Judgment? Yes/No

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

WRIT PETITION No.18544 of 2015

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

In this writ petition, the petitioner has questioned the notice dated 16.05.2015 issued under Rules 8 & 9 of the Security Interest (Enforcement) Rules, 2002 (for short, 'the Rules') framed under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (for short 'the Securitization Act').

The petitioner along with her husband availed housing loan of Rs.25,00,000/- from the respondent Bank on 06.04.2013. One Dr. Tukaram Rathod was the guarantor for the loan amount obtained by the petitioner. In view of the default in payment of loan instalments, the loan account of the petitioner was classified as non-performing asset and the respondents have initiated the proceedings under the Secuiritization Act. After issuing the demand notice under Section 13 (2) of the Securitization Act, further notice was issued under Section 13 (4) of the Securitization Act and thereafter the impugned notice for sale of the secured asset is issued.

As per the notice of sale, the date of sale is fixed as 25.06.2015. On 24.06.2015, this Court, while issuing notice before admission, granted interim stay on condition of the petitioner depositing Rs.10,00,000/-. It is stated that the petitioner has not complied with the said condition.

In this writ petition, the only argument advanced by learned counsel for the petitioner is that in view of financial stringencies, the petitioner is not able to repay the outstanding loan amount and that if sometime is granted, she would pay the amount.

On the other hand, learned counsel appearing for the respondent Bank submitted that in view of the default committed in repayment of loan instalments, the petitioner's account is classified as non-performing asset and by following the provisions under the Securitization Act, the impugned notice is issued to sell the secured asset.

We do not find any legal infirmity in the proceedings initiated under the Securitization Act so as to invalidate the impugned notice. Inasmuch as the petitioner is making efforts to pay the amount as stated by learned counsel for the petitioner, we deem it appropriate to dispose of the writ petition permitting the petitioner to pay the amount due within a period of two months from today. In default, it is open to the respondent Bank to take further steps to sell the property in accordance with law.

Accordingly, the writ petition is disposed of. No order as to costs.

As a sequel, pending miscellaneous petitions, if any, shall stand closed.

JUSTICE R. SUBHASH REDDY

JUSTICE A.SHANKAR NARAYANA

31.07.2015
v v