

**THE HON'BLE SRI JUSTICE RAMESH
RANGANATHAN**

And

THE HON'BLE SRI JUSTICE M.SATYANARAYANA MURTI

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Writ Petition No.1142 of 2015

ORDER: (per Hon'ble Sri Justice Ramesh Ranganathan)

Heard Sri S.Ravi, learned Senior Counsel appearing on behalf of the petitioner and Sri M.Narender Reddy, learned Senior Counsel appearing on behalf of the 1st respondent-Bank.

The order under challenge in this writ petition is the order passed by the Assistant General Manager, State Bank of India, dated 10.01.2015 which reads as under:

“With reference to letter dated 09.01.2015 received on date from M/s. Dhawan & Co, 3/28, First Floor, East Patel Nagar, New Delhi, calling upon us to withdraw the notice dated 10.11.2014 issued to you, please be advised that the request cannot be acceded to.”

Sri S.Ravi, learned Senior Counsel would draw attention of this Court to the objections raised by the petitioner under Section 13(3A) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (for short “the SARFAESI Act”) wherein the petitioner specifically contended that on 27.09.2014, after the Bank had reversed the excess amount of Rs.2,06,00,000/-, their account had turned standard; thereafter it was classified as NPA on 29.10.2014; the Reserve Bank of India guidelines required only the dues, outstanding for more than 90 days, to be classified as NPA; the 1st respondent-Bank had acted illegally in classifying their account as NPA on 29.10.2014 within a month after their accounts being made standard; and the statutory guidelines of the Reserve Bank of India had been violated.

The SARFAESI Act requires the 1st respondent-Bank to consider the objections raised by the petitioner and pass a reasoned order thereupon. As the order under challenge is bereft of reasons, it is set aside. The 1st respondent-Bank

The writ petition is disposed of accordingly. Miscellaneous petitions pending, if any, shall also stand disposed of. There shall be no order as to costs.

M.SATYANARAZHANA MURTHY, J

THE HON'BLE SRI JUSTICE RAMESH RANGANATHAN
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Date: 19.02.2015

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