

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

WRIT PETITION No.21514 of 2015

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

This writ petition is filed by the petitioner seeking *Mandamus* to declare the action of the 2nd respondents-Bank in conducting auction of the properties mentioned in Public Notice for sale of assets through e-Auction dated 16.7.2015, as arbitrary and illegal.

2. The petitioner, which is an infrastructure company, has availed loan from the 2nd respondent-Bank. In view of the default committed by the petitioner, the 2nd respondent-Bank has initiated proceedings under the provisions of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (for brevity "the SARFAESI Act") to recover the outstanding loan amount from the petitioner after following the procedure contemplated under the SARFAESI Act for sale of the secured assets of the petitioner by issuing e-Auction notice dated 14.6.2015 proposing to conduct auction on 16.7.2015.

3. The only contention advanced by the learned counsel for petitioner is that after issuing e-Auction notice dated 14.6.2015, the petitioner has made a representation dated 20.6.2015 undertaking to settle the dues within a period of three quarters from the date of filing such representation. It is contended that inspite of the said representation, the respondents have not looked into the matter and taking steps

to sell the properties by conducting auction. It is further submitted that the petitioner has undertaken road works for Union of India and also the State of Nagaland and the bills pertaining to the said works are due, as such, the aforesaid representation is made undertaking to settle the dues. Learned counsel also fairly conceded that before issuing e-Auction notice, the respondents have followed the procedure contemplated under law.

4. Heard learned counsel for the petitioner and perused the material on record.

5. From a perusal of the material placed on record, it could be seen that as on 1.5.2015, the petitioner is due an amount of Rs.48,83,75,240/-. The representation dated 20.6.2015 shows that though the petitioner undertook to pay the dues by settling the amounts within a period of three quarters from the date of filing of the said representation. However, it is a matter to be considered by the 2nd respondent-Bank. On the said ground, we are not inclined to interfere with the auction proceedings to be held on 16.7.2015, at this stage.

6. For the aforesaid reasons, this writ petition is dismissed, at the admission stage. However, if the representation dated 20.6.2015 of the petitioner is pending consideration, this order will not preclude the respondents to consider such representation on its own merits and pass appropriate orders in accordance with law. As a sequel, miscellaneous petitions pending, if any, shall stand closed. No order as to costs.

JUSTICE R. SUBHASH REDDY

JUSTICE A.SHANKAR NARAYANA

15.07.2015.

Msr

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