

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

WRIT PETITION No.34535 of 2015

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

In this writ petition, the petitioner questions the action of the respondent in declaring his account as non-performing asset and initiating the proceedings under the Securitisation and Reconstruction of Financial Asset and Enforcement of Security Interest Act, 2002 (for short, 'the Act').

The petitioner has availed loan from the respondent's Bank and, on the ground that he has committed default in repayment of the loan amount, the Bank has initiated proceedings under the Act and issued the notice dated 11.08.2015 under Section 13 (2) of the Act. In the said notice, there is a demand for repayment of Rs.3,86,33,624.44 ps due as on 11.08.2015.

In this writ petition, it is the grievance of the petitioner that on receipt of notice under Section 13 (2) of the Act, he made a representation to the respondent on 24.09.2015, raising certain objections to the said notice and requesting for settlement of the loan account, but without considering the same, further steps are being taken to take possession of the secured asset forcibly.

From a perusal of the provision under Section 13 (3-A) of the Act, it is clear that on receipt of the notice under sub-section (2) of

Section 13, if any objections are raised, it is obligatory on the part of the Bank to consider the same and communicate the decision thereon and that until such consideration of objections and communication of decision on such objections, the Bank cannot take any further steps.

Having regard to the limited grievance of the petitioner, we deem it appropriate to dispose of the writ petition with a direction to the respondent to consider the representation dated 24.09.2015 of the petitioner, if not already considered, take a decision thereon on its own merits uninfluenced by any of the observations made in this order and communicate the decision to the petitioner. Further it is made clear that till this process is completed, no further steps shall be taken under the Act.

Subject to the above, the writ petition is disposed of.

As a sequel, pending miscellaneous petitions, if any, shall stand closed. No order as to costs.

JUSTICE R. SUBHASH REDDY

JUSTICE A.SHANKAR NARAYANA

14.10.2015

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