

**The Hon'ble Sri Justice C.V.Nagarjuna Reddy**

**and**

**The Hon'ble Sri Justice G.Shyam Prasad**

**Writ Petition No.17164 of 2016**

**Date: 19.09.2016**

**Between:**

M/s.Rama Industries  
repl. by its Proprietor  
Uppalapati Venkateswara Rao

**... Petitioner**

**and**

Indian Overseas Bank  
Asset Recovery Branch  
rep. by its Authorised Officer  
Vijayawada

**...Respondent**

**Counsel for the Petitioner:**

**Ms.J.Sunitha  
for Mr.K.B.Ramanna Dora**

**Counsel for the respondent:**

**Mr.MVK.Viswanatham**

**The Court made the following:**

**Order:** (Per the Hon'ble Sri Justice C.V.Nagarjuna Reddy)

This Writ Petition is filed for the following substantive relief:

“to issue an appropriate writ, order or direction more particularly one in the nature of Writ of Mandamus declaring the action of the respondent- Bank in initiating recovery proceedings under the Securitization Act in respect of Site measuring 1435.20 square yards together with shed in R.S.No.112 Part, being Plot No.216, situated in Kondapalli IALA Area, Kondapalli Village, Ibrahimpatnam Mandal, Krishna District, Andhra Pradesh, including Sale Notice, dated 26-04-2016, fixing the auction on 04-06-2016 without considering the Lr.No.27/Sick Units/2016/3574 dated 07-05-2016 of the Director of Industries, Government of Andhra Pradesh, as illegal, unsustainable, motivated, deliberate, intentional, high handed arbitrary, wholly unconstitutional, as well as against Law and the Principles of Natural Justice, contrary to SARFAESI Act.”

Based on the representation made on behalf of the petitioner- firm on 03-06-2016 that they are making every endeavour to repay the debt, this Court, while allowing the respondent- Bank to proceed with the auction, however, directed it not to collect more than 25% of the bid amount from the highest bidder and not to confirm the sale and issue sale certificate for two months.

Today, at the hearing, it is represented by the learned Counsel for the petitioner that her client is unable to repay the debt and that he intends to withdraw the Writ Petition.

Mr.M.V.K.Viswanatham, learned Counsel for the respondent-Bank, submitted that in view of the interim order passed by this Court, no bidder has come forward to offer the bid, as a result of which, the proposed auction has become abortive.

In the light of the above facts, the Writ Petition is dismissed as withdrawn, however, by imposing costs of Rs.10,000/- payable to the respondent within one week from today.

As a sequel to dismissal of the Writ Petition, interim order, dated 03-06-2016, is vacated and WPMP.No.21127 of 2016 is disposed of as infructuous.

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(C.V.Nagarjuna Reddy, J)

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(G.Shyam Prasad, J)

Dt: 19<sup>th</sup> September, 2016  
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