THE HON'BLE SRI JUSTICE NOOTY RAMAMOHANA RAO
AND
THE HON'BLE Dr.JUSTICE B. SIVA SANKARA RAO

WRIT PETITION No.3855 OF 2016

ORDER: (Per NRR,J)

This Writ Petition is instituted challenging the notice of taking possession dated 02.02.2016 as also the demand notice dated 17.11.2015, issued by the 2nd respondent bank. The necessity to record in detail the facts is obviated because Sri Ambadipudi Satyanarayana and the learned Govt.Pleader for Industries and Commerce, have taken notice on behalf of the 2nd respondent bank and the State Government, upon receiving instructions. Hence we heard them apart from Sri P.Subash, learned counsel for the petitioner. The loan account of the petitioner firm has committed default in liquidating the liability completely. Hence, the 2nd respondent bank has taken securitization measures provided for under Section 13 of the Securitization And Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (for short, 'the Act'), on 17.11.2015 by raising a demand for payment of the outstanding liability of a little more than 31.00lakhs (Rupees thirty one lakhs only). It is the case of the petitioner firm that a little more than 7.00lakhs (Rupees seven lakhs only) has been paid thereafter but however Sri Ambadipudi Sathyanarayana would submit that the said payment has preceded the demand notice dated 17.11.2015. Finding that the entire outstanding liability has not been liquidated, as per the demand notice, the bank has proceeded further by taking measures contemplated under Sub Section 4 of Section 13 of the Act by taking possession of the secured asset on 02.02.2016.

2. Sri P.Subash, learned counsel would submit that the petitioner firm will deposit a further sum of not less than 7.5lakhs(Rupees seven lakhs fifty thousand only) on or before

30.03.2016 and would also submit a proposal to liquidate the balance amount in three monthly installments thereafter, for consideration of the bank. Hence, subject to the petitioner herein depositing a sum of not less than Rs.7.5lakhs and also offering a scheme of liquidating the balance outstanding liability in three monthly installments for consideration of the bank, the 2nd respondent bank may not finalize the sale by confirming the sale in favour of best bidder(s), till 02.04.2016.

3. In the result, the Writ Petition is disposed of.

4. Consequently, miscellaneous Petitions, pending if any, shall also stand dismissed.

NOOTY RAMAMOHANA RAO, J

Dr.B.SIVA SANKARA RAO, J

Date: 18.02.2016.
VVR