THE HON'BLE SRI JUSTICE NOOTY RAMAMOHANA RAO

AND

THE HON'BLE DR. JUSTICE B. SIVA SANKARA RAO

WRIT PETITION No.5594 of 2016

ORDER: *(Per Hon'ble Sri Justice Nooty Ramamohana Rao)*

Challenging the correctness of the notice issued under Sub Section 4 of Section 13 of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (for short 'the SARFAESI Act') dated 11.02.2016, the present writ petition is filed.

In view of the order, which is proposed to pass by us, we are not recording the facts in great detail as the controversy lies in a narrow compass in the instant case.

The petitioner was an employee of the State Bank of Hyderabad. He has availed a loan from the same Bank at its Kadapa Main Branch, but, however, he has committed default in repaying the equated monthly installments. Thus, rendering loan account as Non Performing Asset. The respondent/Bank has taken securitization measures as contemplated and provided for under Sub Section 2 of Section 13 followed up those which are provided under Sub Section 4 of Section 13 of the SARFAESI Act. It is the later notice, proposing to take possession of the secured asset the present writ petition is filed. That notice was drawn on 11.02.2016. From the said notice, we gather that the petitioner is still liable to pay a sum of Rs.6,33,741/- together with interest thereon. Sri Chetluru Sreenivas, learned counsel for the petitioner, would urge that given some reasonable time the petitioner would be liquidating the entire liability. He wishes to secure a prospective buyer on his own so that he would be in a position to recover as nearer market value as is possible. For this purpose, he wants the respondent/Bank to assure him and show him the original title deed, which is deposited by him at the time of availing the loan.

While we see no possible objection from the side of the respondent/Bank in confirming, in writing and/or showing the original title deed deposited by the petitioner during any of the working days of the Bank without in any manner the petitioner herein attempting to cause damage or ruin the said document, the same can be shown to the petitioner. It would also be enough if the In-charge Officer of Kadapa Main Branch can hold out an assurance in writing that the original title deed is as much available with the Bank so that the same can inspire confidence in the mind of the prospective purchaser of the secured asset in question.

Therefore, we grant time to the petitioner to liquidate the entire liability in one or more than one installments, but, however, the entire loan shall be liquidated latest by 30.03.2016. Failure to liquidate the liability automatically enures to the benefit of the respondent/Bank in trying to put it to sale and then realise the debt due from the petitioner without any further reference to this Court.

With this observation, this writ petition stands disposed of.

Consequently, miscellaneous petitions, if any shall stand closed. No costs.

JUSTICE NOOTY RAMAMOHANA RAO

JUSTICE Dr. B.SIVA SANKARA RAO

24.02.2016
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