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

WRIT PETITION No.8508 of 2016

ORDER : (per the Hon'ble Sri Justice Nooty Ramamohana Rao)

Though the objection raised by the Registry is sustainable, but nonetheless we allow the Court of Chief Metropolitan Magistrate, Hyderabad be shown as 1st respondent, in view of the fact that no specific relief is prayed against the said Court. Further, any order that might be passed in the writ petition will inure the finding of the said Court. Hence, the objection is overruled. Registry to number the writ petition.

The petitioners are aggrieved by the orders passed by the learned Chief Metropolitan Magistrate, Hyderabad on an application moved by the 2nd respondent-UCO bank under sub-section (1) of Section 14 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (for brevity, 'the Act') seeking assistance of the said Court for delivering the possession. While passing the orders on 22.01.2016, the learned Chief Metropolitan Magistrate fixed 18.03.2016 as the date for return of the warrant, while we do not prefer to interdict this exercise but, however any action initiated by the advocate-commissioner appointed by the learned Chief Metropolitan Magistrate shall result in taking symbolic possession of the secured asset subject to the following condition:

The petitioners shall deposit a sum of not less than Rs.50.00 lakhs on or before 30.03.2016 and then submit a proposal to the 2nd respondent-Bank as to how they propose to liquidate the balance liability in monthly instalments not exceeding six. The bank would not take physical possession of the secured asset. However, it shall also be open to the respondent-Bank to consider the proposal of the petitioners for one time settlement, as per the guidelines prevailing on the subject. On arrival at any such settlement and any such satisfactory settlement, the physical possession of the secured asset may not be taken.

In case the petitioners commit any default in either depositing money as directed by us now or in proposing to liquidate the balance liability in six monthly instalments including the expenses incurred by the 2nd respondent-bank for securitisation of the assets so far, the 2nd respondent-bank is at liberty to proceed further in the matter and realise the debt due by putting to sale the actual and physically available portion of the asset, over which security interest is created by the principal borrower and leave aside that portion of the property which is not in possession of the petitioners herein pursuant to any conveyance deed executed earlier by the principal borrower in favour of any other third parties.

The writ petition stands, accordingly, disposed of. No costs. Consequently, miscellaneous petitions, if any shall stand closed.

NOOTY RAMAMOHANA RAO, J

Dr.B.SIVA SANKARA RAO, J

03-03- 2016
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