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

<u>WRIT PETITION NO.6439 OF 2016</u>

<u>JUDGMENT</u>: *(Per Hon'ble Sri Justice Nooty Ramamohana Rao)*

This writ petition is directed against the E-Auction/Sale notice published under Sub-Section 4 of Section 13 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (henceforth referred to, for brevity, as 'the Act') by the respondent – bank, proposing to put the secured asset to sale by way of E-Auction on 14.03.2016 between 11.00 a.m. to 01.00 p.m.

In view of the order, which we proposed to pass today, the necessity to record in great detail the facts is obviated.

There is no denying the fact that he petitioner answers the description of borrower as defined in Section 2 (1) (f) of the Act and that the debt has become as "non-performing asset" and hence Securitisation measures have been initiated and in spite of the notice under Sub-Section (2) of Section 13 of the Act, the petitioner has not liquidated the entire liability. It is the assertion of the petitioner that as on 17.01.2016 he deposited a sum of Rs.25,000/- bringing the outstanding liability to Rs.6,75,000/-.

Sri M.Eswara Prasad, learned counsel for the petitioner, would submit that if the petitioner is granted some reasonable time, he will try to liquidate the entire liability or at least he will pay a substantial amount to the loan account to establish his bonafides and submit a detailed representation to the respondent – bank seeking rescheduling the collection of the outstanding amount in reasonable number of installments not exceeding 12 installments.

The petitioner is also anxious to bring to the notice of the respondent – bank all the credits which he has made for purpose of reconciliation of the account. Hence, preserving the liberty to the petitioner to submit any such representation seeking reconciliation and subject to the writ petitioner depositing a sum not less than Rs.2,00,000/- on or before 18.04.2016 and also submitting a representation for consideration of the respondent – bank proposing to liquidate the balance liability in monthly installments not exceeding 12, the respondent – bank may not confirm the proposed sale of the secured asset and may not receive the 75% of the bid amount from the highest bidder. However, if the petitioner commits any default in any of the obligations which he is required to discharge as per the present order, the respondent – bank is at liberty to proceed without any further reference to this Court.

With this, the writ petition stands disposed of. No costs.

Consequently, the miscellaneous petitions pending, if any, shall also stand closed.

JUSTICE NOOTY RAMAMOHANA RAO

JUSTICE DR.B.SIVA SANKARA RAO

29.02.2016
Ksp