THE HON'BLE THE ACTING CHIEF JUSTICE RAMESH RANGANATHAN

AND

THE HON'BLE MS JUSTICE J.UMA DEVI

WRIT PETITION NO.26415 OF 2017

ORDER: {Per the Hon'ble the Acting Chief Justice Ramesh Ranganathan}

The relief sought for in this Writ Petition is to declare the action of the respondents in taking steps for sale of the residential building bearing H.No.8-132, Plot No.132 situated at Indira Reddy Allwyn Colony, Miyapur, Serilingampally Mandal, Ranga Reddy District belonging to the petitioner, vide notice of sale dated 23.06.2017, as illegal and arbitrary.

Sri Ravi Kondaveeti, learned counsel for the petitioner, would submit that the petitioner had stood as a guarantor to a loan extended by the respondents to a lady entrepreneur; as she had defaulted in repayment, the petitioner's properties were now being put to sale; the overdue amount was only Rs.13,00,000/-; this amount would be paid by the borrower in two spells i.e., half of the said amount would be paid within four weeks from today, and the remaining half of the amount would be paid within six weeks thereafter; and, if the borrower failed to pay the amount within the stipulated time, the petitioner would pay the said amount in the said manner.

The account of the borrower was declared a non-performing asset (NPA) for her failure to pay the overdue amount. It is not in dispute that the amount due from the borrower, as reflected in the sale notice, exceeds Rs.58,00,000/- (Rupees fifty eight lakhs only). Once the account of the borrower is declared an NPA, the respondent-Bank is entitled to initiate steps to recover the entire dues. The present undertaking is not to repay the entire amount, but to repay the overdue instalments. In proceedings under Article 226 of the Constitution of India, this Court would not re-schedule repayment of the debt, as these are all matters for the respondent bank to consider. In any event the undertaking now furnished to this Court by the petitioner, that the borrower would pay the overdue amount and, on her failure, the petitioner would pay the overdue amount, is not even an undertaking to repay the entire amount, due to the respondent-bank, within a specified time frame. We see no reason, therefore, to interdict the sale process.

The Writ Petition fails and is, accordingly, dismissed. There shall be no order as to costs. Miscellaneous petitions, if any, pending shall stand dismissed.

(RAMESH RANGANATHAN, ACJ)

(J.UMA DEVI, J)

11th August 2017
RRB