

HON'BLE SRI JUSTICE SANJAY KUMAR
AND
HON'BLE Ms. JUSTICE J. UMA DEVI

WRIT PETITION No. 31912 of 2017

ORDER: (*per Hon'ble Sri Justice Sanjay Kumar*)

The prayer of the petitioner in this case reads as under:

"For the reasons stated in the accompanying affidavit the petitioner herein pray that this Hon'ble Court may be pleased to issue a writ, order or direction more particularly one in the nature of Writ of Mandamus to declare the action of the 1st respondent bank in intending to auction the properties of the petitioner i.e. land extent 13,689 sq.yards situated in Sy.Nos.69, 71, 340, 341, 344 and 122 of Pet Basheerbad, Jeedimatla, Quthubullapur Mandal, Ranga Reddy District and Flat Nos. 101, 106, 107, 206, 305, 306, 307 and 502 admeasuring 18,200 sq.ft. which was created as security for the enhanced loan amount sanctioned to the 2nd respondent and even inspite of such enhanced loan amount is not released as arbitrary, illegal and contrary to Section 13 (1) of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and consequently direct respondent No.1 not to conduct auction of the properties of the petitioner and return the original documents by discharging the petitioner company as guarantor for the enhanced loan limit sanctioned to the 2nd respondent in the interest of justice."

Sri Ambadipudi Satyanarayana, learned counsel for the State Bank of India, would inform this Court that the auction proposed to be held on 25.09.2017 pursuant to the impugned e-auction sale notice dated 31.08.2017 could not be held owing to the interim order dated 11.09.2017 passed by the National Company Law Appellate Tribunal, New Delhi, in Company Appeal (AT) (Insolvency) No.174 of 2017.

In that view of the matter, we are of the opinion that the challenge to the action of the Bank in proposing to auction the petitioner's properties under the impugned auction sale notice is rendered purely academic and does warrant consideration on merits.

The writ petition is therefore dismissed on this short ground leaving all issues open.

Pending miscellaneous petitions, if any, shall also stand dismissed.

No order as to costs.

JUSTI CE SANJAY KUMAR

Date: 23.11.2017

JUSTI CE UMA DEVI

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