THE HON'BLE SRI JUSTICE SANJAY KUMAR
AND
THE HON'BLE SRI JUSTICE GUDISEVA SHYAM PRASAD

WRIT PETITION No.10239 of 2016

ORDER: (per SK,J)

This writ petition was filed assailing the action of the State Bank of India in initiating measures under Section 13(4) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (for short 'the SARFAESI Act').

It appears that the respondent bank invoked Section 14 of the SARFAESI Act and by order dated 14.12.2015 passed in Crl.M.P.No.109 of 2015, the learned Principal Assistant Sessions Judge, Eluru, directed delivery of possession of the secured asset to the bank.

By order dated 30.03.2016, this Court permitted the respondent bank to go ahead with the threatened sale but directed it not to confirm the same until further orders. As the petitioner claimed to be an agriculturist, this Court subjected him to the condition that he should deposit a sum not less than Rs.1,00,000/- on or before 30.04.2016 and possession of the secured asset was directed to be restored to the petitioner as soon as the said amount was deposited.

Sri Narasimha Rao Davuluri, learned counsel for the petitioner, would submit that the aforestated conditional order has been complied with.

However, Sri Maruthi Jadav, learned counsel representing Sri B.S.Prasad, learned counsel for the respondent bank, would rely upon the counter-affidavit filed in support of the vacate stay petition in W.V.M.P.No.1845 of 2016 filed in this writ petition and assert that the petitioner failed to make any payment towards the outstanding loan account after depositing the sum of Rs.1,00,000/- pursuant to the interim order dated 30.03.2016.

Sri Narasimha Rao Davuluri, learned counsel, does not dispute this fact. He would however submit that if the petitioner is given sufficient time, he would clear the entire outstanding dues of the respondent bank as on date.

As the earlier measures initiated by the respondent bank under Section 14 of the SARFAESI Act came to naught owing to the orders passed in this writ petition and the bank would have to start afresh at that stage, we are of the opinion that sufficient time may be given to the petitioner to prove his *bonafides* and clear the entire outstanding dues of the respondent bank.

We accordingly dispose of the writ petition directing the petitioner to pay the entire outstanding dues of the respondent bank along with interest, expenses and costs, if any, within three months from today. The first instalment, equivalent to 33 1/3% of the entire outstanding dues along with interest, costs and expenses, shall be remitted by the petitioner before 31.07.2017. Similarly, the second and third instalments of 33 1/3% of the entire outstanding dues, along with interest, costs and expenses shall be deposited on or before 31.08.2017 and 30.09.2017 respectively. In the event the petitioner fails to make any of the aforestated payments, the respondent bank is granted liberty to proceed in the matter in accordance with law. It is made clear that no further extension of time would be granted to the petitioner to make the payments as stated above.

Interim order dated 30.03.2016 shall abide by the compliance with the conditions mentioned above.

Pending miscellaneous petitions, if any, shall stand closed in the light of this final order. No order as to costs.

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JUSTICE SANJAY KUMAR

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JUSTICE GUDISEVA SHYAM PRASAD

Date:22.06.2017

GJ