

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

WRIT PETITION No.40937 of 2017

ORDER: (per Justice Sanjay Kumar)

Challenge in this writ petition is to the docket order dated 27.11.2017 passed by the Debts Recovery Tribunal-I, Hyderabad, in S.A.No.315 of 2017.

Aggrieved by the action initiated by the Karur Vysya Bank under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (for short, 'the SARFAESI Act') and, more particularly, the order dated 02.11.2017 secured by it under Section 14 thereof in CrI.M.P.No.84 of 2017 on the file of the learned Chief Judicial Magistrate, Karimnagar, the petitioners herein filed S.A.No.315 of 2017 before the Tribunal. By the docket order dated 27.11.2017, the Tribunal granted interim stay of all further proceedings, including taking physical possession of the secured asset, pursuant to the order under Section 14 of the SARFAESI Act subject to the petitioners depositing 30% of the total outstanding dues of which 15% was to be paid within one week and the balance 15% was to be paid within two weeks thereafter. Liberty was given to the bank to proceed further in accordance with law in the event of default.

Ms. Ashwini, learned counsel representing Mr.B.Chandrasen Reddy, learned counsel for the petitioners, would fairly state before the Court that the petitioners failed to comply with the aforestated time stipulation with regard to payment of the first installment of 15% of the total outstanding dues. She would however state that if sufficient time is given, the petitioners would clear the entire outstanding dues of the bank.

As the bank is yet to take concrete measures for realizing its dues from the petitioners and is still at the stage of taking possession, we are of the opinion that an opportunity may be given to the petitioners to prove their *bonafides*.

The writ petition is accordingly disposed of with the following directions:

The petitioners shall deposit 50% of the total outstanding dues with the bank within one month from today. The balance 50% amount along with outstanding interest and expenses, if any, that need to be recovered from the petitioners, shall be deposited within one month thereafter. The total outstanding dues shall therefore be cleared by 07.02.2018. In the event the petitioners fail to abide by the aforesaid time stipulations in relation to either of the two installments, this order shall stand withdrawn and the writ petition shall stand dismissed without further reference to this Court. The bank would then be at liberty to proceed further in the matter from the stage of the order dated 02.11.2017 under Section 14 of the SARFAESI Act and would not be required to repeat this step again. It is also made clear that no further indulgence would be shown to the petitioners and they would not be entitled to seek extension of time to make the deposits as directed 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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SANJAY KUMAR, J

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J. UMA DEVI, J

Date: 06.12.2017  
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