THE HON'BLE SRI JUSTICE SANJAY KUMAR
AND
THE HON'BLE SRI JUSTICE T.AMARNATH GOUD

WRIT PETITION NO.9775 of 2018

ORDER: (per SK,J)

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

> 'For the reasons stated in the accompanying affidavit, it is prayed that this Hon'ble Court may be pleased to pass order or orders, direction more particularly in the nature of Writ of Mandamus or any other appropriate writ, order by setting aside Impugned Possession notice dated 20.03.2018 issued by the respondent bank in respect of All the house bearing Quarter No.1, Block No.16, Ward No.2, Door No.2-3-423/329/B16/Q1, admeasuring 31.51 Sq.yards situated at Amberpet Municipal Colony, Hyderabad, consequently direct the respondent bank to reschedule the loan account by receiving the overdue 11 installments amounting Rs.1,43,000/ in three months time and pass such other orders or order to which the petitioner is entitled to be in the interest of justice.'

By order dated 23.03.2018, this Court granted interim stay of all further proceedings pursuant to the impugned possession notice issued by the Karur Vysya Bank, Hyderabad, the respondent herein, under the provisions of Section 13(4) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (for brevity, 'the SARFAESI Act') read with Rule 8(1) of the Security Interest (Enforcement) Rules, 2002. On 01.05.2018, learned counsel for the petitioner informed this Court that his client would be in a position to pay the overdue instalments within two months. An order was passed by this Court on the said date requiring the petitioner to pay at least half of the overdue instalments on or before 31.05.2018 so as to demonstrate her *bona fides* and her capacity to pay. It appears that the petitioner complied with the said order.

When the case was taken up on 06.06.2018, this Court took note of this fact and directed the petitioner to pay half of the remaining overdue instalments on or before 1st July, 2018. We are informed that this order has also been complied with.

While so, Sri D.Raghavulu, learned counsel for the petitioner, and Sri P.Rajesh Babu, learned counsel for the respondent bank, would inform this Court that the parties have come to a settlement in terms of which the petitioner shall clear the entire outstanding overdues in her loan account along with interest thereon on or before 31.07.2018.

Sri P.Rajesh Babu, learned counsel, would state that in the event the petitioner does so, the respondent bank is willing to regularise her loan account subject to her continuing to pay the equated monthly instalments on regular basis thereafter. Learned counsel would also seek liberty to enable the bank to take further steps pursuant to the proceedings already initiated under the SARFAESI Act in the event of default.

As the petitioner is seeking the indulgence of this Court in stalling such proceedings, we are of the opinion that it would not be necessary for the respondent bank to again start from initiation of such proceedings by issuing a demand notice under Section 13(2) of the SARFAESI Act if the petitioner commits default in making payments in terms of this order. The bank is therefore given the liberty to take further steps from the stage at which the proceedings now stand under the SARFAESI Act in the event of default.

The writ petition is disposed of with the above directions.

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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T.AMARNATH GOUD,J

Date:10.07.2018

GJ