* IN THE HIGH COURT OF JUDICATURE AT HYDERABAD
FOR THE STATE OF TELANGANA AND THE STATE OF ANDHRA PRADESH

* HON'BLE SRI JUSTICE V.RAMASUBRAMANIAN
AND
* HON'BLE SRI JUSTICE P. KESHAVA RAO

+W.P.No.15188 of 2018

% Date: 12-12-2018

#Between:

1. Sri Vemula Ravikumar, S/o. V. Anantha Krishna, Occ: business, R/o. 1B21, Lodha Belleza, KPHB, Kukatpally, Hyderabad.
2. M/s. Ramakrishna Teletronics Pvt., Ltd., Flat No.601m 601/A, 6th Floor, Pavani Estates, Khairatabad, Hyderabad, rep. by its Managing Director Sri V. Ravikumar.
3. Sri Vemula Raghavendra, S/o. V. anantha Krishna, R/o. 51-97/A, SBI colony, Kurnool.

….. Petitioners

And

1. M/s. Bajaj Finance Limited, having its Branch office at Somajiguda, Hyderabad.
2. Sri A. Venugopal Reddy, Advocate/Commissioner, Ranga Reddy District Bar Association.

…. Respondents

! Counsel for the Petitioners : Mr. B. Chandrasen Reddy

^ Counsel for Respondents : Mr. C. Raghu

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> HEAD NOTE:

? Cases referred

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ORDER: (Per VRS,J)

The petitioners have come up with the above writ petition challenging the measures taken by the 1st respondent-Financial institution under Section 14 of the SARFAESI Act, 2002.

2. On 27.04.2018, while ordering notice before admission in the writ petition, this Court passed an interim order to the following effect:

> "Notice before admission returnable by 04.06.2018.
> After obtaining an order from the Chief Metropolitan Magistrate under Section 14 of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, the Bank appears to have communicated to the petitioner that if they pay a total amount of Rs.31,95,898/-, the proceedings may be dropped. The petitioner has paid a sum of Rs.14,00,000/- which represents 50% of the actual EMI total due.
> In view of the above, there will be an interim stay of further proceedings, subject to the condition that the balance 50% is also paid within a period of two (2) weeks from the date of receipt of a copy of this order."

3. Pursuant to the interim order passed on 27.04.2018, the petitioners are stated to have paid a sum of Rs.14,14,000/- on 16.05.2018. Subsequently another payment of Rs.5,00,000/- was made on 11.07.2018. Thereafter, no single penny was paid.

4. The explanation offered by the learned counsel for the petitioners is that the petitioners were directed to go over to the financial institution for the purpose of regularizing the accounts. We are surprised to know that the petitioners did not make payment because they waited for regularization of the account. There are only two case scenarios. The financial institution could have accepted the regularization of the account or could have rejected the request for regularization. The best possible

scenario for the petitioners is that the financial institution accepted the request for regularizing the account. Even if this had happened, the petitioners would have had an obligation to continue to pay every month from the months August to December 2018. Under the guise of waiting for a communication of regularization of account, a person cannot fail to pay the amount that would have become payable even after the regularization.

5. Today, five installments, viz., the installments from August to December 2018, have fallen due. Each installment is to the tune of Rs.2,57,036/-.

6. Mr. C. Raghu, learned counsel for the respondent-financial institution submits that even if the petitioners pay the outstanding installments and continue to pay without any notice to the petitioners and without any request being made to them, the account will stand regularized.

7. Therefore, the writ petition is disposed of to the following effect:-

1. The petitioners shall pay the overdue installments, viz., five installments in number each of the value of Rs.2,57,036/-, on or before 31.12.2018.
2. If the above payment is made, the installments from January, 2019 will automatically fall due without the petitioners having to go to the financial institution or without the financial institution having to go to the petitioners. The petitioners should automatically send, without any further orders of this Court or further communication from the financial institution, the monthly installments due from January, 2019 without fail. If they fail to make the payment of any

single installment, it is open to the financial institution to proceed further without reference to this Court.

8. As a sequel, pending miscellaneous petitions, if any, will stand closed. There will be no order as to costs.

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V. RAMASUBRAMANIAN, J.

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P. KESHAVA RAO, J.

12th December, 2018
Js.

HON'BLE SRI JUSTICE V. RAMASUBRAMANIAN
AND
HON'BLE SRI JUSTICE P. KESHAVA RAO

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