

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

* HONOURABLE SRI JUSTICE V.RAMASUBRAMANIAN
AND

* HONOURABLE SRI JUSTICE P. KESHAVA RAO

+ W.P.No.46949 of 2018

% Date: 26-12-2018

Between:

Prestige Motors,
rep. by its Managing Partner,
Syed Mohammed Raza Abidi,
Situated at 19-4-418/A/B & C,
Metro Theatre Complex,
Bahadurpura, Hyderabad.

.... Petitioner

And

The State Bank of India, Katedan SME Branch,
Code No.05328, Katedan Industrial Estate,
Shivrampally, Hyderabad – 500 075.

... Respondents

! Counsel for the Petitioner : Mr. D. Siva Prasad

^ Counsel for Respondent : M/s. Pearl Law Associates

< GIST:

> HEAD NOTE:

? Cases referred

HONOURABLE SRI JUSTICE V. RAMASUBRAMANIAN
AND
HONOURABLE SRI JUSTICE P. KESHAHA RAO

W.P.No.46949 of 2018

ORDER: (Per VRS,J)

Challenging a demand notice issued under Section 13(2) of the SARFAESI Act, 2002, the petitioner has come up with the above writ petition.

2. Heard Mr. D. Siva Prasad, learned counsel for the petitioner. M/s. Pearl Law Associates takes notice for the respondent-Bank.

3. As against a demand notice under Section 13(2), no cause of action would arise. The borrower is obliged to give a reply to the demand notice. Thereafter, the authorized officer is obliged to pass an order under Section 13(3A). Only thereafter, measures under Section 13(4) can be taken. It is only at that stage that a cause of action would arise.

4. Therefore, leaving it open to the petitioner to give a reply to the demand notice and leaving it open to the respondent-bank to follow the procedure prescribed by the Act, the writ petition is dismissed. There will be no order as to costs.

5. As a sequel, pending miscellaneous petitions, if any, shall stand closed.

V. RAMASUBRAMANIAN, J.

P. KESHAHA RAO, J.

26th December, 2018
Js.

HONOURABLE SRI JUSTICE V. RAMASUBRAMANIAN
AND
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