THE HON'BLE SRI JUSTICE P.NAVEEN RAO

WRIT PETITION No.46328 of 2018

ORDER:

Heard.

2. One Mr.Akbar Baig was working as Machine Attendant in the Office of Telangana Government Text Books Press, Mint Compound, Hyderabad. He applied for grant of personal loan from Andhra Pradesh Grameena Vikas Bank, Patancheru Branch, Medak District. He submitted an application form to the Assistant Accounts Officer along with guarantee forms of the petitioners herein with a request to forward the same to the lending Bank. In the said application he disclosed his date of birth as 14.07.1964. Accordingly, the loan application was forwarded to Andhra Pradesh Grameena Vikas Bank and the Bank has granted loan to the tune of Rs.3,70,000/- on 30.09.2016. However, the date of birth mentioned by the borrower in the loan application was wrong and borrower has actually attained the age of superannuation on 30.06.2018 whereas as per the declaration given by him, he was to retire on 31.07.2024. By the time of retirement of the borrower, loan amount was not fully recovered. When it came to the notice of the petitioners the wrong declaration given by the borrower they also informed the lending Bank that wrong statement was made by the borrower.

3. According to the learned Standing Counsel representing the lending Bank though the bank assumed that the amount payable by the borrower could be recovered from his retirement benefits, as per the verification of the records, no retrial benefits were lying due to the borrower, therefore, the amounts could not be recovered

from the borrower. He would therefore submit that the Bank has to undertake recovery of due amounts from the petitioners, being the guarantors.

4. Learned counsel for the petitioners would contend that before resorting to recover the amounts from the petitioners, being the guarantors, the Bank ought to have taken note of the undertaking given by the borrower stating that amounts due can be recovered from the retirement benefits and without making any endeavor to recover the money from the borrower, illegally, the Bank resorted to recover the money from the petitioners. She would further submit that straightaway the amounts could not have been recovered from the petitioners without putting them on notice.

5. In response to the said contention, learned Standing Counsel submits that on 30.09.2016, the petitioners have given Irrevocable Letter of Authority authorizing the Disbursing Authority to recover the due amounts, if any, by Mr.Akbar Baig, from the salary and allowances payable to the petitioners. Similar letter of undertaking was also given to the respondent-Bank. He, therefore, submits that in terms of the Letter of Undertaking and Irrevocable Letter of Authority, there is no need to give any notice to the petitioners and the amounts were accordingly recovered in monthly installments towards the amount due to the bank.

6. The Irrevocable Letter of Authority and Letter of Undertaking are placed on record along with the counter affidavit filed by respondents 1 to 3. Clause 2 of Irrevocable Letter of Authority and Clause 2 (i) of Letter of Undertaking disclose that the petitioners

have agreed for recovery of amounts due on account of the loan borrowed by Mr.Akbar Baig in installments and authorized the employer as well as the Bank to effect recovery. Thus, there is no requirement of issuing prior notice to the petitioners before resorting to recovery of money due from the borrower. Therefore, there is no merit in the Writ Petition.

7. Accordingly, the Writ Petition is dismissed. However, if the petitioners have any other grievance against the wrong statement made by the borrower, it is left open to them to work out their remedies, as per law.

8. Miscellaneous petitions pending in this Writ Petition, if any, shall stand closed. There shall be no order as to costs.

P.NAVEEN RAO, J

19th February, 2019.
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