

**THE HON'BLE SRI JUSTICE M.S.RAMACHANDRA RAO
AND
THE HON'BLE SRI JUSTICE T.AMARNATH GOUD**

WP.No.552 of 2020

ORDER: *(Per the Hon'ble Sri Justice M.S.Ramachandra Rao)*

1. Heard counsel for the petitioner and Sri A.Krishnam Raju, counsel for 1st respondent.

2. Petitioner is a tenant of the subject property, which has been mortgaged to the 1st respondent-Bank by its owner i.e., 2nd respondent, for borrowing a loan. On account of default committed by the 2nd respondent in repayment of the loan amount, proceedings have been initiated under the provisions of SARFAESI Act, 2002 (for short 'the Act') against the 2nd respondent.

3. In this writ petition, petitioner contends that the petitioner is running a play school and that the petitioner be permitted to continue in the subject premises till 31.03.2020, and that otherwise prejudice would be caused to the petitioner, its employees and to the children who are admitted in the play school and to their parents.

4. Though counsel for 1st respondent-Bank opposed the said plea, it is not in dispute that the auction of the subject property scheduled to take place on 30.12.2019 could not be proceeded with due to lack of bidders and a fresh date of auction has not yet been notified.

5. Therefore, subject to the petitioner filing an undertaking before this Court that the petitioner would handover vacant physical possession of the subject property to the 1st respondent on or before 31.03.2020, petitioner is permitted to continue in the premises till 30.03.2020, and on the expiry of the said period, the petitioner shall vacate and handover the physical possession of the subject property to the 1st respondent-bank. The undertaking of the petitioner shall be filed within a period of two weeks from today. In default of filing the said undertaking by the petitioner, this order shall stand vacated. The 1st respondent-bank can proceed with its attempts to sell the subject property in the meantime.

6. With the above directions, this Writ Petition is disposed of. No order as to costs.

7. Consequently, miscellaneous petitions pending if any shall stand dismissed.

M.S. RAMACHANDRA RAO, J

T.AMARNATH GOUD

23rd January, 2020.

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