HON'BLE SRI JUSTICE P.NAVEEN RAO

AND

HON'BLE SRI JUSTICE J.SREENIVAS RAO

WRIT PETITION No.1737 OF 2014

Date:13.10.2022

Between:

M/s.Vijayalaxmi Ginning & Pressing Industry,
Raghavapur Village, Peddapalli Mandal,
Karimnagar District,
Rep., by its Managing Partner
M.C.Sambi Reddy

.....Petitioner

And

Indian Bank, Corporate Office,
254-260, Avvai Shanmugham Salai,
Chennai 600 014,
Rep., by its Chairman and Managing Director & others

.....Respondents

The Court made the following:

HON'BLE SRI JUSTICE P.NAVEEN RAO
AND
HON'BLE SRI JUSTICE J.SREENIVAS RAO

WRIT PETITION No.1737 OF 2014

ORDER : *(Per Hon'ble Sri Justice P.Naveen Rao)*

No representation on behalf of the petitioner. Heard Sri Krishna C.V.Grandhi, learned counsel for the respondents-Bank.

2. Petitioner is the borrower and defaulted in repayment of loan leading to classifying his loan account as a Non-Performing Asset. The respondent-Bank has taken recourse to the provisions of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (for short 'the SARFAESI Act') to recover the loan amount due. In the process, the respondent-Bank issued notice on 25.09.2013 under Section 13 (2) of the SARFAESI Act calling upon the parties to repay the entire loan amount within 60 days, failing which they would initiate further steps. Holding that inspite of the demand made for payment of the entire due amount, the amount was not paid, therefore, on 31.12.2013 possession notice was issued to take symbolic possession of the secured asset. At that stage, the present writ petition is filed challenging the notices issued under Sections 13 (2) and 13 (4) of the SARFAESI Act for taking symbolic possession.

3. This Court by order dated 31.01.2014 while adjourning the matter at the request of respondents, the respondents were restrained

from taking any coercive steps to recover the amount in terms of notice dated 25.09.2013.

4. Learned counsel for the respondent-Bank informs that in view of the interim order passed by this Court, no further steps are taken by the Bank and the loan amount is still outstanding.

5. Since the notice under Section 13 (2) of the SARFAESI Act and possession notice are directed not to be operated upon by interim order of the Court and the said interim direction is in force for the last eight years, the Writ Petition is disposed of directing the respondent-Bank not to give effect to the notices impugned in the writ petition. However, it is open to the respondent-Bank to take fresh recourse to the provisions of the SARFAESI Act, if the loan amount is not cleared by the borrower. If any such proceedings are initiated, it is open for the petitioner to work out his remedies as available in law.

Pending miscellaneous petitions, if any, shall stand closed.

P.NAVEEN RAO,J

J.SREENIVAS RAO, J

13th October, 2022

Rds