(2011) 04 AHC CK 0268

In the Allahabad High Court

Case No : Civil Miscellaneous Writ Petition No. 23423 of 2011

Prahlad Kumar APPELLANT

Vs

District Magistrate, Allahabad and others RESPONDENT

Date of Decision : 22-04-2011

Acts Referred:

Citation : (2011) 8 RCR(Civil) 3052

Hon'ble Judges : Satya Poot Mehrotra, J and S.C.Agarwal, J

Final Decision : Disposed Of

Judgement

S.C. Agarwal, J.—As per the averments made in the Writ Petition, the petitioner took housing loan for construction of house from the respondent no.3State Bank of India in the year 2002.

2. The petitioner committed default in respect of the said loan. Consequently, proceedings under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (in short " the Securitisation Act") have been initiated against the petitioner.

3. We have heard Shri Satyaveer Singh, learned counsel for the petitioner, the learned Standing Counsel appearing for the respondent no.1 and Smt. Archana Singh, learned counsel for the respondent nos.2 and 3, and have perused the averments made in the Writ Petition.

4. In United Bank of India Vs. Satyavati Tandon & others reported in 2010 (8) SCC 110, their Lordships of the Supreme Court have laid down that in view of the alternative remedy available under the Securitisation Act, the High Court in exercise of Writ Jurisdiction under Article 226 of the Constitution of India should normally not interfere in respect of the proceedings being taken under the said Act.

5. Shri Satyaveer Singh, learned counsel appearing for the petitioner, however, states that the petitioner does not want to question the merits of the proceedings

being taken under the Securitisation Act and wants to pay the entire outstanding dues with interest and expenses on prorata basis in case reasonable time is given to him for making the deposit in instalments.

6. The learned counsel appearing for the contesting respondentsBank has no objection to the above prayer made on behalf of the petitioner provided the petitioner deposits an amount of Rs.75,000/ by 17.5.2011 and further deposits the balance amount in three equal quarterly instalments.

7. In view of the above, we dispose of the Writ Petition with the consent of the learned counsel for the parties, without going into the merits of the controversy involved in the Writ Petition, by giving the following directions:

1. The petitioner will clear off the entire outstanding dues alongwith interest, penal interest and expenses on prorata basis.

2. The entire outstanding dues shall be paid in four instalments. The first instalment of Rs. 75,000/ shall be paid by 17.5.2011, and thereafter, the remaining amount will be paid in three equal quarterly instalments.

3. Initially the recovery proceedings are stayed till 17.5.2011. On depositing the first instalment, impugned proceedings shall remain stayed up to the date of next instalment and the process shall continue until the last instalment has been paid.

4. If the petitioner deposits the entire amount as undertaken by the petitioner in the manner indicated above, the proceedings shall stand withdrawn.

5. If the petitioner fails to deposit the amount of any one instalment within the stipulated period, the Bank shall be at liberty to proceed in accordance with law.

6. The cost and recovery charges, if any, shall be paid alongwith the last instalment.

8. It is made clear that this order has been passed on the statements made by the learned counsel for the petitioner as well as the learned counsel for the Bank, and we have not adjudicated the claim on merits.

9. The Writ Petition is disposed of with the aforesaid directions and observations.

