

Satheesh Chandran vs Kerala Bank, Represented by the Authorized Officer

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Court : Kerala

Decided On : Apr-01-2024

Judge : Honourable Mr.Justice N.Nagaresh

Appeal No. : WP(C)/13036/2024

Appellant : Satheesh Chandran

Respondent : Kerala Bank, Represented by the Authorized Officer

Judgement :

IN THE HIGH COURT OF KERALA AT ERNAKULAM

PRESENT THE HONOURABLE MR.JUSTICE N.NAGARESH MONDAY,
THE 1ST DAY OF APRIL 2024 / 12TH CHAITHRA, 1946 WP(C) NO.
13036 OF 2024 PETITIONER: SATHEESH CHANDRAN AGED 40
YEARS S/O. CHANDRADAS (LATE), VIRUTHOTH,
KANAMANGALAM VADAKU, CHETTIKULANGARA PO, ALAPPUZHA,
PIN - 690106 BY ADVS. AMJATHA D.A. FARHANA K.H.
RESPONDENTS: 1 KERALA BANK, REPRESENTED BY THE
AUTHORIZED OFFICER REGIONAL OFFICE, CREDIT PROCESSING
CENTRE, ALAPPUZHA, PIN - 688001 2 THE BRANCH MANAGER
KERALA BANK, CHETTIKULANGARA BRANCH, CHETTIKULANGARA,
ALAPPUZHA, PIN - 690106 BY ADV SRI.THOMAS ABRAHAM THIS

WRIT PETITION (CIVIL) HAVING COME UP FOR ADMISSION ON 01.04.2024, THE COURT ON THE SAME DAY DELIVERED THE FOLLOWING:

JUDGMENT

Dated this the 1st day of April, 2024 The petitioner has approached this Court aggrieved by the coercive proceedings for recovery of financial advance made by the Kerala Bank to the petitioner, invoking the provisions of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002.

2. The Bank paid 5 lakhs to the petitioner as

Consumption Loan in the year 2021. The petitioner states that though the petitioner made remittances promptly during the initial repayment period of the financial advance, he could not pay the repayment instalments promptly later due to financial crisis. The repayment of loan fell into arrears later. It happened due to reasons beyond the control of the petitioner.

3. Though the petitioner requested the Bank to permit the petitioner to repay the overdue amounts in easy monthly

instalments, the Bank authorities were not yielding. The authorities, instead, started coercive proceedings, invoking the provisions of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and the Security Interest (Enforcement) Rules, 2002 and issued Ext.P1 notice.

4. The petitioner states that he is still in a position to

clear the overdue amounts towards the loan, if sufficient time is given to clear the dues in easy monthly instalments. If the respondents are permitted to continue with the coercive proceedings and auction the secured assets provided by the petitioner, he will be put to untold hardship and loss.

5. Standing Counsel Sri.Thomas Abraham entered

appearance on behalf of the Bank and denied all the statements made by the petitioner. On behalf of the respondents, it is submitted that the loan was given to the petitioner in the year 2021. The petitioner committed default in repaying the loan.

6. The Bank repeatedly reminded the petitioner and

required him to clear the dues. The petitioner deliberately omitted to do so. In the circumstances, the Bank had no other go than to proceed against the petitioner invoking the provisions of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act,

2002. The impugned Ext.P1 was issued in these circumstances. The petitioner has not advanced any legal reasons to thwart the coercive proceedings initiated by the Bank.

7. The Standing Counsel, however, submitted that if

the petitioner is ready and willing to remit the balance overdue amount in instalments, a short breathing time can be granted to the petitioner to clear the dues. The Standing Counsel submitted that the outstanding amount due to the Bank from the petitioner as on 26.03.2024 is 5,49,390/- and the overdue amount as on 26.03.2024 is 1,42,519/-.

8. I have heard the counsel for the petitioner and the Standing Counsel representing the Bank.

9. The specific case of the petitioner is that the

petitioner has been making the repayment and maintaining the loan account initially. The default in repayment of the loan occurred lately due to reasons beyond the control of the petitioner. The petitioner has provided substantial security which will safeguard the interest of the Bank.

10. In the facts and circumstances of the case, I am inclined to dispose of the writ petition giving a short and reasonable time to the petitioner to clear off the liability.

11. The writ petition is therefore disposed of with the following directions:

(i) The petitioner shall remit the overdue amount of 1,42,519/- in 12 consecutive and equal monthly instalments along with accruing interest and other Bank charges, if any. First of such instalments shall be paid on or before 15.04.2024.

(ii) If the petitioner commits single default

in making payments as directed above, the respondents will be at liberty to continue with the coercive proceedings against the petitioner in accordance with law.

(iii) The petitioner shall also pay current EMIs along with the aforesaid payments.

(iv) If the petitioner makes payments as directed above, coercive proceedings, if any, against the petitioner shall stand deferred. Sd/- N.NAGARESH JUDGE spk
APPENDIX OF WP(C) 13036/2024 PETITIONER EXHIBITS Exhibit P1 TRUE
COPY OF THE POSSESSION NOTICE DATED 11.03.2024

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