



2025:KER:30486

IN THE HIGH COURT OF KERALA AT ERNAKULAM

PRESENT

THE HONOURABLE MR.JUSTICE MURALI PURUSHOTHAMAN

TUESDAY, THE 8TH DAY OF APRIL 2025 / 18TH CHAITHRA, 1947

WP(C) NO. 10548 OF 2025

PETITIONER:

SUBASH R, AGED 49 YEARS
S/O. RAMACHANDRAN, CHERUVILAPUTHEN VEEDU,
VENDAR P.O, PUTHOOR VILLAGE,
KOTTARAKKARA, KOLLAM., PIN - 691507

BY ADVS.
VISHNU BHUVANENDRAN
B.ANUSREE
VINEETHA A.A.
SREELAKSHMI B.
ABDUL FATHAH
ARYA B.
NOYAL JOHNY

RESPONDENTS:

- 1 KERALA FINANCIAL CORPORATION
BRANCH OFFICE, A.G.C COMPLEX,
BEACH ROAD KOLLAM.
REPRESENTED BY ITS AUTHORIZED OFFICER- 691001
- 2 THE MANAGER
STRESSED ASSETS RECOVERY BRANCH,
KERALA FINANCIAL CORPORATION, VELLAYAMBALAM,
THIRUVANANTHAPURAM., PIN - 695033
- 3 SUNDARAN B
CHAITHANYA, VALLAM, KOTTARAKKARA PO,
KOLLAM., PIN - 691506



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BY ADVS.
ADV. VENUGOPAL M.R., SC
DHANYA P.ASHOKAN (SR.) (K/001671/2000)
S. MUHAMMAD ALIKHAN (K/000644/2020)
ANJANA S. RAJ (K/001318/2024)

THIS WRIT PETITION (CIVIL) HAVING COME UP FOR
ADMISSION ON 08.04.2025, THE COURT ON THE SAME DAY
DELIVERED THE FOLLOWING:



JUDGMENT

The 3rd respondent had availed a loan from the Kerala Finance Corporation (KFC)- 1st respondent, for which the petitioner stood as guarantor and mortgaged his property having an extent of 30 Ares comprised in Re.Sy.No.52 of Puthoor Village, Kottarakkara Taluk, Kollam. The 3rd respondent committed default in payment of installments and the 1st respondent initiated recovery proceedings. The petitioner apprehends that his property will be proceeded against by the KFC, which may result in the reduction of his CIBIL score. The petitioner has therefore made a representation to the KFC to release the property



which he had offered as secured asset. On receipt of the representation, the 2nd respondent passed Ext.P4 proceedings. Aggrieved by the stand taken by the 2nd respondent in Ext.P4, the petitioner has filed this writ petition for the following reliefs.

- “i. issue a writ of certiorari or any other appropriate writ, direction or order setting aside exhibit P4 order and to direct the respondents 1 and 2 to consider the request of the petitioner afresh;
- ii. issue a writ of mandamus or any other appropriate writ, direction or order, directing the respondents 1 and 2 to release the petitioner from the loan liability, on payment of the amount re-valued by the 1st respondent for the property of the petitioner.
- iii. Issue a writ of mandamus or any other appropriate writ, direction or



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order, directing the 1st respondent to consider exhibit P5 and P6 representations of the petitioner;

iv. issue a writ of mandamus directing the respondents 1 and 2 not to proceed with the coercive proceedings of the property in question belonging to the petitioner as per Ext.P1 Notice.

v. Issue a writ of mandamus or any other appropriate writ, direction or order, directing the respondents 1 and 2 not to report the liability of the petitioner to credit bureaus, thereby adversely affecting his CIBIL score.”

2. A statement has been filed on behalf of the respondents 1 and 2 and paragraph No.8 thereof reads as follows:

“8. In compliance with the said order of this Hon'ble Court, the Corporation informed the petitioner to appear



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before the Assistant General Manager on 20.06.2024 for a hearing. During the hearing, the petitioner was informed that the value of the security property owned by him, as per the valuation dated 28.03.2024 conducted by the Corporation, amounts to Rs.52.50 lakhs. It was further conveyed that, in order to release the collateral security in question, the petitioner must remit an equivalent amount of 52.50 lakhs and, to maintain security coverage for the balance loan, based on the value of the security property to be released and the present outstanding balance, he must remit an additional amount of Rs.11.88 lakh. Otherwise, he is required to substitute additional security worth Rs.64.38 lakhs.”

3. The learned counsel for the petitioner



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submits that the amount referred to in the statement is not based on the fair value of the property and requires a re-consideration. It is submitted that the petitioner will make necessary request before the 2nd respondent showing the details of the fair value of the property so that the mortgaged property of the petitioner can be released based on the amount arrived at on the basis of the fair value.

4. In the facts and circumstances of the case, there will be a direction to the petitioner to make appropriate representation before the 2nd respondent within a period of one week from the date of receipt of a copy of this judgment. If such representation is received, the 2nd respondent shall consider the same, in accordance with law, within



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one month therefrom. Till such time orders are passed and communicated to the petitioner, there shall not be any coercive proceedings as against the secured asset of the petitioner.

The writ petition is disposed of accordingly.

Sd/-

**MURALI PURUSHOTHAMAN
JUDGE**

SB



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APPENDIX

PETITIONER EXHIBITS

- Exhibit P1 TRUE COPY OF THE NOTICE DATED 08.08.2023
ISSUED BY THE 2ND RESPONDENT.
- Exhibit P2 TRUE COPY OF THE REPRESENTATION DATED
15.02.2024 SUBMITTED BY THE PETITIONER
BEFORE THE 1ST RESPONDENT CORPORATION.
- Exhibit P3 TRUE COPY OF THE JUDGMENT DATED 03.06.2024
IN WP(C) . NO. 14051/2024 .
- Exhibit P4 TRUE COPY OF THE PROCEEDINGS BEFORE THE
ASSISTANT GENERAL MANAGER OF THE 1ST
RESPONDENT CORPORATION DATED 20.06.2024 .
- Exhibit P5 TRUE COPY OF THE LETTER DATED 30.07.2024
SUBMITTED BY THE PETITIONER BEFORE THE 1ST
RESPONDENT CORPORATION.
- Exhibit P6 TRUE COPY OF THE LETTER DATED 05.09.2024
SUBMITTED BY THE PETITIONER BEFORE THE 1ST
RESPONDENT CORPORATION.