

Court No. - 3

Case :- WRIT - C No. - 34939 of 2023

Petitioner :- M/S Bindal Product Masala Udyog And Another

Respondent :- State Of U.P. And 3 Others

Counsel for Petitioner :- Vijay Babu

Counsel for Respondent :- C.S.C., Anadi Krishna Narayana

Hon'ble Siddhartha Varma,J.

Hon'ble Manoj Bajaj,J.

1. By means of the present writ petition, the petitioners have prayed for quashing of the impugned possession notice dated 21.09.2023 by the respondent no.3 for recovery of amount of Rs.27,09,622/- as on 30.11.2021 inclusive of interest upto 31.10.2021 with future interest and incidental charges w.e.f. 01.11.2021.

2. Learned counsel for petitioner submits that a business loan of Rs.22,00,00/- was taken by the petitioners from Bank of Baroda, Rosarb, Aligarh, (U.P.) and he had also mortgaged a property bearing residential plot no.21 situated in the Sakitara Shehari Kshetra Khasra No.392 Teh Govardhan & District Mathura belonging to Smt. Babita Agarwal W/o Balkishan Agarwal. Learned counsel has further pointed out that when certain payments of the loan installments were not made, the creditor bank initiated proceedings of recovery under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (hereinafter referred to as 'SARFAESI Act') by issuing notice dated 21.09.2023 under Rule 8(1) of Security Interest (Enforcement) Rules, 2002 and demanded a sum of Rs.27,09,622/- alongwith interest and other charges. Learned counsel has drawn the attention of the Court to the impugned notice dated 21.09.2023 and asserted that the Bank has taken symbolic possession of the mortgaged property and it makes clear that the Bank would be taking further steps to recover the dues by auctioning the mortgaged property.

3. At the very outset, learned counsel for petitioner has proposed to deposit 25% of the outstanding amount within a period of one month from today, with an undertaking that the remaining amount be paid in next three equal monthly installments.

4. Anadi Krishna Narayana, learned counsel for Bank, does not dispute the fact that pursuant to the recovery proceedings including the impugned notice dated 21.09.2023, no auction proceedings have been fixed. She further does not oppose the prayer and stated that if the borrowers are willing to clear the debt in installments, the outstanding debt be directed to be paid with up-to-date interest.

5. In view of the above stand of the learned counsel for the parties, at this stage, without looking into the merits of the case, we deem it appropriate to afford an opportunity to the borrowers to clear the debt in installments i.e. by depositing 25% of the outstanding amount within a period of one month from today, and the remaining amount be paid in three equal monthly installments.

6. Needless to say that when the last installment is paid by the petitioner, the bank shall inform the petitioner, the interest amount which would have accrued by the last date of payment and it shall be paid alongwith the last installment.

7. We clarify that, if, the amount as has been promised by the petitioner is not deposited as per the undertaking then the Bank shall free to recover the debt pursuant to the impugned notice dated 21.09.2023.

8. With these observations, the writ petition is disposed of.

Order Date :- 30.10.2023

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