

**HIGH COURT OF JAMMU & KASHMIR AND LADAKH
AT SRINAGAR**

.....

WP(C) no.396/2026
CM no.1053/2026

Khursheed Ahmad Khan

..... Petitioner(s)

Through: Mr Saleem Gul, Advocate

Versus

Union Territory of J&K and others

.....Respondent(s)

Through: Mr Irfan Andleeb, Advocate

CORAM:

**HON'BLE MS JUSTICE SINDHU SHARMA, JUDGE
HON'BLE MR JUSTICE SHAHZAD AZEEM, JUDGE**

ORDER

04.03.2026

1. Petitioner had availed certain loan facilities from J&K Bank Limited Branch Unit Wawoora Lolab, Kupwara, i.e., two housing loans and one Kissan Credit Facility, for construction of residential house and meeting agricultural requirements. In consideration of said financial assistance, petitioner mortgaged 06 Marlas of land along with double storeyed residential house falling under Khasra no.394/1 situated at Mouza Doniwari, Tehsil Lalpora District Kupwara and created the security interest in favour of the bank.
2. It appears that petitioner was not able to keep up with the repayment schedule of the loan accounts and, thus, the same

came to be classified as Non-Performing Assets (NPA) on 29th January 2025. As a corollary thereof, respondent-bank approached District Magistrate Kupwara, with an application to take over possession of the properties belonging to and mortgaged in favour of the bank by petitioner. The District Magistrate passed an order dated 10th January 2026, directing taking over and handing over of the secured assets for realization of dues. Aggrieved, petitioner has assailed the order dated 10th January 2026 in this writ petition.

3. Respondent had served a demand notice under Section 13 (2) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act 2002 (SARFAESI Act) on 31st January 2025, upon petitioner to pay in full an amount of Rs.9,76,468.10 with interest at contractual rate w.e.f. 31st January 2025. When petitioner failed to pay the same, the respondent-bank approached the District Magistrate under Section 14 of SARFAESI Act, which ostensibly, therefore, resulted in issuance of impugned order.
4. Learned counsel for petitioner, at the very outset, submits that petitioner requires some time to liquidate the loan amount and that he is willing to pay the same within two months. To this, learned counsel for respondent-bank states that he has no objection to the proposition made by learned counsel for petitioner.

5. In this view of the matter and with the consensus of the learned counsel for parties, this writ petition is disposed of with a direction that petitioner shall pay 50% of the outstanding amount within a period of four weeks from today and remaining 50% within four weeks thereafter. Till then the respondent-bank shall not proceed to take any coercive measure against the secured assets. It is, however, made clear that in case petitioner defaults to pay first installment of 50% within the above prescribed time, the respondent-bank shall be at liberty to proceed to secure the loan amount in accordance with law.
6. **Disposed of.**

Srinagar
04.03.2026
Ajaz Ahmad, Secy

(Shahzad Azeem)
Judge

(Sindhu Sharma)
Judge

