

IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

Civil Writ Petition No.21237 of 2015 (O&M)
DATE OF DECISION: 05.10.2015

M/s Paras Traders

....Petitioners

versus

Punjab National Bank and others

.....Respondents

CORAM:- HON'BLE MR.JUSTICE S.J. VAZIFDAR, ACTING CHIEF JUSTICE
HON'BLE MR. JUSTICE TEJINDER SINGH DHINDSA

Present: Mr. Sandeep Jain, Advocate for the petitioners

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S. J. VAZIFDAR, ACTING CHIEF JUSTICE (Oral):

The petitioners have challenged a communication dated 29.09.2015 addressed by the first respondent-bank which reads as under:-

"Req. E-auction - M/s K.K. Gulati Hosiery

Your bid of Rs.1,29,40,000/- in e-auction of 29.09.2015 in A/c of M/s K.K. Gulati Hosiery is incomplete due to technical problem. Another bidder has raised this issue and he is ready for higher inter-se bid."

2. The property that was auctioned did not belong to the bank. It was a sale under the SARFAESI Act. One of the parties that is vitally concerned, therefore, is the owner of the property, namely, M/s K.K. Gulati Hosiery. They have not been impleaded.

3. This being an auction under the SARFAESI Act, the owner of the property, who had obviously offered the same as security towards repayment of their dues, would be entitled to redeem the mortgage at any stage till the sale is confirmed. Such a party

would even be able to file an application under Section 17 of the SARFAESI Act.

4, In any event, if another party is willing to offer a higher amount, we see no reason to exercise our extra-ordinary jurisdiction to prevent him from doing so.

5, That the other bidder, namely, respondent No.4 has deposited 25% of the bidding amount makes no difference. From the impugned communication itself, it is clear that the bid of respondent No.4 has not been accepted. *Inter se* bidding is yet to take place as mentioned in the letter itself. Obviously, therefore, respondent No.1 will not confirm the sale in favour of any party including respondent No.4 without affording the petitioners an opportunity of submitting their bid.

6. The writ petition is accordingly disposed of.

(S.J. VAZIFDAR)
ACTING CHIEF JUSTICE

05.10.2015
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(TEJINDER SINGH DHINDSA)
JUDGE