

IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

Civil Writ Petition No.2627 of 2015 (O&M)
DATE OF DECISION: 16.02.2015

M/s HRA Paper Mills Pvt. Ltd and another

....Petitioners

versus

State Bank of India and others

.....Respondents

CORAM:- HON'BLE MR.JUSTICE S.J. VAZIFDAR, ACTING CHIEF JUSTICE
HON'BLE MR. JUSTICE AUGUSTINE GEORGE MASIH

Present: Ms. Jyoti Sareen, Advocate for the petitioners

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

The petitioners contend that the matter had been validly settled under an OTS with the respondent-bank and it is only due to the default and illegal action of the respondent-bank that the petitioners were not able to abide by the terms and conditions of the OTS. Accordingly, it is contended that the actions adopted by the respondents under the provisions of the SARFAESI Act are illegal and void.

2. The petitioners, therefore, inter alia, seek to challenge the order passed under the SARFAESI Act and the respondents' having refused to consent to the release of the property secured in their favour by accepting the amount allegedly equivalent to the value of the property. The petitioners also seek an order directing the respondents to

release the properties in their favour upon payment of the amount that they contend is a fair amount and as mentioned in the OTS.

3. There are several disputed questions of fact. There is no warrant for interference in our writ jurisdiction at this stage. The contentions raised in this petition can always be raised by the petitioners in appropriate proceedings including under Section 17 of the SARFAESI Act.

4. The writ petition is accordingly disposed of subject to the above clarifications.

In the event of the proceedings that may be adopted by the petitioners not being entertained on merits and being dismissed only on the ground of limitation, liberty to petitioners to file a fresh petition.

With a view to affording the petitioners an opportunity of filing appropriate proceedings and seeking interim relief therein, the respondents are directed to maintain status quo in respect of the residential accommodation at Sr. No.1 of the impugned order dated 17/06/2014 (Annexure P-23) up to and including 16.03.2015.

(S.J. VAZIFDAR)
ACTING CHIEF JUSTICE

16.02.2015
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(AUGUSTINE GEORGE MASIH)
JUDGE