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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

+ **W.P.(C) 4702/2016**

LAXMI UDYOG PVT. LTD.

..... Petitioner

Represented by: Mr.Sanjeev Sagar, Advocate
with Mr.Gaurav Sharma,
Director, Laxmi Udyog
Pvt.Ltd.

versus

STATE BANK OF INDIA

..... Respondent

Represented by: Mr.Premtosh Mishra, Advocate

CORAM:

HON'BLE MR. JUSTICE PRADEEP NANDRAJOG

HON'BLE MS. JUSTICE MUKTA GUPTA

ORDER

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24.05.2016

W.P.(C) 4702/2016

1. Affidavit containing undertaking on behalf of the petitioner by Mr.Gaurav Sharma, its Director; enclosing therewith a board resolution dated May 23, 2016 has been received in the Court on being filed in the Registry.
2. Learned counsel for the petitioner gives up all grounds pleaded in the writ petition and prays that in terms of affidavit, containing the undertaking, the writ petition be disposed of.
3. Learned counsel for the first respondent prays that the writ petition be dismissed.

4. Since factory of the petitioner is functioning and 60 employees are earning their bread and butter we are of the opinion that interest of justice would require the writ petition to be disposed of granting relief to the petitioner as prayed for in the undertaking. This would not cause any injury to the respondent and would facilitate the ends of justice.

5. Our reasons.

6. The mortgaged property comprising land and building has to be sold. The machinery is admittedly not hypothecated. If possession is taken over immediately, 60 workmen would be unemployed. The bank has yet to value the property and invite offers as per bid documents. No purpose would be served to permitting the bank to take possession of land and the building forthwith for the reason the petitioner would have to remove the machinery and 60 workmen would be unemployed. The bank would spend money on maintenance of the property. Therefore, the petitioner can be permitted to retain possession of the factory but with the liability to hand over possession to the authorised representative of the bank within two days of the bid of the highest bidder being confirmed. This would give the petitioner some time to look for a factory elsewhere on rent. Shift the plant and machinery there and start operation. The workmen would be saved from unemployment.

7. We accept the undertaking furnished in terms of the affidavit, binding the petitioner and its Directors to the undertaking. It is made clear that the undertaking is to the Court and is accepted by the Court under pains of contempt if the undertaking is breached. The undertaking is that within 48 hours of the highest bid being confirmed the directors of the petitioner would hand over vacant possession of the mortgaged property to the authorised representative of the bank. All the directors are made responsible

to comply with the undertaking.

8. No costs.

CM No.19631/2016

Dismissed as infructuous.

PRADEEP NANDRAJOG, J.

MUKTA GUPTA, J.

MAY 24, 2016

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