

**IN THE HIGH COURT OF PUNJAB & HARYANA  
AT CHANDIGARH**

**C.O.C.P. No. 280 of 2018 (O&M)  
Date of Decision: 01.05.2018**

M/s. Grace Spinning Mills through its Proprietor  
Sh. Mohnik Kalra, Ludhiana and others

..... Petitioners

**Versus**

Smt. Shameeta, Deputy General Manager, Bank of  
Baroda, Chandigarh and others

..... Respondents

**CORAM: HON'BLE MR. JUSTICE JASWANT SINGH**

Present: Mr. A.P.S. Madaan, Advocate  
for Mr. Aalok Jagga, Advocate for the petitioner.

Mr. Gaurav Goel, Advocate for the respondents.

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**JASWANT SINGH, J. (ORAL)**

Petitioner No. 1 is a proprietorship firm. The petitioners had taken a loan for setting up a Spinning Mill in Ludhiana from the Bank of Baroda and due to non-payment of interest on time, the Bank issued a demand notice under Section 13 (2) of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (for the short 'the Act, 2002'), upon which the objections were filed by the petitioners and the same were decided by a non-speaking order by the Bank. Thereafter, the Bank issued possession notice under Section 13 (4) of 'the Act, 2002' of the following three properties, which had been mortgaged with the Bank:-

- i) Property measuring 5 Kanals, 8-2/3 Marlas at Noorwala Road, Ludhiana;
- ii) Property measuring 4 kanals at Noorwala Road, Ludhiana; and
- iii) Property measuring 95.90 square yards at Suder Nagar, Ludhaiana.

Thereafter, the petitioners submitted one time settlement proposal to the Bank for Rs. 4.60 crores, to which the petitioners had offered to sell property at Sr. No. (iii) above for Rs. 50 lacs. However, the Bank did not consider the same, and, thereafter, the petitioners submitted another proposal to sell all the three properties, but even the same did not consider by the Bank. Thereafter, the Bank had put all the properties to sale vide sale notice dated 26.09.2017, fixing the following reserve price:-

| <b><i>Sr. No.</i></b> | <b><i>Property</i></b>                                               | <b><i>Reserve Price<br/>(Rs. in lacs)</i></b> |
|-----------------------|----------------------------------------------------------------------|-----------------------------------------------|
| i)                    | Property measuring 5 Kanals, 8-2/3 Marlas at Noorwala Road, Ludhiana | 153.52                                        |
| ii)                   | Property measuring 4 kanals at Noorwala Road, Ludhiana               | 175.18                                        |
| iii)                  | Property measuring 95.90 square yards at Suder Nagar, Ludhaiana      | 43.02                                         |

After issuing sale notice dated 26.09.2017, no bids were received and also on 06.10.2017, another sale notice was issued by the Bank, fixing the same reserve price.

In order to speedy reduce the loan and consequent interest, the petitioners found out a buyer, who was ready to purchase the property at Sr. No. (iii) above at the reserve price of Rs. 43.02 lacs and accordingly, the petitioners requested the Bank that the property may be sold to the buyer. However, the Bank did not agree for the same.

Faced with the above position, the petitioners had filed a writ petition bearing *CWP No. 25394 of 2017* seeking direction to the Bank for release and sale of the aforesaid property at Sr. No. (iii) above equivalent to the reserve price for which the Bank could not get a buyer, pursuant to earlier sale notices dated 26.09.2017 and 06.10.2017. After hearing counsel for both the parties, the aforesaid writ petition was disposed of by a Division

Bench of this Court vide order dated 19.12.2017 (**Annexure P-1**), with the following operative directions:-

*“ After hearing learned counsel for the parties and considering the submissions noticed above, both the parties have agreed that property as mentioned above will be released on payment of ₹ 43.02 lacs, during the period as undertaken by the petitioners and the title deed thereof shall be handed over to the petitioners. However, on failure to pay entire amount as undertaken, ₹ 11 lacs paid shall stand forfeited. The petitioners shall be at liberty to approach the bank for sale of other properties for which no bids were received, on similar terms and conditions.*

*The present petition is disposed of accordingly. ”*

In compliance with the above order dated 19.12.2017 (**P-1**), the petitioners offered Rs. 153.52 lacs being equivalent to reserve price against the property at Sr. No. (i) above, as also offered Rs. 175.18 lacs being equivalent to reserve price against the property at Sr. No. (ii) above on the same terms and conditions, but the respondent-Bank instead of complying with the orders passed by this Court, has issued another sale notice dated 08.01.2018 (**Annexure P-17**), hence the present contempt petition.

At the time of hearing, counsel for the petitioners at the very outset prays for withdrawal of the present contempt petition.

**Dismissed as withdrawn.**

**May 01, 2018**

*'dk kamra'*

**( JASWANT SINGH )  
JUDGE**

|                                  |               |
|----------------------------------|---------------|
| <i>Whether Speaking/reasoned</i> | <i>Yes/No</i> |
| <i>Whether Reportable</i>        | <i>Yes/No</i> |