

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

**CWP No.11565 of 2018 (O&M)
Decided on 24.09.2018**

M/s Naveen Timbers Pvt. Ltd. & others

Petitioners

Versus

State Bank of India, Stressed Assets Management Branch,
Chandigarh & others

Respondents

* * *

**CORAM : HON'BLE MR. JUSTICE AJAY KUMAR MITTAL
HON'BLE MR. JUSTICE AVNEESH JHINGAN**

Present : Ms. Jyoti Sareen, Advocate
for the petitioners.

Mr. Rajiv Sharma, Advocate
for the respondents.

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AVNEESH JHINGAN, J.

The present writ petition has been filed seeking quashing of possession notice dated 20.02.2018 (Annexure P12).

2. Petitioner No.1 is a private limited company. Petitioners No.2 to 4 are the Directors in petitioner No.1-company. State Bank of India, Stressed Assets Management Branch, Chandigarh; Deputy General Manager and Authorized Officer, State Bank of India, Stressed Assets Management Branch, Chandigarh; State Bank of India, Karnal Branch; Deputy Commissioner-cum-District Magistrate, Ludhiana and Tehsildar-cum-Executive Magistrate, Ludhiana have been arrayed as respondents No.1 to 6, respectively, in the writ petition.

3. Petitioner No.1 applied for credit facilities to respondent

No.4. The credit facilities were sanctioned in the year 2007. From time to time, the cash credit limit was enhanced to ₹31 crores and a Letter of Credit (LC) of ₹49 crores was also availed. In order to secure the loan, following properties were mortgaged:

1. Equitable mortgage of residential House No.2201, Sector 13, UE, Karnal measuring 248 sq. yards.
2. Equitable mortgage of House No.892, Sector 7, UE, Karnal measuring 101.84 square yards.
3. Equitable mortgage of commercial property at revenue Survey No.361, Paiki, Mithi Rohar, Taluka Gandhidham (Kutchh), Gujarat.
4. Equitable mortgage of residential bungalow on Plot No.37, RS no.127, Paiki, House No.37, Golden Park, Village Meghapar Borichi, Tal Anjar, Distt. Kutch, Gujarat.
5. Equitable mortgage of House No.945/13, UE Karnal admeasuring area 550 sq. yards.
6. Equitable mortgage of residential bungalow on Plot No.38, RS No.127, Golden Park, Village Meghapar Borichi, Ta Anjar, Distt. Kachchh, Gujarat admeasuring 200 sq. meters.
7. Property measuring 3420 sq. yards i.e. 18-2B-12/1/2 biswa (Pukhta) comprised in khasra no.2 khata no.211/240 situated at Mangli Unchni Chandigarh road, Ludhiana.
8. H. No.1534, Phase-II, Urban Estate, Dhandari Kalan, Backside Singh Sabha Gurudwara Sahib, Jamalpur,

Tehsil and District Ludhiana admeasuring 250 sq. yards.

9. Residential House No.42-A, Dayanand Colony, Karnal admeasuring 367 sq. yards.

4. There was a default in repayment of the credit facilities availed. The account was classified as Non-Performing Asset (NPA) on 06.07.2016. The respondent No.4 issued notice dated 12.07.2016 under Section 13(4) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (for brevity 'the Act'). As per notice, there was outstanding dues of ₹38,24,22,813/-. The petitioners filed their objections under Section 13(3-A) of the Act. The respondent-bank issued a notice dated 25.05.2017 under Section 13(4) of the Act. The petitioners filed Securitisation Application bearing SA No. 779 of 2017 before Debts Recovery Tribunal, Chandigarh. During the pendency of SA, petitioners gave a proposal of One Time Settlement (OTS) vide letter dated 18.12.2017. The OTS was approved by the respondent-bank vide letter dated 17.02.2018. After acceptance of the OTS, the SA was withdrawn. Petitioners were not able to comply with the terms of OTS. The respondent No.4 moved an application under Section 14 of the Act before Tehsildar-cum-Executive Magistrate, Ludhiana for taking over possession of the mortgaged properties.

5. Being aggrieved of the recovery proceedings, the present writ petition has been filed.

6. Vide order dated 08.05.2018, Notice of motion was issued.

7. Today, learned counsel for the petitioners stated that negotiations are going on with the respondent-bank to arrive at a

compromise in the matter and hence permission may be granted to withdraw the present writ petition.

8. The writ petition is dismissed as withdrawn, as prayed by learned counsel for the petitioners.

9. It is, however, clarified that in case of failure of compromise proceedings, the petitioners would be at liberty to avail alternative remedies available to them in accordance with law.

(AJAY KUMAR MITTAL)
JUDGE

(AVNEESH JHINGAN)
JUDGE

September 24, 2018

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Whether speaking/reasoned: Yes / No

Whether reportable : Yes / No