IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

CWP No. 16350 of 2018
Decided on : 19.09.2018

Deepak Raj Walia ...... Petitioner

Versus

State Bank of India ...... Respondent

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

Present : Mr.Ashok Tyagi, Advocate
for the petitioner.

Mr. Gaurav Goyal, Advocate
for the respondent-bank.

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AVNEESH JHINGAN, J.

The present writ petition has been filed seeking quashing of notice dated 14.04.2018 (Annexure P-4) issued under Section 13(4) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002 (for brevity, 'the Act'). It was further prayed that direction be issued to the respondent-bank not to take any action in furtherance of the impugned notice dated 14.04.2018 (Annexure P-4).

2. The State Bank of India, Kalka has been arrayed as respondent in the present writ petition.

3. The petitioner availed a vehicular loan for ₹5.60 lakhs from the respondent-bank. The loan was sanctioned on 22.03.2018 and was to be repaid in five years in equal monthly installments.

4. There was a default in repayment of loan. The respondent-bank issued a notice dated 07.07.2017 to the petitioner for regularising the

account by paying the overdue monthly installments. Thereafter, the respondent-bank issued a notice dated 23.10.2017 under Section 13(2) of the Act. As per the notice, there were outstanding dues of Rs.5,54,970/-. Further, a notice under Section 13(4) of the Act was issued on 14.04.2018.

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

6. On 09.07.2018, learned counsel for the petitioner, in order to show the bonafides of the petitioner, produced a cheque amounting to ₹60,000/- while the overdue amount was urged to be approximately ₹45,000/-. The original cheque was returned to the learned counsel for the petitioner with a direction to deposit the same with the respondent-bank within three days. Notice of motion was issued. During the pendency of the petition, the petitioner had deposited another sum of ₹50,000/-.

7. Heard learned counsel for the parties.

8. Learned counsel for the petitioner contended that the petitioner is ready and willing to regularise the account but the bank is not providing the details and calculations of the outstanding amount.

9. Learned counsel for the respondent-bank argued that the petitioner has failed to supply the copy of registration certificate of the car to the bank. For this default, he is liable to pay Non Submission of Registration Certificate charges @ ₹2500/- per month plus Goods and Services Tax. He further contended that in case the overdue amount and charges are paid by the petitioner, the bank will regularise the account.

10. Without expressing any opinion on the merits of the case, the petition is disposed of with a direction that the petitioner shall approach

the bank within 15 days from today for getting the details and calculations of outstanding dues. The bank would supply the above said details within one week of receipt of the representation alongwith copy of circular relied upon for charging Non Submission of Registration Certificate charges. The petitioner shall clear the overdues within two weeks from supply of information and thereafter, the respondent-bank would regularise the loan account.

11. It is clarified that in case of failure of the petitioner to clear the overdue amount, the bank would be at liberty to proceed in accordance with law.

(AJAY KUMAR MITTAL)
JUDGE

(AVNEESH JHINGAN)
JUDGE

September 19, 2018
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Whether speaking/reasoned: Yes

Whether reportable : Yes