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IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

CWP No. 17016 of 2018 (O&M)
Decided on 10.09.2018

M/s Bhagwati Electricals, Sangrur

Petitioner

Versus

State Bank of India, Branch Khanauri Mandi, Sangrur

Respondent

* * *

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

Present : Mr. Bhaskar Sharma, Advocate
for the petitioner.

Mr. Gaurav Goel, Advocate
for the respondent.

* * *

AVNEESH JHINGAN, J.

The present writ petition has been filed seeking quashing of notice dated 05.07.2017 (Annexure P-1) issued under Section 13(2) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (for brevity 'the Act'). Further prayer has been made for direction to the respondent to consider the One Time Settlement (OTS) proposal submitted by the petitioner.

2. The petitioner is a proprietorship concern and the petition has been filed by Proprietor Sewa Ram. State Bank of India, Branch Khanauri Mandi, District Sangrur has been arrayed as respondent.

3. The petitioner concern was engaged in manufacturing of exhaust fans for coolers. The petitioner availed credit facility to the tune of ₹15 lakhs on 20.03.2014 from the respondent. In order to secure the credit facility, the residential property bearing Khewat Khatoni No. 13/32 Khasra No. 54//3 (7-11) 13/2 (4-0) 17/2 (4-11) 18 (8-0) 23/2(4-0) 24/1(6-4) 24/2(1-16) 25/1 (0-16) 57//4 (8-0) 7 Min (0-2) Kitte 10=45K 0M share 29/1800=0K-14-1/2M in which house built on 4-1/2M situated at Khanauri in the name of Sewa Ram s/o Hari Ram r/o Khanauri Tehsil Moonak District Sangrur was mortgaged with the respondent-bank.

4. The petitioner defaulted in repayment of loan in December 2016. The account was classified as Non-Performing Asset (NPA) on 23.12.2016. The respondent-bank served notice dated 05.07.2017 under Section 13(2) of the Act. As per notice, ₹15,69,184/- was due as on 05.07.2017. Thereafter, the respondent-bank issued notice under Section13(4) of the Act. On 10.07.2018, notice under Section 14 of the Act was affixed on the secured property for taking over its possession. After issuance of notice under Section 14 of the Act, the petitioner approached the respondent-bank for settlement of account.

5. Being aggrieved of the proceedings under the Act, the present petition was filed.

6. Notice of motion was issued on 20.07.2018. Learned counsel for the petitioner produced a demand draft of ₹5 lakhs to show his *bona fide.* It was stated that the outstanding liability would also be discharged in due course. The counsel was directed to deposit the said demand draft with the respondent-bank. Thereafter,

during the pendency of the writ petition no other amount was deposited. On 04.09.2018, the petitioner was directed to produce a demand draft of ₹5 lakhs to show his *bona fide.*

7. Learned counsel for the petitioner contended that ₹5 lakhs, as was ordered on 04.09.2018, could not be arranged and the petitioner is not in a position to comply with order of this Court.

8. Keeping in view the facts and circumstances of the case, the writ petition is disposed of with liberty to the petitioner to approach the respondent-bank and pursue the matter regarding settlement of outstanding dues or to avail the statutory remedies available in law.

(AJAY KUMAR MITTAL)
JUDGE

(AVNEESH JHINGAN)
JUDGE

September 10, 2018
pankaj baweja

Whether speaking/reasoned: Yes / No

Whether reportable : Yes / No