HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

CWP-19924-2017
Date of Decision: March 15, 2018

ARC Buildmat Pvt.Ltd.

.....Petitioner

Versus

Religare Finvest Ltd. and others

......Respondents

CORAM: HON'BLE MR.JUSTICE SURYA KANT
HON'BLE MR. JUSTICE SHEKHER DHAWAN

1. **To be referred to the Reporters or not? Yes/No**
2. **Whether the judgment should be reported in the Digest? Yes/No.**
3. **Whether Reporters of local papers may be allowed to see the judgment? Yes/No**

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Present: Mr.S.D.Bansal, Advocate for the petitioner.

Mr.Sanjeev Singh, Advocate for respondent Nos.1 and 2.

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SURYA KANT, J.

The petitioner-Company availed credit facility from the respondent-financial institution in the year 2011. The loan amount was to be paid in 144 EMIs, which was further enhanced for 154 months. There was a default in payment of EMIs, as a result of which the respondent took measures under Sections 13 and 14 of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (for brevity, 'the SARFAESI Act') and physical possession of the secured assets has also been partially taken.

[2] The foremost grievance of the petitioner in the instant writ petition is with regard to rate of interest levied by the respondent, which is said to have been unilaterally revised and enhanced. The respondent in its

written statement has disputed the petitioner's claim and relies upon certain documents to show that the petitioner did not object to at the time of revision of rate of interest. The petitioner, on the other hand, submits that the objection was indeed raised against revision of the rate of interest.

[3] Be that as it may, it is not necessary for us to go into factual details for the reason that according to learned counsel for the respondent, the approximate arrears of loan as on date are ₹3.00 crores, out of which the principal amount is approximately ₹2.00 crores besides the pending installments. Learned counsel for the petitioner very fairly states that the petitioner will repay the principal amount within a reasonable period, whereupon their dispute regarding rate of interest or the manner in which it has been levied deserves to be adjudicated by an impartial Forum. It is stated by learned counsel for the petitioner that the petitioner would pay a sum of ₹2.00 crores towards principal amount in two equal installments, i.e. one before 30.04.2018 and another before 30.06.2018. On deposit of such amount, let physical possession of the secured assets be restored to the petitioner without prejudice to the rights of the respondent. As soon as the petitioner would deposit ₹2.00 crores, it shall be at liberty to file a petition before the DRT, to which we direct not to take any objection regarding maintainability or limitation etc. and adjudicate the question of interest liability of the petitioner after hearing both the parties. Further action re: taking over physical possession of the secured asset and/or to discharge the petitioner completely from the loan liability will depend upon the outcome of those proceedings.

[4] DRT shall adjudicate the matter within a period of <u>three</u>

months after giving a reasonable opportunity to both the parties to produce the relevant documents.

[5] Disposed of.

(SURYA KANT)
JUDGE

March 15, 2018 **(SHEKHER DHAWAN)**
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1. Whether speaking/reasoned ? Yes/No
2. Whether reportable ? Yes/No