

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

CWP No.1846 of 2018

Date of Decision: 29.01.2018

M/s Sri Vishnu Steels & Anr.

...Petitioners

VS.

Union Bank of India & Ors.

... Respondents

**Coram : Hon'ble Mr.Justice Surya Kant
Hon'ble Mr.Justice Shekher Dhawan**

Present: Mr. Lekh Raj Sharma, Advocate for the petitioners

SURYA KANT J. (Oral)

(1) The petitioners are borrowers whose loan account was classified as NPA way back in the year 2013. The Bank has initiated action under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and measures under Section 13(4) read with Section 14 of the Act have also been taken. The Bank thereafter issued e-auction notice dated 06.12.2017 (P4) for sale of the secured assets on "AS-IS-WHERE-IS-WHATEVER-THERE-IS-AND-WITHOUT-RECOURSE BASIS". The auction notice included the mortgaged land as well as the plant and machinery. The petitioners have filed SA No.413 of 2017 before DRT-I, Chandigarh claiming that the plant and machinery are not hypothecated with the Bank. They also applied for interim stay and it is stated that their application has now been adjourned to 21.02.2018. Meanwhile, e-auction has been conducted and the mortgaged property has been sold to respondent No.3 being the highest bidder. The sale has been confirmed as well.

(2) The core issue to be decided in the SA is whether the plant and machinery is also hypothecated with the Bank hence removal or further

alienation of the plant and machinery is likely to cause severe prejudice to the petitioners in the pending SA.

(3) Having heard learned counsel for the petitioners, we are of the view that the appropriate recourse for the petitioners is to file a fresh IA before the Tribunal seeking *ad interim* protection against removal of the plant and machinery till their original SA/1st IA are decided on merits on the date fixed i.e. 21.02.2018. If such an application is filed by the petitioners by tomorrow, we direct DRT-I, Chandigarh to pass an appropriate order on that application within this very week after hearing the parties concerned.

(4) Disposed of. **Dasti**.

(Surya Kant)
Judge

29.01.2018
vishal shonkar

(Shekher Dhawan)
Judge

1. Whether speaking/reasoned?	Yes
2. Whether reportable?	No