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

CWP No.21888 of 2018
Decided on : 27.11.2018

M/s Krafters Telecom Services Pvt. Ltd. & ors. ...... Petitioners

Versus

Citi Bank, Gurugram & ors. ...... Respondents

**CORAM : HON'BLE MR. JUSTICE AJAY KUMAR MITTAL
HON'BLE MRS. JUSTICE MANJARI NEHRU KAUL**

Present : Mr. Lalit Thakur, Advocate for
Mr. V.K.Sachdeva, Advocate
for the petitioners.

Mr. Sorabh Sharma, Advocate with
Mr. Anmol Pandit, Advocate
for the respondents.

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Manjari Nehru Kaul, J.

Prayer in the instant petition filed under Articles 226/227 of the Constitution of India is for issuance of writ in the nature of Certiorari for quashing the proceedings initiated by respondent-bank under Section 14 of Securitization and Reconstruction of Financial Assets and Enforcement of Security interest Act, 2002 (hereinafter referred as 'the Act') for taking physical possession of the residential house of the petitioners No.2 and 3.

2. The petitioners were sanctioned a term loan of ₹ 4.50 crores on 29.06.2013 by the respondent-bank for expanding the business. The said loan was to be repaid by the petitioners in 180 installments and to secure the credit facilities, the petitioners mortgaged House No.752, Sector 15, Gurgaon.

3. Since the petitioners failed to maintain their financial

discipline, it led to the loan account of the petitioners being classified as Non-Performing Asset (in short 'NPA') on 30.11.2015. The respondent-bank then initiated the proceedings under Section 13(2) of the Act and vide letter dated 29.12.2015 asked the petitioners to make payment of ₹4,97,46,750/- including interest upto 31.12.2015. Thereafter a possession notice under Section 13(4) of the Act dated 26.03.2018 was issued to the petitioner. Hence, the present writ petition.

4. While issuing notice of motion on 30.08.2018, interim protection was granted to the petitioners by this Court.

5. Learned counsel for the petitioners has filed an affidavit on behalf of the petitioners in terms of order dated 31.10.2018, which is taken on record. Office to tag the same at appropriate place. Learned counsel has further submitted that the petitioners are ready and willing to clear the outstanding dues within a reasonable period of time.

6. After hearing learned counsel for the parties, perusing the petition and without expressing any opinion on the merits of the case, the present writ petition is disposed off with the following directions:

1. The petitioners shall approach the respondent-bank within 15 days from today by filing a detailed and comprehensive representation for clearing the outstanding dues or to regularize the loan account.
2. The petitioners shall deposit a demand draft of ₹ 10 lakhs alongwith the representation.
3. Respondent-bank shall consider the representation submitted by the petitioners sympathetically in accordance with law, after affording an opportunity of hearing to the petitioners

and pass a speaking order.

4. The decision on the representation shall be taken at the earliest by the respondent-bank but not later than one month from the receipt of such representation.
5. It is clarified that in case the petitioners fail either to submit their representation within the specified time or fail to deposit a sum of ₹ 10 lakhs, the respondent-bank would be at liberty to proceed in accordance with law.

7. The interim protection granted vide order dated 30.08.2018 regarding status quo shall continue till the decision is taken by respondent bank on the representation submitted by the petitioners. However, it is clarified that the extension of the interim protection shall not be construed as an expression of opinion on the merits of the case by this Court.

(MANJARI NEHRU KAUL)
JUDGE

(AJAY KUMAR MITTAL)
JUDGE

27.11.2018
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Whether speaking/reasoned: Yes/No
Whether reportable : Yes/No