HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

CM-15319-2017 in/and
CWP-24159-2017 (O&M)
Date of Decision: March 26, 2018

Sunil Malhotra and others .....Petitioners
Versus
Federal Bank 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.Aalok Jagga, Advocate for the petitioners.

Mr.Nitin Grover, Advocate for the respondents.

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SURYA KANT, J.

CM-15319-2017

Application is allowed subject to all just exceptions. Annexures P-35 to P-51 are taken on record.

CM stands disposed of.

CWP-24159-2017

The petitioners have approached this Court challenging the order dated 12.06.2017 passed by the District Magistrate, Gurugram, and the Notice dated 17.06.2017 issued pursuant thereto for taking physical possession of the secured asset.

[2] The above-stated action was taken against the petitioners at the instance of respondent No.1-Federal Bank as the petitioners failed to pay the over-due amount in respect of various loans availed by them including cash

credit limit of ₹913.33 lacs, which was later on reduced.

[3] It may be mentioned here that account of the petitioners was classified as 'NPA' way back in the year 2011. Having taken notice of the fact that the loan amount was about ₹10.00 crores, this Court on February 22, 2018 directed the petitioners to deposit at least 10% of the outstanding dues within one week so that their 'One Time Settlement' offer could be considered.

[4] The said order was not complied with, yet this Court, in the interest of justice, gave one more opportunity to the petitioners on March 13, 2018. It was directed on that day that cheque of ₹90.00 lacs handed over by the petitioners may be encashed by the Bank without prejudice to its rights and if the said cheque is honoured, the 'One Time Settlement' proposal submitted by the petitioners on 16.02.2018 may also be considered as per the Bank Policy.

[5] We are informed by counsel for the Bank that the above-mentioned cheque was dishonoured but regardless thereto, 'One Time Settlement' offer made by the petitioners has been considered and accepted by the Bank subject to the condition that they will deposit a sum of ₹9.00 crores by 27.03.2018.

[6] The petitioners instead of honouring their commitment as per the 'One Time Settlement' offer, have now requested the Bank to extend the period till 27.04.2018.

[7] In the light of the above-stated facts, while we do not find any ground to interfere with the order passed by the District Magistrate, the instant writ petition is disposed of taking into consideration the subsequent

events, namely, acceptance of 'One Time Settlement' offer made by the petitioners, with a direction to the Bank to sympathetically consider their request for extension of time subject to their showing *bona fide* by depositing a sum of ₹2.00 crores (as per their own statement) by tomorrow.

[8] It goes without saying that in case the petitioners fail to deposit ₹2.00 crores by tomorrow or if they subsequently do not honour the commitment as per 'One Time Settlement' offer, the Bank shall be at liberty to proceed against them in accordance with law.

[9] The issue regarding conduct of the Presiding Officer of DRT shall be looked into by this Court independently.

(SURYA KANT)
JUDGE

March 26, 2018 **(SHEKHER DHAWAN)**
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1. Whether speaking/reasoned ? Yes/No
2. Whether reportable ? Yes/No