

IN THE HIGH COURT OF PUNJAB & HARYANA AT CHANDIGARH

CWP-29112-2018

Date of Decision: 17.11.2018

Oriental Bank of Commerce

...Petitioner

Versus

M/s RVK Component & Fastners and others

...Respondents

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

PRESENT: Mr. Yogesh Putney, Advocate for the petitioner.

AJAY KUMAR MITTAL, J.

1. In this writ petition filed under Articles 226/227 of the Constitution of India, the petitioner has prayed for issuance of a writ of mandamus directing respondent No.3 to decide the application dated 12.7.2018 (Annexure P-2) moved by the petitioner under Section 14 of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (in short "the SARFAESI Act").

2. The petitioner got sanctioned the credit facilities, i.e. Cash Credit Limit of ₹ 95 lakhs and Term Loan of ₹ 65 lakhs to respondent No.2 at the request of respondent No.1 vide sanction letter dated 19.5.2018. Respondent No.2 executed memorandum of deposit of title deeds on 27.5.2016 in favour of the petitioner qua the credit facilities taken by respondent No.1. Respondent No.1 had defaulted in repayment of principal debt/installments and interest thereon and, therefore, its account was declared as Non-Performing Account (NPA) on 30.6.2017. The petitioner filed Original Application before the Debts Recovery Tribunal for the recovery of ₹ 1,46,48,555/- along with pendente lite and future interest at the rate of 9.60 per annum on monthly rests and expenses. A notice dated

respondents for the payment of the outstanding amount as on 30.6.2017 through registered post. Since, the petitioners failed to make the loan amount in question, the petitioner took possession of the mortgaged property on 16.10.2017. Thereafter, the petitioner filed an application dated 12.7.2018 (Annexure P-2) under Section 14 of the SARFAESI Act before respondent No.3 for taking physical possession of the mortgaged property, but no response has been received till date. Hence, the present writ petition.

3. Learned counsel for the petitioner submitted that for the relief claimed in the writ petition, the petitioner has moved an application dated 12.7.2018 (Annexure P-2) under Section 14 of the SARFAESI Act before respondent No.3, but no action has so far been taken thereon.

4. After hearing learned counsel for the petitioner, perusing the present petition and without expressing any opinion on the merits of the case, we dispose of the present petition by directing respondent No.3 to take a decision on the application dated 12.7.2018 (Annexure P-2), in accordance with law by passing a speaking order and after affording an opportunity of hearing to the concerned parties within a period of six weeks from the date of receipt of the certified copy of the order.

(AJAY KUMAR MITTAL)
JUDGE

November 17, 2018
gbs

(MANJARI NEHRU KAUL)
JUDGE

Whether Speaking/Reasoned

Yes/No

Whether Reportable

Yes/No