IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

CWP No.7139 of 2018
Decided on : 21.11.2018

M/s Bhagwati Farbics ...... Petitioner

Versus

Bank of Baroda ...... Respondent

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

Present : Ms. Palak Dev, Advocate for the petitioner.

Ms. Pragya Malhotra, Advocate for the respondent.

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Manjari Nehru Kaul, J.

This writ petition has been filed under Articles 226/227 of the Constitution of India for issuance of a writ in the nature of mandamus directing the respondent-bank for granting permission to sell the property mortgaged in the account of the petitioner i.e. A/c No.51520500000004.

2. Petitioner is a registered firm running the business of selling garments. It availed a Cash Credit Limit of ₹ 12 lakhs for enhancing its business but due to demonestiation and hospitalization of the husband of the proprietor, it was unable to maintain the financial discipline. According to the petitioner, it had paid ₹ 5 lakhs to the respondent-bank towards Cash Credit Limit and to discharge the remaining financial liability, it wanted to sell its secured asset.

3. After arguing for some time, learned counsel for the petitioner

prays for withdrawal of the present petition with liberty to the petitioner to approach respondent-bank by filing a detailed and comprehensive representation. Further prayer has also been made that a direction may be issued to the concerned authority to decide the same in a time bound manner.

4. Learned counsel for the respondent-bank submitted that in case any reasonable proposal is made by the petitioner, the respondent-bank shall consider the same.

5. 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 of with the following directions:

1. The petitioner shall approach the respondent within one month from today with a proposal for clearing the outstanding dues or to regularize the loan account.
2. The petitioner shall deposit a demand draft of ₹ 2 lakh alongwith the proposal.
3. Respondent -bank shall consider the proposal submitted by the petitioner sympathetically in accordance with law, after affording an opportunity of hearing to the petitioner and pass a speaking order.
4. The decision on the proposal shall be taken at the earliest by the respondent-bank but not later than two months from the receipt of such proposal.
5. It is clarified that in case the petitioner fails to submit its

proposal within the specified time or fails to deposit a sum of ₹ 2 lakh within the specified time, the respondent -bank would be at liberty to proceed in accordance with law.

(AJAY KUMAR MITTAL)
JUDGE

(MANJARI NEHRU KAUL)
JUDGE

21.11.2018
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Whether speaking/reasoned: Yes/No
Whether reportable : Yes/No