

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

CWP No.891 of 2018

Date of Decision: 18.01.2018

M/s DR Foods Ltd. & Ors.

...Petitioners

VS.

Reserve Bank of India & Ors.

... Respondents

**Coram : Hon'ble Mr.Justice Surya Kant
Hon'ble Mr.Justice Anil Kshetarpal**

Present: Mr. Aditya Arya, Advocate for the petitioners

SURYA KANT J. (Oral)

(1) The petitioner No.1-Company is in the business of rice and wheat production whereas petitioners No.2&3 are its Directors. They have availed loan facilities from the respondent-Bank but having failed to repay the due instalments, the Bank invoked the arbitration clause and arbitration award was passed against the petitioners on 15.10.2016. It is claimed that the petitioners' objection petition under Section 34 of the Arbitration and Conciliation Act, 1996 is still pending. Meanwhile, the Bank has invoked its powers under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and notices under Section 13(2)&13(4) have been issued. As the petitioners did not hand over the possession of the mortgaged/secured assets, the Bank approached the District Magistrate, Karnal who too has passed the order directing the petitioners to hand over physical possession of the secured assets. The petitioners have meanwhile submitted a proposal for One Time Settlement (OTS) on 28.02.2017 (P9) followed by another such offer made on 01.01.2018 (P16). The petitioners claim that they are inclined to pay the settled loan amount within a period of six months.

(2) Having heard learned counsel for the petitioners and considering the fact that the petitioners are inclined to pay the entire loan amount as may be determined through OTS, we deem it appropriate to dispose of this writ petition without expressing any views on merits with a direction to the respondent-Bank to consider the One Time Settlement offer made by the petitioners and take an appropriate decision within two weeks from the date of receipt of certified copy of this order.

(3) Subject to petitioners' depositing a sum of ₹ 15 lacs within one week, the respondent-Bank may not take any coercive action till the decision on OTS offer is taken.

(4) Ordered accordingly. **Dasti**.

(Surya Kant)
Judge

18.01.2018
vishal shonkar

(Anil Kshetarpal)
Judge

1. Whether speaking/reasoned?
2. Whether reportable?

Yes
No