

IN THE HIGH COURT OF PUNJAB & HARYANA AT CHANDIGARH

Civil Writ Petition No.9566 of 2018.

Date of Decision: April 23, 2018

M/s Sai Educational Society and anotherPetitioners
versus

Union Bank of India and anotherRespondents

**CORAM: HON'BLE MR.JUSTICE SURYA KANT.
HON'BLE MR.JUSTICE SHEKHER DHAWAN.**

Present: Mr.Rajiv Sidhu, Advocate, for the petitioners.

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Surya Kant, J. (Oral)

The petitioner-Society availed financial assistance of Rs.5,42,00,000/- from the respondent-bank in two accounts and the Society or its Chairman mortgaged their properties as security against the said loan. The bank served notices dated 31.03.2016 and 24.06.2016 under Sections 13(2) and 13(4) of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, respectively, declaring the loan account of the petitioners as NPA. Thereafter, a petition under Section 14 of 2002 Act has been filed which is pending consideration before the District Magistrate, Jind.

One of the plea taken by the petitioners before us is that they have already paid approximately Rs.4.50 crores and the period for which the loan was sanctioned is yet to expire in the year 2019.

It is not in dispute that the respondent-bank has filed OA before the Debts Recovery Tribunal, Chandigarh in which the petitioners have been duly served and the case is now fixed for 30.05.2018. The question whether the petitioners have already paid a substantial part of the loan amount or that their account cannot be classified as NPA or that no action

effectively determined by the DRT in the pending OA. The petitioners may seek either preponement of hearing in this regard. With a view to enable the petitioners to approach DRT, it is directed that if any order is passed by District Magistrate under Section 14 of 2002 Act, *status-quo* re: physical possession of the secured assets be maintained for a period of four weeks.

The writ petition stands disposed of accordingly.

[SURYA KANT]
JUDGE

April 23, 2018
mohinder

[SHEKHER DHAWAN]
JUDGE

Whether speaking/reasoned	:	Yes/No
Whether Reportable	:	Yes/No