245 **IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH**

CWP No. 9624 of 2018
DECIDED ON: OCTOBER 23, 2018

SANJEEV KUMAR AND ANOTHER

.....PETITIONERS

VERSUS

SHRIRAM HOUSING FINANCE LTD. & ANR

.....RESPONDENTS

CORAM : HON'BLE MR. JUSTICE AJAY KUMAR MITTAL
HON'BLE MR. JUSTICE AVNEESH JHINGAN

Present : Mr. Antiaz Sandhu, Advocate for
Mr. Karan Bhardwaj, Advocate
for the petitioners.

Mr. Harsh Chopra, Advocate
for the respondents.

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AVNEESH JHINGAN, J

The present writ petition has been filed seeking quashing of notice dated 01.05.2017 (Annexure P-2) issued under Section 13(2) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (for short 'the Act') and notice dated 26.03.2018 (Annexure P-3)

2. The petitioners are borrowers of loan. Shriram Housing Finance Ltd., Plot No.2, 3rd Floor, E-Block, Sector 1, Noida-201301 and Shriram Housing Finance Ltd., Office No. 123, Angappa Naicken Street, Chennai-

600001, have been arrayed as respondents No.1 and 2 respectively in this writ petition.

3. The petitioners availed a loan of ₹41,74,598/- from the respondent-Bank. In order to secure the credit facility availed, the petitioners mortgaged their residential house bearing No. 2372, Opposite Gurudwara Mansa Singh, Buria Gate, Jagadhri, Yamunanagar, Haryana 135001.

4. The petitioners failed to maintain the financial discipline, consequently, the loan account was classified as Non-Performing Asset (NPA). The respondent-Bank issued a notice dated 01.05.2017 under Section 13(2) of the Act. As per the notice, there were outstanding dues of ₹45,06,066/-. Thereafter, the respondent-Bank issued a notice under Section 13(4) of the Act. Aggrieved of the recovery proceedings initiated under the Act, the present petition has been filed.

5. On 20.04.2018 while issuing notice of motion, the following order was passed.

> "*Notice of motion for 01.08.2018.*
>
> *Subject to the petitioners' depositing a demand draft of Rs.2.00 lacs within three days from today followed by payment of another Rs.2.00 lacs within one month thereafter, action under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 shall remain stayed. The respondents are further directed to produce the complete statement of account as it alleged that the interest is being levied on daily basis.*

6. During the pendency of the present petition, the petitioners have deposited a sum of ₹4,00,000/- in terms of order dated 20.04.2018.

7. Heard learned counsel for the parties.

8. Learned counsel for the petitioners submitted that the petitioners would approach the respondent-Bank with a proposal to clear the over due amount and the respondent-Bank be directed to consider and decide the same in a time bound manner.

9. Learned counsel for the respondent-Bank argued that in case a reasonable proposal is made by the petitioners, the respondent-bank will consider the same.

10. Without expressing any opinion on the merits of the case and keeping in view the facts of the case, the present petition is disposed of with the following directions:

(i) The petitioners shall approach the respondent-Bank within one month from today with a proposal containing the time schedule to clear the outstanding dues. Along-with the proposal petitioners shall deposit a demand draft of ₹5,00,000/-

(ii) The respondent-Bank on receipt of proposal shall decide the same in accordance with law, after affording an opportunity of hearing to the petitioners by passing a speaking order. The decision on the proposal shall be taken at the earliest but not later than one month from the receipt of proposal;

(iii) It is clarified that in case the petitioners fail either to submit proposal within specified time alongwith demand draft of ₹5,00,000/-, respondent-Bank shall be at liberty to proceed in accordance with law;

(iv) The interim protection granted by this Court vide order dated

20.04.2018 shall continue till the decision is taken by respondent-Bank on the proposal submitted by the petitioners;

(v) However, it is clarified that extension of interim protection shall not be construed as an expression of opinion on the merits of the case by this Court.

(AJAY KUMAR MITTAL)
JUDGE

(AVNEESH JHINGAN)
JUDGE

OCTOBER 23, 2018
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Whether speaking/reasoned: Yes / No
Whether reportable : Yes / No