IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

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CWP-10765-2019
Date of Decision:18.10.2019

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M/s M.S. Stone Crusher Gram Udyog Mandal, Dadam, Tehsil Tosham, District Bhiwani

. . . . . Petitioner

Vs.

Dena Bank and another

. . . . . Respondents

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CORAM: HON'BLE MR.JUSTICE RAKESH KUMAR JAIN
HON'BLE MR.JUSTICE ARUN KUMAR TYAGI

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Present: - Ms.Samridhi Sareen, Advocate,
for the petitioner.

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RAKESH KUMAR JAIN, J.

The petitioner has prayed for the issuance of a writ in the nature of certiorari for quashing the notice dated 31.5.2017 issued under Section 13(2) of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 [for short 'the Act'] and notice dated 19.12.2017 issued under Section 13(4) of the Act as well as the proceedings initiated against the e-auction notice dated 09.04.2019.

In brief, the petitioner-society had availed term loan and cash credit facility for the setting up of a stone crushing plant at Village Dadam, Tehsil, Tosham, District Bhiwani. The respondent/bank had approved the cash credit limit of ₹40 lakh and term loan of ₹50 lakh in the year 2016. The petitioner mortgaged its agricultural land as security. Since, the petitioner failed to maintain the financial discipline, therefore, its account was declared

NPA and by issuance of a notice under Section 13(2) of the Act, the entire amount of loan was recalled. The petitioner did not adhere to the notice, therefore, it was followed by another notice issued under Section 13(4) of the Act and ultimately in order to recover the amount of loan, the respondents/bank had decided to put the secured asset on sale by way of e-auction. The petitioner had thus approached this Court thereafter.

At the time of preliminary hearing on 29.4.2019, counsel appearing on behalf of the petitioner had submitted that a demand draft of ₹10 lakh shall be produced on the next date of hearing to show the *bona fide* of the petitioner to pay all the debts of the respondents/bank even by way of installments. The hearing of the case was deferred. On the next date of hearing, counsel for the petitioner requested for an adjournment on the ground that talks with the respondents/bank are going on in respect of the OTS. Thereafter, on the next adjourned date, no one had put in appearance on behalf of the petitioner and in the interest of justice, the case was adjourned. On the next date of hearing also the petitioner had requested for an adjournment.

We have heard learned counsel for the petitioner and after examining the record, found that the petitioner has been taking repeated adjournments without having any plan to make the payment of the overdue amount as not only the petitioner had to produce the draft of ₹10 lakh, as submitted in the Court on 29.4.2019 but also no effort was made for settling the account with the respondents/bank even under the OTS despite seeking adjournments.

Thus from the aforesaid facts and circumstances, we are of the considered opinion that there is no error on the part of the respondents/bank in invoking the provision of Section 13(2) of the Act as the petitioner has defaulted in making the payment of the installments of the amount of ₹77,06,368/- and do not find any reason to interfere in this petition. Hence, the present petition is hereby dismissed.

(RAKESH KUMAR JAIN)
JUDGE

(ARUN KUMAR TYAGI)
18.10.2019 **JUDGE**
Vivek

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