

**IN THE HIGH COURT OF PUNJAB & HARYANA
AT CHANDIGARH**

CWP-2555-2020

Date of Decision:05.11.2020

M/s Samarth Woolen Mills and another

...Petitioners

Versus

Allahabad Bank (now amalgamated with Indian Bank), SAM Branch,
Ludhiana and others

...Respondents

**CORAM:- HON'BLE MR. JUSTICE JASWANT SINGH
HON'BLE MR. JUSTICE SANT PARKASH**

Present: Mr.Aalok Jagga, Advocate for the petitioners.

Mr.K.K.Goel, Advocate for respondent No.1.

JASWANT SINGH, J. (ORAL)

[The aforesaid presence is being recorded through video conferencing since the proceedings are being conducted in virtual court.]

Petitioner No.1, a partnership firm, had availed cash credit facility in the year 1995, the limit of which in the year 2011 had been raised to Rs.18.40 cores. The said loan account was declared NPA resulting into the recall of the loan amount of Rs.18.40 crores as on 31.03.2019.

The petitioner-Firm was extended the benefit of One Time Settlement (OTS) sanctioned on 07.06.2019 (P-3), whereby a total amount of Rs.14.75 crores only was required to be paid within six months with different dates of payment of the instalments. The petitioners could only pay a sum of Rs.5.25 crores till 06.09.2019 and thereby filed the instant writ petition seeking extension of time in repayment, in terms of the OTS Scheme, in view of law laid down in ***Malhan Industries Private Limited Vs Punjab National Bank, 2015 (67) RCR (Civil) 782*** as also quashing of the speaking order dated 15.01.2020 (P-14) passed by the Bank declining the extension of time.

This Court, while issuing notice of motion on 05.02.2020 in the instant case, granted status quo to be maintained regarding the mortgaged property.

At the time of resuming hearing today, it is a conceded position of the parties that a fresh OTS settlement has been arrived at between the parties on 26.03.2020, whereby remaining outstanding amount of Rs.10,60,32,000/- (Ten Crores Sixty Lacs and Thirty Two Thousand) out of the initial agreed OTS amount to be paid, was required to be cleared by 26.09.2020. It is also conceded that the petitioner-Firm was able to pay another sum of Rs.4 crores and has subsequently filed CWP No.15895 of 2020 before this Court seeking extension of time beyond 26.09.2020 to clear the remaining amount of Rs.6 crores approximately within some more reasonable time. It is also conceded that in view of *bonafides* of the petitioners established in terms of the interim order dated 15.10.2020 passed in CWP No.15895 of 2020, this Court vide a subsequent order dated 28.10.2020 in the same petition has directed the petitioners to clear the entire settled amount in terms of OTS sanctioned on 26.03.2020 by 31.03.2021. It is also agreed that the Court has now posted the hearing of CWP No.15895 of 2020 for 11.01.2021 to monitor the payment of the agreed amount as per the revised schedule, failing which, the writ petition shall be deemed to be dismissed.

Counsel for the parties have agreed that in terms of the order dated 28.10.2020 passed in CWP No.15895 of 2020, which protects both the parties, nothing more survives for adjudication in the present writ petition.

In view of the above subsequent developments, the present writ petition is disposed of as having been rendered infructuous. The respondent-Bank shall take appropriate action qua the mortgaged properties, only in terms of any orders passed or to be passed in CWP No.15895 of 2020.

(JASWANT SINGH)
JUDGE

(SANT PARKASH)
JUDGE

05.11.2020
mks

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