

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

**Civil Writ Petition No. 4531 of 2021 (O&M)
Date of Decision: 05.07.2021**

Gyan Education Society, Rohtak and another

..... Petitioners

Versus

Punjab National Bank, New Delhi and others

..... Respondents

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

Present: Mr. Aman Pal, Advocate for the petitioners.

Mr. Gaurav Goel, Advocate
for the respondents – Bank **(on advance notice)**

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

JASWANT SINGH, J. (ORAL)

The petitioner – Gyan Education Society (in short “the Society”) has an established running School of Secondary Level situated in Village Bhalot, District Rohtak.

The Society had raised two loans, i.e. (i) Term Loan and; (ii) an Overdraft Facility, to the tune of ₹ 5 crores in the year 2016 from the Punjab National Bank, Rohtak Branch. Due to lack of financial discipline, the loan accounts were declared Non-Performing Asset (NPA) on 31.01.2019.

A Notice dated 02.04.2019 under Section 13 (2) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (in short “the SARFAESI Act”) was issued seeking clearance of the outstanding dues of ₹ 4.10 crores (approximately).

A Notice dated 03.05.2019 under Section 13(4) of the SARFAESI Act seeking symbolic possession was also issued, and thereafter, the District

Magistrate Rohtak, passed an order dated 03.06.2019 **(Annexure R-3)**

directing to provide the police assistance for taking over the physical possession of the three (03) mortgaged properties (offered as a collateral security for the loans).

An One Time Settlement (OTS) proposal for a sum of ₹ 3.60 crores against the outstanding loan of Rs. 4.10 crores was rejected vide order / e-mail dated 19.12.2020 (**Annexure P-5**).

Hence, the present writ petition seeking quashing of order / e-mail dated 19.12.2020 (**P-5**), as also the order dated 03.06.2019 (**R-3**) issued by the District Magistrate, Rohtak.

Concededly, as on today, the amount of outstanding loan is around ₹ 5.50 crores against a realizable value of around ₹ 8.50 crores (approximately) of the three mortgaged properties. It is also an admitted fact that property No. 1, which houses the school and is stated to be worth above ₹ 6 crores, could not be auctioned on two attempts by the Bank for want of any bidders.

At the time of hearing, learned counsel for the petitioners submits that his clients are in negotiation with the Bank for an amicable settlement, subject to the petitioners withdrawing the present writ petition, therefore, prays for permission to withdraw the present writ petition.

Permitted to do so.

Dismissed as withdrawn.

(JASWANT SINGH)
JUDGE

July 05, 2021

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(SANT PARKASH)
JUDGE

Whether Speaking/reasoned	Yes/No
Whether Reportable	Yes/No