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

**CWP-13072-2021 (O&M)
Date of Decision:30.09.2021**

Chandigarh Motors through its proprietor and others

...Petitioners

Versus

Allahaband Bank, Sector-34 A, Chandigarh (now Indian Bank)

...Respondents

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

Present: Mr. Gourave Bhayyia Gilohtra, Advocate,
for the petitioners.

Mr. Nakul Sharma, Advocate
for the respondent-Bank.

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

SANT PARKASH, J.

CM-11746 & 11818-CWP-2021

Applications have been filed for placing on record the memo of parties (CM-11746-CWP-2021) and for placing on record the payment chart (CM-11818-CWP-2021) as Annexure A-1.

Heard.

Applications are allowed, as prayed for. Amended memo of parties is taken on record and payment chart is permitted to be taken on record as Annexure A-1.

Main case

By way of filing the present writ petition under Article 226 of

the Constitution of India, petitioners, inter alia, pray for quashing of the rejection letter dated 18.06.2021 (P-1), vide which the petitioners have been directed to pay remaining OTS amount along with delayed period interest @ MLCR + 2% from the date of original sanction up-to closure of the account.

Rajinder Pal (Petitioner No.1) is proprietor of M/s Chandigarh Motors which had been doing the business of dealership of AMW Truck Tippers in Derabassi, while petitioners No. 2 and 3 are his wife and son, respectively. The petitioner firm had availed Cash Credit limit facility by mortgaging the following properties:-

- a) Land measuring 4 Kanal situated at village Mubarikpur, Tehsil Derabassi, District Mohali;
- b) Residential House No.3035, Sector-35-D, Chandigarh measuring 338 Square yards;
- c) Land measuring 15 Kanal 10 Marla situated at village Khetparali, Tehsil and District Panchkula.

Apart from the said Cash Credit limit, petitioners were also sanctioned two Housing loans amounting to Rs.50 Lakhs and Rs.25 Lakhs on 30.12.2011 and 23.5.2013, respectively. Due to closure of the Firm as well as financial constraints, accounts of the petitioners were declared NPA. Consequently, the Bank initiated SARFAESI proceedings. It is averred in the petition that the matter was settled on 30.03.2019 whereby the petitioners were directed to pay Rs.5.81 Crores by 31.08.2019. However, the petitioner paid a sum of Rs.1.40 Crore only. It is further averred that on granting extension of time by the respondent-Bank, the petitioners had repaid an amount of Rs.3.60 Crores as on 31.3.2021 and thus, there was an

outstanding amount of Rs.2.21 Crores against the petitioners till March 2021. Thereafter the petitioners again sought extension of time to repay the outstanding amount of the loan amount, however the same was rejected by the respondent-Bank vide impugned order dated 18.06.2021.

Hence, the present writ petition.

Learned counsel for the respondent-Bank fairly submits that the case of extension of time in repayment of the outstanding amount by the petitioners can only be considered subject to the borrowers agreeing to pay the delayed period interest @ MCLR +2% from the date of expiry of OTS sanctioned and extension, i.e. 31.08.2019 till final settlement of account. Learned counsel for the petitioners submits that the petitioners are ready to visit the respondent-Bank for negotiating the offer made by the respondent-Bank for settlement of the account.

In view of the above, learned counsel for the petitioners wishes to withdraw the present writ petition with liberty to approach the competent authority for redressal of their grievance.

The present writ petition is accordingly dismissed.

(JASWANT SINGH)
JUDGE

(SANT PARKASH)
JUDGE

30.09.2021
mks

Whether Speaking/Reasoned: YES / NO
Whether Reportable: YES / NO