

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

CWP No. 19131 of 2019 (O&M)

Date of decision : 31.3.2021

M/s Mahavir Enterprises and others

.... Petitioners

versus

The Authorised Officer/Chief Manager, Canara Bank and other

... Respondents

Coram: Hon'ble Mr. Justice Jaswant Singh

Hon'ble Mr. Justice Jasgurpreet Singh Puri

Present Mr. Fatehjeet Singh, Advocate for the petitioners

Mr. Pancham Sharma, Advocate for respondents 1 and 2 (Bank)

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

Jaswant Singh, J. (Oral)

Petitioner no.1 is a partnership concern while petitioners 2 and 3 are its partners. Petitioner firm availed CC limit of Rs.50 lac from respondent-Canara Bank and created equitable mortgage in respect of property mentioned in para 4 of the petition herein. In the year 2018 petitioners overdrew CC limit and requested the respondent Bank to regularize the same. It is alleged that instead of regularizing loan account, respondent Bank resorted to proceedings under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest

Act, 2002 (for short 2002 Act) and also took symbolic possession of the mortgaged property on 24.7.2018. It is alleged that the petitioners were never intimated that their account had become NPA and the proceedings are totally misuse of power conferred under the 2002 Act. Hence the present petition seeking quashing of Notice dated 29.1.2019 whereby petitioners have been directed to appear and present their case before the ADC(J) Kapurthala in the proceedings under the 2002 Act.

Notice of motion was issued.

At the time of hearing today, learned counsel for the parties, state at the Bar that the loan account stands fully settled by the petitioners and that nothing is due towards them.

In this view of the matter the present petition has become infructuous.

CM 1160/2021

Petitioners, in compliance with the interim order dated 17.7.2019 passed by this Court, had deposited a sum of Rs.10 lacs with the Registry of this Court. Now they have moved CM 1160/2021 with a prayer to release the said amount of Rs.10 lacs to the respondent Bank.

For the reasons stated in the application, the same is allowed and it is directed that the amount of Rs.10 lacs deposited by the petitioners be released to the respondent Bank forthwith.

Disposed of accordingly.

(Jaswant Singh)
Judge

31.3.2021
vs

(Jasgurpreet Singh Puri)
Judge

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