

IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

Civil Writ Petition No.239 of 2021 (O&M)
Date of Decision : August 24, 2022

Vinod Kumar Singla and another

...Petitioner

Versus

State of Punjab and others

...Respondents

CORAM: HON'BLE MR. JUSTICE SUDHIR MITTAL

Present: Mr. Amit Jhanji, Senior Advocate with
Mr. R.K. Singla, Advocate,
Mr. Siddharth Bhukkal, Advocate and
Mr. Daman Dhir, Advocate,
for the petitioners.

Mr. Arun Kumar Kaundal, Deputy Advocate General, Punjab.

SUDHIR MITTAL, J.

An entity known as M/s National Food Products took a loan from Punjab & Sind Bank-respondent No.4. The loan account of the said entity was declared a Non-Performing Asset (NPA) and respondent No.4 took over the assets under Section 13 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (hereinafter referred to as the Act). Sale notice dated 06.08.2020 was issued and auction was held on 21.08.2020 in which the petitioner No.1 also participated. Being the highest bidder, he was declared successful and sale certificate dated 27.08.2020 was issued in his favour. Sale deed was also

registered on 31.08.2020 on payment of registration charges. M/s National Food Products approached this Court by way of CWP No.13998 of 2020 challenging the sale notice dated 06.08.2020 and for restraining respondent No.4 from conducting sale pursuant to the sale notice. The writ petition was disposed of vide order dated 23.11.2020 with liberty to the petitioners therein to avail the alternative remedy in accordance with law.

Meanwhile, the petitioner had applied for entry of mutation in their favour on the basis of registered sale deed dated 31.08.2020. The same was declined on 17.09.2020 as is evident from a copy of the jamabandi for the year 2017-18 annexed as Annexure P-11. Thus, the present writ petition has been filed for quashing of the refusal note and for directing respondents No.2 & 3 to enter mutation.

The State has opposed the writ petition primarily on the ground that in case titled '***Punjab Agro Food Grains vs. National Food Products***', the Court of Addl. District Judge, Sangrur has restrained alienation of property in question as well as machinery. Vide order dated 02.07.2014, the property in dispute has been attached. Another attachment order has been passed as is evident from Rapat No.446 dated 14.08.2017. Writ Petition viz. CWP No.13998 of 2020 filed by M/s National Food Products has been entertained by this Court and order of status quo has been passed. In view of the various court orders, mutation cannot be entered and refusing entry of mutation is legal and valid.

Learned Senior Counsel for the petitioners has argued that a revenue official is duty bound to update the record of mutations whenever

any change is brought to his notice. The petitioners have purchased the property in dispute by virtue of a registered sale deed executed by respondent No.4 in exercise of its statutory rights. Thus, the revenue authorities cannot refuse entry of mutation. Vide order dated 14.12.2017 passed by the then Addl. District Judge, Sangrur orders of attachment have been vacated in view of the sale conducted under the Act. CWP No.13998 of 2020 has been disposed of vide order dated 23.11.2020 with liberty to the petitioners therein to approach the Debts Recovery Tribunal. Order of stay of alienation passed by the Addl. District Judge, Sangrur is inconsequential as the property has already been sold. Thus, there is no impediment in the entry of mutation and order declining entry of mutation is illegal.

Learned State counsel has relied upon orders passed by various Courts mentioned in the written statement.

From the aforementioned facts, it is evident that a sale certificate has been issued in favour of the petitioner by respondent No.4. Sale deed has also been registered in its favour. Orders of attachment of the property in dispute have been vacated in view of the sale in favour of the petitioner and CWP No.13998 of 2020 has been disposed of. Thus, the revenue authorities cannot refuse to enter a mutation in favour of the petitioner. The petitioner is the holder of a valid document of title and the change is bound to be entered in the record of mutations. Refusal to enter a mutation would amount to refusal to perform duty cast upon the revenue authorities by a statute and such an action is not legally sustained.

The writ petition is accordingly allowed. Note of refusal of entry of mutation in the jamabandi (Annexure P-11) is quashed. Respondent No.2 is directed to get the mutation entered in favour of the petitioner on the basis of document of its title.

Pending miscellaneous applications, if any, stand disposed of.

August 24, 2022
'Ankur Goyal'

(SUDHIR MITTAL)
JUDGE

Whether speaking/reasoned ***Yes***

Whether Reportable ***Yes***