IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

(221) **CWP-1712-2023**
Decided on : 15.05.2023

Rattan Lal and others

……Petitioner(s)

Versus

Bank of Baroda and others

……Respondent(s)

CORAM : HON'BLE MR.JUSTICE G.S. SANDHAWALIA
HON'BLE MS.JUSTICE HARPREET KAUR JEEWAN

Present: Ms. Jyoti Rani, Advocate for
Mr. Vaibhav Sharma, Advocate for the petitioner (s).

Mr. C.S. Pasricha, Advocate and
Mr. Satinder Pal Singh, Advocate for the respondent No.1-Bank.

<u>G.S. Sandhawalia, J. (Oral)</u>

Challenge in the present writ petition filed under Article 226/227 of the Constitution of India has been made to the securitization proceedings initiated under Section 14 of the Securitization and Re-construction of Financial Assets and Enforcement of Security Interest Act, 2002 (for short '2002 Act') on 20.07.2022 (Annexure P-3) passed by the District Magistrate, Karnal including the notice dated 04.10.2021 (Annexure P-2) issued under Section 13 (2) of the 2002 Act, wherein outstandings are of ₹33,87,710/- as on 04.10.2021.

2. On 30.01.2023 the following order was passed:-

> "Petitioner is stated to be a MSME unit.
>
> Counsel inter alia alleges non-compliance of Clause 2.1 of the Reserve Bank of India Circular dated 17.03.2016 (Annexure P-8) as regards the safeguard of placing the matter before the designated committee for restructuring of the loan account having not been complied with.
>
> Notice of motion, returnable for 15.05.2023.
>
> Mr. Satinder Pal Singh, Advocate, who is present in Court accepts notice for respondent No.1.

> Counsel undertakes that a sum of Rs.10 lakhs would be deposited with the respondent/bank within a period of two weeks from today and thereafter a further sum of Rs.10 lakhs on or before 15.03.2023.
>
> Dispossession of the petitioners from the mortgaged property is stayed till the next date of hearing.
>
> It is, however, clarified that in case the petitioners default in making the requisite deposits within the stipulated time frame, the interim protection shall stand automatically vacated."

3. Counsel for the respondent-Bank has informed that the said order has not been complied with.

4. Keeping in view the fact that there is non-compliance of the conditional order and there is an alternate remedy available under Section 17 of the 2002 Act to the petitioners before the Debts Recovery Tribunal, we dispose of the present writ petition with the aforesaid liberty, keeping in view the law laid down in **SLP (Civil) Nos.22021-22022 of 2022** titled ***M/s South Indian Bank Ltd. & others Vs. Naveen Mathew Philip & another,*** decided on 17.04.2023

5. Needless to say that the Bank is at liberty to execute order dated 20.07.2022 (page No.27) passed by the District Magistrate, Karnal under Section 14 of the 2002 Act in accordance with law.

(G.S. SANDHAWALIA)
JUDGE

(HARPREET KAUR JEEWAN)
JUDGE

15.05.2023
Naveen

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