IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CIVIL APPELLATE JURISDICTION

WRIT PETITION NO.2978 OF 2025

Karnala Charitable Trust, Panvel .. Petitioner
Vs.
The Enforcement Directorate,
Mumbai Zone – II, Mumbai and Ors. .. Respondents

ALONG WITH
WRIT PETITION NO.2965 OF 2025

Indo Scotts Academy LLP, Kamothe, Panvel .. Petitioner
Vs.
Axis Bank Ltd., Mumbai and Ors. .. Respondents

Mr. Rahul Thakur, Advocate for the Petitioner in WP 2978/2025.

Mr. Simil Purohit, Senior Advocate, with Mr. Farhan Khan, Ms. Pallavi Kulkarni, Ms. Neha Ahuja and Mr. Amit Ahuja, Advocates for the Petitioners in WP 2965/2025.

Mr. Prakash Shinde with Ms. Niyati Merchant, Advocates, i/by MDP Legal, for Respondent No.1-Bank in WP 2965/2025.

Smt. Ashwini A. Purav, Assistant Government Pleader for Respondent Nos.2 and 3 in both the Writ Petitions.

CORAM : A.S. CHANDURKAR &
M.M. SATHAYE, JJ

DATE : 3RD MARCH 2025.

P.C. :

1. Considering the fact that similar issues are raised, both the writ petitions are taken up for final disposal. The challenge raised in these writ petitions is to the notice dated 5th February 2025 issued by the Tahsildar and Executive Magistrate wherein it is stated that possession of the secured asset, which is the land and building on which a school is being

run by the petitioner in Writ Petition No.2965 of 2025, is to be taken on 3rd March 2025 and 4th March 2025. Writ Petition No.2978 of 2025 has been filed by a Public Trust registered under the provisions of the Maharashtra Public Trusts Act, 1950 which conducts the school in question. An order under Section 14 of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 was passed on 4th December 2024. The Bank approached this Court seeking assistance in obtaining possession by filing Writ Petition (Stamp) No.39167 of 2022 *(Axis Bank Ltd. Vs. The Additional District Magistrate, Revenue and Forest Department)*. By an order dated 3rd September 2024, it was directed that steps be taken accordingly.

2. It is submitted by the learned counsel for the petitioners that presently the annual examinations for Classes I to X are being conducted at the said school. The same would conclude by 17th March 2025, after which the answer papers would have to be assessed. It is therefore prayed that protection for some time be granted to enable the petitioners to approach the Debts Recovery Tribunal for filing proceedings under Section 17 of the Act of 2002.

This request is opposed by the Bank. It is pointed out that in view of an attachment order passed by the Enforcement Directorate on 12th

October 2023, the subject property has been provisionally attached under the provisions of the Prevention of Money Laundering Act, 2002. The Bank has taken symbolic possession of the same. Moreover, after considerable efforts, steps for taking possession were initiated.

3. We find that presently the annual examination for Classes I to X are being held at the school in question. We are therefore inclined to grant some breathing period to the petitioners to approach the Debts Recovery Tribunal. In our view, the following directions would serve the ends of justice :-

(i) The petitioners undertake to approach the Debts Recovery Tribunal by filing appropriate proceedings within a period of one week from today. The statement made is accepted.

(ii) The dates "3rd March 2025 and 4th March 2025" as mentioned in the notice dated 5th February 2025 issued by the Tahsildar and Executive Magistrate shall be replaced by the dates "31st March 2025 and 1st April 2025". It would however not be necessary for the Bank to issue any fresh notice for taking possession.

(iii) It is open for the petitioners to seek interim relief before the Debts Recovery Tribunal.

(iv) It is clarified that all aspects on merits are kept open for being raised before the Debts Recovery Tribunal.

4. Keeping all issues on merits open, both the writ petitions are disposed of in aforesaid terms.

5. Parties to act on authenticated copy of this order.

[M.M. SATHAYE, J.] **[A.S. CHANDURKAR, J.]**