



IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

CM-4378-CWP-2025 in/and
CWP-17483-2022 (O&M)
Date of decision:-25.03.2026

M/s Indus Valley Resort Private Limited and another

...Petitioners

Versus

State Bank of India and another

...Respondents

**CORAM :-HON'BLE MR. JUSTICE SUVIR SEHGAL
HON'BLE MRS. JUSTICE RAMESH KUMARI**

Present :- Mr. Aalok Jagga, Advocate
for the petitioners.

Ms. Madhu Dayal, Advocate
for respondent No.1.

Mr. Karan Vir Nanda, Advocate
for respondent No.2.

SUVIR SEHGAL, J.(ORAL)

1. At the outset, Mr. Jagga, counsel for the petitioners states that an application (CM-4089-CWP-2026) has been filed for preponing of the main petition, which has not been listed.

2. Application (CM-4089-CWP-2026) is taken on Board.



Date of hearing of the main case is advanced to today and it is taken on Board.

3. Application is allowed, as prayed for.

CWP-17483-2022(O&M)

4. This writ petition has been filed, *inter alia*, for issuance of a writ in the nature of certiorari for quashing of sale notice dated 07.06.2022, Annexure P6 as well as all consequential proceedings whereby secured assets have been put to auction on 28.06.2022.

5. Mr. Jagga, counsel for the petitioners states that pursuant to notice to the respondents, a sale certificate dated 28.07.2022, Annexure R2, has been brought on the record by auction purchaser, which shows that property has been sold in auction. He submits that during the pendency of the writ petition, petitioner entered into a settlement with the bank, respondent No.1, qua the entire loan account, which has been paid. He submits that a Memorandum of Understanding dated 07.03.2026 has also been entered into between the petitioner and auction purchaser – respondent No.2. He has made a reference to the terms of the MOU and has pointed out the relevant portion, which is reproduced hereunder:

“6. That in view of the aforesaid, the 1st party is agreeable to pay the 2nd party a consolidated amount of Rs.1,10,00,000/- which would include the amount deposited by the 2nd party with the State Bank of India pursuant to the sale certificate dated 28.07.2022, which has been agreed by the 2nd party. The first party has paid an amount of Rs.5,00,000/- vide DD No.058131 of HDFC Bank dated 20.01.2026 at the time of signing of this agreement. Further, the balance amount of



Rs.1,05,00,000/- will paid by the first party to the second party on the quashing of the sale certificate dated 28.07.2022 by the Hon'ble High Court. Party No.2 will not claim any interest or claim or pursue any further litigation against State Bank of India once the above amount is refunded back.

7. *That both the parties are therefore agreeable that they shall make a joint request before the Hon'ble High Court on the date of hearing of CWP No.17483 of 2022 for disposal of the aforesaid Writ Petition by setting aside of the impugned sale certificate dated 28.07.2022 on payment of the aforesaid agreeable amount of Rs.5,00,000/- at the time of signing of the present Memorandum of Understanding + Rs.1,05,00,000/- to be paid by the first party to the second party on the quashing/setting aside of the sale certificate by the Hon'ble High Court, pursuant to which 2nd party shall not have any claim against the properties in question."*

6. Mr. Jagga, states that upon the clearance of the loan account as well as the settlement with the private respondent, all the parties are ad idem that the sale certificate be quashed. He further states that the possession of the property, which is with the auction purchaser is to be handed over to the petitioner and bank does not have any objection. The title deeds, which are in the possession of the bank have to be handed over to the petitioner.

7. Counsel for the bank – respondent No.1 as well as private respondent No.2 have got instructions from their respective clients and have confirmed the statement made by Mr. Jagga.

8. After hearing counsel for the parties and in view of the consensus arrived at between them as well as MOU, sale certificate



dated 28.07.2022, Annexure R2, is quashed. In terms of the settlement, Mr. Jagga has handed over a demand draft of Rs.1,05,00,000/- to counsel for respondent No.2. A xerox copy of the demand draft has been placed on record.

9. Counsel for respondent No.2 states that the possession of the property shall be handed over to the petitioner on or before 06.04.2026. Bank shall also hand over the original title deeds to the petitioner on or before the said date.

10. In view of the settlement between the private parties, neither the petitioner nor private respondent shall initiate any litigation against each other or against the bank.

11. Writ petition as well as miscellaneous application (CM-4378-CWP-2026) are disposed of.

(SUVIR SEHGAL)
JUDGE

(RAMESH KUMARI)
JUDGE

25.03.2026
Brij

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