



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

CWP-21186-2022 (O&M)
Date of decision : 04.09.2025

Mrs. Shivani Kalia and another

.....Petitioners

Versus

Bank of Baroda and another

.....Respondents

**CORAM: HON'BLE MR. JUSTICE SHEEL NAGU, CHIEF JUSTICE
HON'BLE MR. JUSTICE SANJIV BERRY**

Present: Mr. Viren Sibal, Advocate,
for the petitioners.

Mr. C.S. Pasricha, Advocate (Through V.C.),
and Mr. sushil Kumar Bhardwaj, Advocate,
for respondent No.1-bank.

SHEEL NAGU, CHIEF JUSTICE (Oral)

1. The petitioners being borrowers, have approached this Court challenging the demand notice dated 15.12.2021 (Annexure P-11), possession notice dated 04.03.2022 (Annexure P-15) and the proceedings dated 05.08.2022 (Annexure P-17) under Section 14 of Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (for short SARFAESI Act), on various grounds.

2. The Apex Court has consistently held that High Courts should refrain from interfering under Article 226 of the Constitution in SARFAESI proceedings. The SARFAESI Act, 2002 is a complete code which not only provides for a detailed

recovery mechanism but also remedies before the Debts Recovery Tribunal (DRT) and thereafter, Debts Recovery Appellate Tribunal (DRAT).

3. In all fairness, the petitioners ought to have approached the DRT. However, this Court, while taking cognizance of this matter vide an interim order, stayed the dispossession of the petitioners/borrowers on 16.09.2022, whereafter, on 12.12.2022, the earlier order of dispossession was modified by directing that in case the petitioners pay Rs.57 Lakhs in three installments to the respondent-bank, they would not be dispossessed from the secured asset.

4. It is not disputed by learned counsel for the petitioners that this condition, subject to which the dispossession was stayed, was not complied with and therefore, there was no protection available to the petitioners thereafter.

5. Learned counsel for the petitioners has raised a ground by contending that the loan account was declared as Non-Performing Asset (NPA) unlawfully w.e.f. 24.01.2020, by a notice dated 15.12.2021 (Annexure P-11) under Section 13 (2) of the SARFAESI Act.

6. We could have gone into the question of legality or validity of the above said declaration of the NPA on a retrospective basis, but we decline to do so, since the petitioners have failed to show their *bonafide* by failing to comply with the condition, subject to which, their dispossession was stayed.

7. Under Article 226 of the Constitution of India, equity jurisdiction is exercised, which cannot be extended in favour of defaulting petitioners.

8. Accordingly, this Court declines interference and leaves it to the petitioners to assail the order dated 20.09.2022, by which SA No.81 of 2022 was dismissed as withdrawn, before the DRAT in accordance with law.

9. Accordingly, the writ petition stands disposed of without commenting on merits.

**(SHEEL NAGU)
CHIEF JUSTICE**

September 04, 2025
Ajay Prasher

**(SANJIV BERRY)
JUDGE**

Whether speaking/reasoned : Yes/No
Whether reportable : Yes/No