2026:CGHC:18857

NAFR

HIGH COURT OF CHHATTISGARH AT BILASPUR

WPC No. 1859 of 2026

1 - G Krishna Kurty, S/o G.T. Babu Aged About 49 Years Resident Of Near Santoshi Mnadir Santoshi Nagar Khamtarai 2 Raipur Chhattisgarh

2 - Smt. G. Jyoti W/o G. Krishan Murthy Aged About 44 Years R/o Santoshi Nagar, Khamtarai, District Raipur Chhattisgarh

... Petitioner(s)

versus

1 - Grihum Housing Finance Ltd. Through Its General Manager (Formerly, Poonawala Housing Finance Ltd.) Reg. Office 602, 6th Floor, Zero One It Park Survey No.79/1, Ghorpadi, Mundhwa Road Pune 411036 Branch Office At Devendra Nagar, Raipur Chhattisgarh

2 - Asset Reconstruction Company (India) Limited (Arcil) A Company Incorporated Under The Companies Act, 1956 And Registered As Securitisation Of Asset Reconstruction Company Through Its General Manager Registered Office- The Ruby 10th Floor 29, Senapati Bapat Marg, Dadaw (W) Mumbai- 400028

... Respondent(s)

(Cause Title is taken from CIS System)

For Petitioner : Ms. Pratibha Sahu, Advocate

Hon'ble Mr. Justice Amitendra Kishore Prasad

Order on Board

24/04/2026

1. The petitioner has filed this writ petition seeking following reliefs:

> *"10.1 Issue an appropriate writ, order or direction, or any other as court deems fit directing the Respondents, particularly Respondent No. 1, to accept the settlement amount of Rs. 11,23,000/- (Rupees Eleven Lakhs Twenty-Three Thousand only) from the Petitioners in terms of the order dated 08.01.2026 passed by the learned Debts Recovery Tribunal, Jabalpur in S.A. No. 311/2025, and to give full effect to the said order within a time-bound manner;*
>
> *10.2 Issue an appropriate writ, order or direction, or any other as the court deems fit directing Respondent No.1 to act upon such payment and give effect to the settlement as already determined, without insisting upon routing the payment through Respondent No.2*
>
> *10.3 Pass any other order(s), direction(s) or writ(s) as this Hon'ble Court may deem fit and proper in the facts and circumstances of the present case, in the interest of justice."*

2. Facts of the case, as projected in the petition, are that the petitioners, being bona fide borrowers, had availed a housing loan facility from Respondent No. 1 amounting to Rs. 24,00,000/- on 24.09.2021, repayable in 144 equated monthly instalments (EMIs)

extending up to the year 2031. Subsequently, they also availed a top-up loan of Rs. 11,00,000/- on 29.11.2022. It is the case of the petitioners that they have been making sincere efforts to adhere to the repayment schedule and, even in instances of delay caused due to financial constraints, they have paid applicable penal charges, thereby reflecting their bona fide intention to regularize the loan account. However, owing to certain unavoidable financial difficulties, the loan account came to be classified as a Non-Performing Asset (NPA), pursuant to which proceedings were initiated, culminating in filing of S.A. No. 311/2025 before the learned Debts Recovery Tribunal, Jabalpur. The learned Tribunal, vide order dated 08.01.2026, disposed of the said application and permitted the petitioners to settle the loan account upon payment of a sum of Rs. 11,23,000/-, with a corresponding right to regain possession of the secured asset, i.e., the mortgaged property situated at Mouja Khamtarai, Raipur. It is further the case of the petitioners that Respondent No. 2, an Asset Reconstruction Company, has taken measures and assumed control/constructive possession of the secured asset. In compliance with the order of the Tribunal, the petitioners immediately approached Respondent No. 1 expressing their readiness and willingness to deposit the settlement amount. However, Respondent No. 1 directed them to coordinate with Respondent No. 2, thereby creating ambiguity regarding the mode of compliance. The petitioners submit that due to the inconsistent and non-cooperative stand adopted by the respondents, the order of the Tribunal has effectively become incapable of implementation. Despite the subsisting order permitting settlement, the respondents have proceeded to take coercive steps and have issued an e-auction notice dated 26.03.2026 for sale of the secured asset. It is contended that such action is premature and prejudicial, especially when the petitioners are ready and willing to comply with the Tribunal's order. Hence, the petitioners have approached this Court seeking appropriate directions to ensure implementation of the order dated 08.01.2026 and to restrain coercive action.

3. Learned counsel for the petitioners submits that the conduct of the respondents is arbitrary, unreasonable, and contrary to law, inasmuch as despite a clear and binding order passed by the learned Debts Recovery Tribunal permitting settlement upon payment of a quantified amount, the respondents have failed to facilitate compliance of the said order. It is contended that the petitioners have demonstrated their bona fides by expressing readiness and willingness to deposit the entire settlement amount of Rs. 11,23,000/-, but the respondents, by adopting contradictory stands, have rendered such compliance impracticable. It is further submitted that Respondent No. 1, by directing the petitioners to approach Respondent No. 2 for payment without any legal basis, has created an artificial impasse, thereby frustrating the very purpose of the Tribunal's order. The action of the respondents in proceeding with coercive measures, including

issuance of e-auction notice, despite the subsistence of the Tribunal's order, is stated to be premature, inequitable, and violative of principles of fairness and natural justice. Learned counsel also contends that the petitioners have a valuable right to redeem the secured asset, which stands recognized under law and has been specifically preserved by the Tribunal. However, the respondents' conduct in retaining possession and proceeding with auction without affording a meaningful opportunity to comply with the settlement terms deprives the petitioners of such right. It is argued that unless appropriate directions are issued, the petitioners would suffer irreparable loss, as the secured asset may be alienated to third parties, rendering the relief granted by the Tribunal nugatory. It is further submitted that the present petition does not seek re-adjudication of the dispute but is confined to enforcement of the Tribunal's order, and in absence of any efficacious alternative remedy in the peculiar facts of the case, the petitioners have rightly invoked the writ jurisdiction of this Court.

4. I have heard learned counsel for the petitioners and have perused the material available on record.

5. From the record, it is apparent that the petitioners had availed loan facilities from the respondent Bank and, owing to financial constraints, their account was classified as NPA, leading to proceedings before the learned Debts Recovery Tribunal. The Tribunal, vide order dated 08.01.2026, has already granted an

opportunity to the petitioners to settle the loan account upon payment of a quantified amount of Rs. 11,23,000/- with a corresponding right to redeem the secured asset. It is also not in dispute that the petitioners have expressed their readiness and willingness to comply with the said order; however, due to lack of clarity and coordination between Respondent No. 1 and Respondent No. 2, the said order has not been effectively implemented. At the same time, coercive steps including issuance of e-auction notice have been initiated, which, prima facie, may frustrate the very purpose of the order passed by the learned Tribunal.

6. Considering the facts and circumstances of the case, in particular the fact that the petitioners are ready and willing to deposit the amount in question, this Court is of the opinion that ends of justice would be met by directing the respondent authorities to give effect to the order passed by the learned Debts Recovery Tribunal.

7. Accordingly, the present petition is disposed of with a direction to the concerned Bank to consider and act upon the order dated 08.01.2026 passed by the learned Debts Recovery Tribunal, Jabalpur. In the event the petitioners deposit the settlement amount as directed and if a settlement is arrived at between the parties, the same shall be duly considered in accordance with law and an appropriate certificate to this effect be issued in favour of the petitioners.

8. It is further directed that till such settlement process is undertaken and finalized, any coercive proceedings against the petitioners, including further steps pursuant to the proposed e-auction, shall be kept in abeyance.

No order as to costs.

Sd/-

(Amitendra Kishore Prasad)
Judge

Shayna