(1998) 08 P&H CK 0077

In the Punjab And Haryana At Chandigarh

Case No : Civil Revision No. 2524 of 1998

Gobind Partap Pipe Product Pvt. Ltd. and another — APPELLANT

Vs

Punjab State Financial Corporation and others — RESPONDENT

Date of Decision : 10-08-1998

Acts Referred:

State Financial Corporations Act, 1951 — Section 29

Citation : (1999) 95 CompCas 905

Hon'ble Judges : N.K. Agrawal, J

Bench : Single Bench

Advocate : R.N. Moudgil, for the Appellant; Sanjay Tangri and Sukhbir Singh, for the Respondent

Judgement

N.K. Agrawal J.—This is a civil revision by the plaintiffs.

2. A civil suit was filed by the plaintiffs, seeking permanent injunction with an order against defendant No. 1, Punjab State Financial Corporation (for short, "the Corporation"), restraining it from auctioning or transferring, in any manner, the material and machinery in the plaintiffs'' industrial unit. The said unit was sealed by the Corporation on October 18, 1996. An application, under Order 39, rules 1 and 2 of the Code of Civil Procedure, was also filed by the plaintiffs. The trial court dismissed the said application. The appeal filed by the plaintiffs also stood dismissed by the District Judge, Rupnagar.

3. Learned counsel for the plaintiffs has argued that the Corporation has wrongly resorted to the recovery proceedings by selling the property of the plaintiffs. It is pointed out that the plaintiffs could not pay off the dues of the Corporation because the Punjab State Electricity Board (defendants Nos. 1 and 2) failed to provide regular supply of electricity to the Industrial unit of the plaintiffs. The property in the industrial unit is going to be sold by the Corporation and, therefore, restraint order should be issued.

4. The plaintiffs took a loan of Rs. 15,60,000 from the Corporation for the

purposes of their business but they failed to re-pay the loan amount. The loan was advanced by the Corporation to the plaintiffs in the year 1989. Learned counsel for the defendants has explained that the total amount now outstanding is to the tune of Rs. 20 lakhs and the plaintiffs have paid a sum of Rs. 7 lakhs only. The electricity connection was discontinued by the Electricity Board in the year 1993, and no settlement, as claimed by the plaintiffs, appears to be appears to be forthcoming between the plaintiffs and the Electricity Board. A suit was also filled by the plaintiffs against the Punjab State Electricity Board but that stands dismissed. It is, therefore, contended that the plaintiffs were rightly declined any temporary injunction in their favour.

5. Looking to the facts, as emerging from the rival pleadings, it appears that the Corporation had resorted to a statutory process and remedy as provided in section 29 of the Punjab Financial Corporation Act. The Corporation cannot be restrained from proceeding ahead for the recovery of the loan amount from the plaintiffs. The plaintiffs have come forward with the plea that they would be able to re-start their industrial unit, which has been closed due to the stoppage of the supply of electricity, if a settlement is reached between them and the Electricity Board. The plaintiffs are at liberty to reach a settlement but nothing has been brought on record as to why such a settlement has not yet been reached.

6. The orders of the trial court and the appellate court do not suffer from any illegality or material irregularity. The revision petition is, therefore, dismissed.