

(2011) 08 P&H CK 0187
In the Punjab And Haryana At Chandigarh
Case No : LPA. No. 652 of 2011 (O and M)

Punjab State Industrial Development Corporation	APPELLANT
Vs	
Saroj Sharma and another	RESPONDENT

Date of Decision : 18-08-2011

Acts Referred:

State Financial Corporations Act, 1951 — Section 29

Citation : (2011) 08 P&H CK 0187

Hon'ble Judges : Vijender Singh Malik, J; Hemant Gupta, J

Bench : Division Bench

Final Decision : Dismissed

Judgement

Hemant Gupta, J

1. Present appeal is directed against an order passed by learned Single Judge on 30.9.2010, whereby the writ petition was allowed challenging the action of the appellant proposing to sell the property in exercise of the powers u/s 29 of the State Financial Corporation Act, 1951 (for short the "Act").
2. The respondent herein has stood surety to the loan advanced to the Company. The property of the surety is sought to be recovered in exercise of the powers conferred u/s 29 of the Act. Learned Single Judge allowed the writ petition relying upon the judgment of Hon'ble the Supreme Court in Karnataka State Financial Corporation Vs. N. Narasimahaiah and Others, . It has been held therein, that u/s 29 of the Act, the Corporation has a right to take over the management or possession or both of the industrial concern. But it does not confer any right in respect of properties of the surety.
3. In view of the aforesaid judgment, we do not find that there is any illegality or irregularity in the order passed by learned Single Judge on 30.9.2010.
4. Dismissed.