IN THE HIGH COURT OF PUNJAB & HARYANA AT CHANDIGARH

CWP-12358-2016

Date of decision: 23.09.2016

M/s Megaa Bakers Pvt. Ltd. and others

..... Petitioners

Versus

Debts Recovery Tribunal-I and others

..... Respondents

CORAM: HON'BLE MR. JUSTICE AJAY KUMAR MITTAL
HON'BLE MR. JUSTICE RAMENDRA JAIN

PRESENT: Mr. Aalok Jagga, Advocate for the petitioners.

Mr. Rakesh Gupta, Advocate for the respondents No. 2 to 4.

AJAY KUMAR MITTAL, J. (ORAL)

1. The petitioners have approached this Court under Articles 226/227 of the Constitution of India, seeking quashing of order dated 26.05.2016 (Annexure P-21) passed by DRT-I, Chandigarh in IA No. 510 of 2016 in SA No. 66 of 2016, whereby request of the petitioners for extension of time in depositing the amount to regularize the loan account was denied.

2. Learned counsel for respondents No. 2 to 4 has produced the photocopy of cheque No. 822834 amounting to ₹ 5 lacs which was dishonoured on the ground of insufficient funds. However, it was submitted that an amount of ₹ 5 lacs has been transferred through RTGS by the petitioners yesterday.

3. Learned counsel for the petitioners could not controvert that the order impugned herein i.e. Annexure P-21 is an appealable order

under Section 18 of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (in short 'the Act'), before the Debts Recovery (Appellate) Tribunal.

4. Section 18 of the Act reads thus:-

> ***"18. Appeal to Appellate Tribunal***
>
> *(1) Any person aggrieved, by any order made by the Debts Recovery Tribunal under section 17, may prefer an appeal alongwith such fee, as may be prescribed to the Appellate Tribunal within thirty days from the date of receipt of the order of Debts Recovery Tribunal:*
>
> *PROVIDED that different fees may be prescribed for filing an appeal by the borrower or by the person other than the borrower:*
>
> *PROVIDED FURTHER that no appeal shall be entertained unless the borrower has deposited with the Appellate Tribunal fifty per cent. of the amount of debt due from him, as claimed by the secured creditors or determined by the Debts Recovery Tribunal, whichever is less:*
>
> *PROVIDED ALSO that the Appellate Tribunal may, for the reasons to be recorded in writing, reduce the amount to not less than twenty-five per cent. of debt referred to in the second proviso.*
>
> *(2) Save as otherwise provided in this Act, the Appellate Tribunal shall, as far as may be, dispose of the*

> *appeal in accordance with the provisions of the Recovery of Debts Due to Banks and Financial Institutions Act, 1993 (51 of 1993)* and rules made *thereunder."*

5. In view of the above, we dispose of the present writ petition by relegating the petitioners to approach the Debts Recovery (Appellate) Tribunal under Section 18 of the Act, in accordance with law.

(AJAY KUMAR MITTAL)
JUDGE

September 23, 2016
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(RAMENDRA JAIN)
JUDGE

Whether speaking/reasoned **Yes/No**

Whether Reportable **Yes/No**