

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

**CWP No.20119 of 2018
Decided on : 20.08.2018**

* * *

S.P. Goyal and another

Petitioners

Versus

Debts Recovery Appellate Tribunal, New Delhi and others

Respondents

**CORAM : HON'BLE MR. JUSTICE AJAY KUMAR MITTAL
HON'BLE MR. JUSTICE AVNEESH JHINGAN**

Present : Mr. Anand Chhibbar, Senior Advocate with
Mr. Ranjit Chawla, Advocate
for the petitioners.

* * *

AVNEESH JHINGAN, J.

The present writ petition has been filed seeking quashing of order dated 20.07.2018 (Annexure P-11) passed by the Debts Recovery Appellate Tribunal, New Delhi (for short 'D.R.A.T').

2. The petitioners are Directors of M/s Raja Forging & Gears Limited and also legal representatives of deceased Mrs. Sudesh Goyal who was also the Director in the Company.

3. D.R.A.T., New Delhi; Punjab National Bank, Chandigarh and M/s Raja Forging & Gears Limited have been arrayed as respondents No.1 to 3 respectively in the writ petition.

4. The respondents No.3-company availed cash credit facilities from respondent No.2 for which the petitioners stood guarantors. Respondent No.3 defaulted in repayment of loan amount and as a result thereof respondent No.2-bank filed Original

Application (O.A.) before Debts Recovery Tribunal (D.R.T.). The said O.A. is still pending. During the pendency of O.A., the respondent No.2 filed an application for issuance of direction to the petitioners for surrendering their passports and for imposing travelling restrictions upon them. The Tribunal vide order dated 25.05.2017 restrained the petitioners from travelling abroad without the permission of the Tribunal.

5. Being aggrieved of the order dated 25.05.2017, petitioners filed appeal before the D.R.A.T. The appeal came up for hearing on 20.07.2018. The D.R.A.T. considering the huge amount of public money involved gave a show cause notice to the petitioners as to why they may not be called for furnishing sufficient security to satisfy the claim of the bank and to give details of their immovable and movable properties, as well as bank accounts.

6. The relevant portion of the order is quoted below:-

“Considering the fact that a huge amount of public money is involved, I deem it appropriate to give a show cause notice to the appellants as well as respondents No.3 to 6, who are being sued as guarantor/mortgagors to show case as to why they be not called upon to furnish security sufficient enough to satisfy the bank's claim in the event of it succeeding in its OA and as to why Receiver be also not appointed to take over all their assets and movable and immovable including the moveable items lying in their houses where they are staying as per the memo of parties and be sold also. Before the next date, they shall also file an affidavit of their bank accounts and from today onwards they will stand restrained from withdrawing any money from any

bank accounts being maintained by them anywhere. On the next date both the appellants as well as respondents No.3 to 6 shall appear in person also. It is clarified that giving this show cause notice will not be considered as expression of any opinion on the case of either of the parties and these directions are being given in exercise of the powers under Section 19(13)(A), 19(18) and 19(25) of Recovery of Debts and Bankruptcy Act, 1993 and in public interest”

7. Aggrieved of the order, the present writ petition has been filed.
8. We have heard learned counsel for the petitioners.
9. From the perusal of the impugned order, it is evident that the writ petition filed is premature. The D.R.A.T. in the order itself has clarified that it is a mere show cause notice and same will not be considered as expression of any opinion on the case of either of the parties.
10. The petitioners have come to this Court without even filing any reply to the show cause notice.
11. The writ petition is dismissed. However, the petitioners would be at liberty to file the reply to the show cause notice issued and to pursue the matter in accordance with law.

(AJAY KUMAR MITTAL)
JUDGE

(AVNEESH JHINGAN)
JUDGE

20.08.2018
pankaj baweja

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