

IN THE HIGH COURT OF PUNJAB AND HARYANA,
AT CHANDIGARH

210

CWP-9108-2000

Date of decision: 9th October, 2020

Ambala Automobiles India Limited

... Petitioner

Versus

District Magistrate and others

.. Respondents

**CORAM: JUSTICE S. MURALIDHAR
JUSTICE AVNEESH JHINGAN**

Present : Mr. Aalok Jagga, Advocate for the Petitioner.

Mr. Ankur Mittal, Additional Advocate General, Haryana.

Mr. Siddharth Sanwaria, Advocate for Respondent No. 3.

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Dr. S. Muralidhar, J.

1. The principal grievance in the present petition is that the Petitioner's proposal for restructuring of the loan availed by it has been wrongly rejected by the Respondents by orders dated 15th January, 2020 and 19th June, 2020.

2. When a question was posed by the Court, particularly with reference to the above and the remaining prayers, as to why the Petitioner could first not approach the Debts Recovery Tribunal ('DRT'), Mr. Aalok Jagga, learned Counsel appearing for the Petitioner drew the attention of this Court to the decision of the DRT-II, Chandigarh in SA No.870 of 2017 (*M/s Maxx Metal Pvt. Ltd. Company and others v. Indian Overseas Bank*), wherein the DRT has purportedly, based upon the decision of the High Court of Delhi in *Satnam Agri Products Ltd. v. Union of India 2014 (79) RCR (Civil) 661*, formed an opinion that the DRT does not have enough power to issue any direction to the bank to consider rehabilitation/resettlement proposals.

3. However, Mr. Siddharth Sanwaria, learned Counsel appearing for the Respondent No. 3/financial institution urged that the powers of DRT under the SARFAESI Act would encompass considering the correctness of decisions pertaining to reconstructing/rehabilitation proposals. In support of this contention,

he placed reliance on the decision of the Supreme Court in *United Bank of India v. Satyawati Tandon (2010) 8 SCC 110*.

4. The Court, while not expressing any view on any of the above contentions, leaves it open to the Petitioner to raise the above pleas raised before this Court before the DRT and clarifies that the plea of the Respondent No. 3, in opposition to the aforesaid pleas, are also left open to be urged before the DRT. The DRT will then decide the issue, uninfluenced by its earlier decision in SA No. 870 of 2017 (*M/s Maxx Metal Pvt. Ltd. Company v. Indian Overseas Bank*).

5. With the above observations, the Petitioner is relegated to working out its remedies first before the DRT. The writ petition is disposed of in the above terms.

[S. MURALIDHAR]
JUDGE

[AVNEESH JHINGAN]
JUDGE

9th October, 2020
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Whether speaking/reasoned: Yes/No
Whether Reportable: Yes/No