

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

Sr. No.107

CWP-8454-2021 (O&M)

Date of Decision : 20.4.2021

M/s Bicycle Manufacturing Corporation

..... Petitioner

Versus

Small Industries Development Bank of India and others Respondents

**CORAM : HON'BLE MR. JUSTICE AJAY TEWARI
HON'BLE MR. JUSTICE RAJESH BHARDWAJ**

Present : Mr. Rakesh Bhatia, Advocate
for the petitioner.

AJAY TEWARI, J. (ORAL)

1. This petition has been filed under Articles 226/227 of the Constitution of India for quashing the order dated 6.9.2019 (Annexure P-16) passed by the Debts Recovery Appellate Tribunal (DRAT), New Delhi (for short 'the Tribunal) wherein the limited plea was rejected which the petitioner was permitted to raise vis. whether the respondent-Small Industries Development Bank of India (SIDBI) had illegally rejected the One Time Settlement (OTS) proposal (Annexure P-5).

2. This case has a chequered history. The petitioner had obtained a loan from the respondent-SIDBI and the respondent-SIDBI had obtained a decree for recovery by way of selling mortgaged property which has admittedly become final. The mortgaged property has been sold and the proceeds which it generated were utilised to set off part of

the loan which the petitioner owed to the respondent-SIDBI. During this

entire period, there was a slew of litigation which the petitioner had initiated in respect of these very proceedings including CWP-9491-2010 and CWP-14591-2015. In the subsequent petition i.e. CWP-14591-2015 this Court had directed the DRAT to consider the plea of the petitioner regarding the illegality of the rejection of the OTS scheme and it is in pursuance of that direction that impugned order had been passed. In the impugned order, the Tribunal has noticed that the proposal of the petitioner itself was meaningless because what the petitioner had proposed was that it be permitted to sell the mortgaged land which meant that the petitioner wanted that the auction sale which had attained finality be set aside and then the petitioner be permitted to sell the mortgaged land again.

3. In our considered opinion, there was no illegality in the action of the respondent-SIDBI in rejecting the proposal and we find no ground to interfere with the well reasoned order.

4. Consequently, petition stands dismissed.

5. Since the main case has been decided, the pending application, if any, stands disposed of.

(AJAY TEWARI)
JUDGE

(RAJESH BHARDWAJ)
JUDGE

20.4.2021
anuradha

Whether speaking/reasoned	-	Yes/No
Whether reportable	-	Yes/No