

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

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CWP-6007-2023 (O&M)

Date of decision:-17.05.2023

M/S MITTAL PLYWOOD INDUSTRIES

.... Petitioner

VS.

THE DISTRICT MAGISTRATE AND ORS

...Respondents

**CORAM: HON'BLE MR. JUSTICE G.S. SANDHAWALIA
HON'BLE MRS. JUSTICE MANISHA BATRA**

Present: Mr. H.S. Jagdev, Advocate for
Mr. Aalok Jagga, Advocate for the petitioner.

Mr. D.K. Gupta, Advocate for respondents No. 3 and 4.

G.S. SANDHAWALIA, J. (Oral)

1. Challenge is to the securitisation proceedings under Article 226/227 of the Constitution of India to issue a writ in the nature of mandamus directing the respondent Bank to constitute the rehabilitation committee in terms of Clause 3.3 of the RBI guidelines dated 17.03.2016 (Annexure P-15) to consider the proposal dated 10.03.2023 (Annexure P-11) and to issue writ in the nature of certiorari quashing notice, possession notice dated 02.12.2022 (Annexure P-6) and sale notice dated 24.02.2023 (Annexure P-14). Perusal of the said documents would go on to show that Rs.88,29,925.66 was due on 26.08.2022. The property was put to sale for a reserve price of Rs.149.76 Lacs.

2. Counsel for the Bank has pointed out that as noticed on 27.03.2023 the auction has failed which was scheduled for 24.03.2023.

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3. Counsel for the petitioner has also placed on record letter of the Bank dated 16.05.2023 wherein the OTS offer of Rs.90 Lacs has been rejected on the ground that the balance outstanding in account of M/s Mittal Plywood is Rs.98,08,507.66/- and in account of M/s Mittal Saw Mills is Rs.27,24,166.00/- as on 30.04.2023 and thus total outstanding is Rs.1,25,32,673.66/- and that was the cause of rejection.

4. In such situation, when the petitioner had failed to furnish a draft of reasonable amount even for down payment for the said offer of the OTS, which he himself has made, this Court is not inclined to entertain the writ petition.

5. Keeping in view the above, there is a huge recovery of public money and there is an alternate and efficacious remedy available under Section 17 of the Securitisation and Reconstruction of Financial Assets & Enforcement of Security Interest Act, 2002 and it has been brought to our notice that the Bank has also filed the Original Application for recovery before the D.R.T.

6. Thus we are of the considered opinion that the remedy lies elsewhere and not before this Court. Resultantly, writ petition is disposed of with liberty to the petitioner to seek and approach the Tribunal for the remedy.

(G.S. SANDHAWALIA)
JUDGE

(MANISHA BATRA)
JUDGE

17.05.2023
pooja saini

Whether speaking/reasoned
Whether reportable

: Yes/No
: Yes/No