



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

CWP-22255-2022

Date of decision : 01.09.2025

Smt. Santosh Sharma and another
Versus

.....Petitioners

Punjab National Bank and another

.....Respondents

**CORAM: HON'BLE MR. JUSTICE SHEEL NAGU, CHIEF JUSTICE
HON'BLE MR. JUSTICE YASHVIR SINGH RATHOR**

Present: Mr. Harsh Manocha, Advocate,
for the petitioners.

Mr. Bhushan Bhatia, Advocate,
for respondent No.1-bank.
(Through Video Conferencing).

Mr. Sanjeev Goyal, Advocate,
for respondent No.2-Insurance Company.

SHEEL NAGU, CHIEF JUSTICE (Oral)

1. The petitioners, who are LR's of the borrower, have approached this Court challenging the auction notice dated 23.08.2022 (Annexures P-6), which had scheduled the auction of the secured asset on 27.09.2022.

2. As such, the challenge is to one of the recourses taken by the respondent-bank under Section 13 (4) of Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (for short SARFAESI Act).

3. The Apex Court has consistently held that High Courts should refrain from interfering under Article 226 of the

Constitution in SARFAESI proceedings. The SARFAESI Act, 2002 is a complete code which not only provides for a detailed recovery mechanism but also remedies before the Debts Recovery Tribunal (DRT) and thereafter, Debts Recovery Appellate Tribunal (DRAT).

3. From the averments in the petition, it does not appear that the petitioners have availed the statutory alternative remedy of approaching the DRT and thereafter, before DRAT. There is no justified reason shown for not approaching the DRT, which presently, is operational.

4. There is an interim order passed by this Court by taking cognizance of this matter on 27.09.2022, staying the coercive steps to be taken by the respondent-bank. This interim order continues to subsist till date.

5. In view of above and the ratio laid down by Apex Court in **United Bank of India vs. Satyawati Tondon, (2010) AIR SC 3413 (Para 17, 27) ; Phoenix ARC Private Limited vs. Vishwa Bharati Vidya Mandir and others, (2022) 5 SCC 345 (Paras 10, 21) ;PHR Invent Educational Society versus UCO Bank and others, 2024 (6)SCC 579 (Paras 22 to 41)**, this Court refrains from exercise of jurisdiction under Article 226 of Constitution.

6. Accordingly, this Court while declining interference on merits, relegates the petitioners to avail the appropriate statutory remedy under the SARFAESI Act before the DRT and thereafter before DRAT. In case, the petitioners prefer an

application under Section 17 of SARFAESI Act within a period of 30 days from today along with copy of this order, the same shall be considered and decided on its own merits, without being dismissed on limitation alone.

6. Interim order, passed by this Court in the present petition, will continue till the DRT takes fresh decision on the question of interim relief, provided the petitioners approach the DRT within 30 days, failing which the interim relief shall lose its effect. It is made clear that if, petitioners approach the Tribunal within the prescribed stipulated time, then this order shall not prejudice the mind of Tribunal while deciding the question of interim relief, if admissible to the petitioners. We further make it clear that the Tribunal shall decide the request for interim relief strictly on merits of the matter, without being influenced by the fact of petitioners having approached this Court or this Court having passed the present order.

7. Accordingly, the writ petition stands disposed of with aforesaid liberty without commenting on merits, without cost.

**(SHEEL NAGU)
CHIEF JUSTICE**

**(YASHVIR SINGH RATHOR)
JUDGE**

September 01, 2025

Ajay Prasher

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