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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**Date of decision: 30th APRIL, 2025IN THE MATTER OF:+ **W.P.(C) 12001/2018****PUNJAB AND SIND BANK**

.....Petitioner

Through: Ms. Seema Gupta, Adv.

versus

SH. HARISH BHASIN AND ORS.

.....Respondents

Through: Mr. Tushar Thareja and Ms. Archisha Satyarthi, Advs.

CORAM:**HON'BLE MR. JUSTICE SUBRAMONIUM PRASAD****HON'BLE MR. JUSTICE HARISH VAIDYANATHAN****SHANKAR****JUDGMENT (ORAL)****SUBRAMONIUM PRASAD, J.**

1. The Petitioner herein seeks to challenge a Judgment and Order dated 21.08.2018 passed by the Debt Recovery Appellant Tribunal (*hereinafter referred to as "DRAT"*) setting aside the Order dated 05.09.2014 passed by the Debt Recovery Tribunal (*hereinafter referred to as "DRT"*), whereby the DRT has disposed of an original application being O.A. No.56/2004 filed by the Petitioner herein and directed the Registry of the DRT to issue a recovery certificate for the sum of Rs.3,38,34,981.32/- alongwith the accrued interest @ 10% from the date of filing of the said application. The entire order of the DRT is reproduced hereinunder:-

"The ld counsel for the applicant bank submits that the



applicant has already received a sum of Rs.2.05 crores from the defendants no.3, 4 and 7 and in view of the same these defendants no.3, 4 and 7 have been released from this matter. She further submits that this Tribunal, vide its order dated 31.01.2013, directed the defendants no.5 and 6 to clear the balance dues of the applicant bank alongwith future interest @ 10% simple within a period of 60 days but till date these defendants have not cleared the balance dues of the applicant bank and she has also prayed for issuance of recovery certificate in terms of the order dated 31.01.2013.

2. After hearing the ld counsels for both the parties, perused the records and this Tribunal is of the view that the remaining defendants no.1, 2, 5 and 6 have already availed more than sufficient time to clear the balance dues of the applicant as per the direction of this Tribunal but till date they have complied with the direction of this Tribunal. In view of the conduct of the defendants, I hereby direct the registry of this Tribunal to issue the recovery certificate for a sum of Rs.3,38,34,981.32 (less the amount already deposited by the defendants) alongwith future interest @ 10% simple to be charged from the date of filling of this O.A. till the date of realization against the defendants no.1, 2, 5 and 6 as per the order dated 31.01.2013 passed by this Tribunal.

3. Parties are directed to appear before the Recovery Officer-DRT-III, Delhi on 31.10.2014.

4. With the above observations, the present original application is disposed of.”

2. The said order was challenged by the Respondents herein by filing an appeal bearing No. 109/2017 before the Ld. DRAT.
3. After giving the background facts of the case in great detail, the Ld. DRAT set aside the order of the DRT i.e., Order dated 05.09.2014 on the



ground that the DRT has not considered the pleas raised by the Respondents herein i.e., Appellants before the Ld. DRAT, while passing the said order and the O.A. has been allowed without giving any reasons. A perusal of the same discloses that the order passed by the DRT is completely unreasoned.

4. It is well settled that a judicial order has to be passed by recording sufficient reasons, however, in the instant case the DRT has issued a recovery certificate to the Petitioner herein without substantiating the same with any reasons. The said stance is supported by the observations made by the Apex Court in the case of Central Board of Trustees v. Indore Composite (P) Ltd., (2018) 8 SCC 443, wherein the Apex Court has held as under:-

“14. Time and again, this Court has emphasised on the courts the need to pass reasoned order in every case which must contain the narration of the bare facts of the case of the parties to the lis, the issues arising in the case, the submissions urged by the parties, the legal principles applicable to the issues involved and the reasons in support of the findings on all the issues arising in the case and urged by the learned counsel for the parties in support of its conclusion. It is really unfortunate that the Division Bench failed to keep in mind these principles while disposing of the writ petition. Such order, in our view, has undoubtedly caused prejudice to the parties because it deprived them to know the reasons as to why one party has won and other has lost. We can never countenance the manner in which such order was passed by the High Court which has compelled us to remand the matter to the High Court for deciding the writ petition afresh on merits.”

(emphasis supplied)

5. Learned Counsel for the Petitioner has tried to make an argument that the order passed by the DRT is primarily based on admission and



accordingly, has relied on Order XII Rule 6 of the CPC. Learned Counsel for the Petitioner has also relied on the Judgment passed by the Apex Court in Uttam Singh Duggal & Co. Ltd. v. United Bank of India & Ors., (2000) 7 SCC 120 to support her contentions.

6. However, a perusal of the order of the DRT does not show that the said O.A. has been allowed on the basis of admissions in the reply. The only reason given by the DRT is that the Respondents had availed sufficient time to clear the balance dues but since they have not complied with the directions of the DRT and their conduct not being satisfactory, the recovery certificate is being issued.

7. This Court is of the opinion that since the O.A. has not been disposed of on the basis of admission but on merits, the DRT ought to have considered the case on merits by providing proper and sufficient reasons as to why the recovery certificate is being issued to the Petitioner herein. Mere observation as to the misconduct of the Respondent herein is not sufficient to allow an O.A. by the DRT.

8. The order of remand therefore does not warrant any interference.

9. Accordingly, the writ petition stands dismissed along with pending applications, if any.

10. Considering the fact that the Petitioner/Bank has filed the OA as early as 2014 and the present petition is pending since 2018, this Court is of the view that the instant matter shall be disposed of by the DRT, positively, within three months from today.

11. It is made clear that this Court has purposely not gone into the facts of the case in detail lest it would prejudice the case of either parties. It is also made clear that this Court has not made any observations on the merits of



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the case or on the findings of the Ld. DRAT, if any, while remanding the matter back to the DRT, and the scope of this order is confined only with the order passed by the DRT, which in the opinion of this Court, is completely unreasoned.

SUBRAMONIUM PRASAD, J

HARISH VAIDYANATHAN SHANKAR, J

APRIL 30, 2025

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