

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

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**CWP-10911-2025 (O&M)
Date of decision : 23.05.2025****M/s Shiv Shankar Rice Mills and others****... Petitioners****Versus****Recovery Officer-I, Debts Recovery Tribunal-II, Delhi and others****...Respondents****CORAM : HON'BLE MR. JUSTICE ANUPINDER SINGH GREWAL
HON'BLE MR. JUSTICE DEEPAK MANCHANDA****Present:** Dr. Anmol Rattan Sidhu, Senior Advocate with (through VC)
Mr. Bhupinder Ghai, Advocate for the petitioners.

Mr. Akaant Kumar Mittal, Advocate for the respondent No.2.

Anupinder Singh Grewal, J. (Oral)

Learned Senior counsel for the petitioners submits that an OA bearing No.253 of 2015 had been filed by the respondent-Corporation Bank before the DRT-II, Delhi and the DRT-II, Delhi vide its order dated 02.08.2019 (Annexure P-4) had allowed the said OA and issued a recovery certificate for a sum of Rs.24,61,75,935/- qua the mortgaged property, which is situated in Village Gharaunda, District Karnal. The Recovery Officer of DRT-II, Delhi had issued a sale proclamation notice dated 27.02.2025 (Annexure P-7) whereby the property was put to auction on 23.04.2025. He, therefore, submits that this action of the Recovery Officer of DRT-II, Delhi of putting the property for sale without intimating the concerned Tribunal where the property is situated is in total violation of Section 19 (23) of the Recovery of Debts Due to Banks and Financial Institutions Act, 1993 (hereinafter referred to as 'RDDB Act, 1993') inasmuch as,



the copy of the recovery certificate has not been sent to the DRT-II, Chandigarh in whose territorial jurisdiction the property is situated. In support of his submissions, he has relied upon the judgment of this Court in the case of **Harjinder Singh s/o Waryam Singh Versus Recovery Officer-II and others, 2021(1) RCR (Civil) 514.**

2. Learned counsel for the respondent No.2 very fairly submits that the recovery certificate ought to have been sent to DRT-II, Chandigarh for its execution.

3. Heard.

4. It is manifest that the recovery certificate has been issued qua the mortgaged property which is situated in Village Gharaunda, District Karnal. The auction of the property could not have been conducted by DRT-II, Delhi as the recovery certificate was to be executed by DRT-II, Chandigarh which has territorial jurisdiction over District Karnal, Haryana, in view of Section 19(23) of the RDDB Act, 1993. We draw support from the judgment of this Court in the case of ***Harjinder Singh (supra)*** wherein it has been held that the DRT which has issued the recovery certificate is required to send the recovery certificate for execution to the concerned DRT within whose jurisdiction the property is situated. The relevant extract of the judgment is reproduced hereinunder:-

“7. Section 19 of the DRT Act contains the procedure regarding the filing of the application to the Tribunal and the manner it is to be dealt with by the Tribunal. Section 19(1) deals with the territorial jurisdiction of the Tribunal to entertain applications. Section 19(23) provides for sending the certificate of recovery for execution to the Tribunal where the property is situated. Though certain sub-sections of Section 19 have been amended in 2013 and 2016 but there is no material amendment to sub-sections (1) and (23) thereof which would effect the determination of the question that arises in this petition.

8. Sub-Sections (1) and (23) of Section 19 of the DRT Act are reproduced below:



Section 19. Application to the Tribunal

(1) Where a bank or a financial institution has to recover any debt from any person, it may make an application to the Tribunal within the local limits of whose jurisdiction,-

(a) the defendant, or each of the defendants where there are more than one, at the time of making the application, actually and voluntarily resides, or carries on business, or personally works for gain; or

(b) any of the defendants, where there are more than one, at the time of making the application, actually and voluntarily resides or carries on business, or personally works for gain; or

(c) the cause of action, wholly or in part, arises;

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(23) Where the Tribunal, which has issued a certificate of recovery, is satisfied that the property is situated within the local limits of the jurisdiction of two or more Tribunals, it may send the copies of the certificate of recovery for execution to such other Tribunals where the property is situated:

Provided that in a case where the Tribunal to which the certificate of recovery is sent for execution finds that it has no jurisdiction to comply with the certificate of recovery, it shall return the same to the Tribunal which has issued it."

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10. Sub- Section (23) requires that in a situation where the property is situated within the local limits of the jurisdiction of two or more Tribunals, the Tribunal, which has issued a certificate of recovery may send copies of the certificate of recovery for execution to such other Tribunals where the property is situated. As per the proviso to this sub-section, where the Tribunal to which the certificate of recovery is sent for execution finds that it has no jurisdiction to comply with the certificate of recovery, it shall return the same to the Tribunal which has issued it.

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14. It is thus clear that as per the scheme of the DRT Act where the assets of the judgment debtor from which the recovery is to be effected are situated outside the jurisdiction of the DRT which has issued the certificate of recovery, that DRT is required to send the certificate of recovery for execution to the DRT within whose jurisdiction the property is situated.

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16. Accordingly, it is held that the DRT Delhi-I was required to have sent the



Certificate of Recovery for execution to the Tribunal within whose jurisdiction the property i.e., H.No.1019, Phase IV, Mohali was situated. The Certificate for Recovery could not have been executed by respondent No.1. Hence the impugned orders are set aside. The DRT-I Delhi may send the certificate for recovery for execution to the Tribunal within whose jurisdiction the property of the petitioner H.No.1019, Phase IV, Mohali is situated.

17. In the light of the aforesaid we do not deem it necessary to opine on the second question as to whether H.No.1019 Phase IV, Mohali is the only residential house of the petitioner and hence exempted from attachment and sale.

18. During the pendency of this petition, various interim orders were passed including one dated 02.04.2018 whereby respondents No.1 and 2 were directed to make fresh effort to sell the mortgaged properties after getting their market value re-evaluated.”

(Emphasis supplied)

5. Consequently, the petition is allowed. The DRT-II, Delhi is directed to send the recovery certificate along with requisite papers to DRT-II, Chandigarh for execution within a period of one month from the date of receipt of certified copy of this order.

**(ANUPINDER SINGH GREWAL)
JUDGE**

**(DEEPAK MANCHANDA)
JUDGE**

23.05.2025

Sapna

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