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\* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

+ **W.P.(C) 3668/2021 & CM APPLs. 20497/2021, 40934/2021**

**EDELWEISS ASSET RECONSTRUCTION COMPANY LTD**

..... Petitioner

Through: Mr. R.P. Agrawal, Ms. Manisha  
Agrawal and Ms. Priyal Modi, Advs.

versus

**THE SECRETARY, DEPARTMENT OF FINANCIAL  
SERVICES & ORS.**

..... Respondents

Through: Mr. Chetan Sharma ASG, Mr. Ravi  
Prakash CGSC, Mr. Farman Ali, Mr.  
Varun Agarwal and Mr. Gurtejpal  
Singh, Advs. for UOI.

Mr. Sanjeev Bhandari, Mr. Anand  
Aggarwal and Mr. Dhananjay Kr.  
Singh, Advs. for DRT Bar  
Association, Delhi.

Mr. Vikram Jetly, CGSC.

Mr. Rajinder Wali, Advocate.

**CORAM:**

**HON'BLE MR. JUSTICE VIPIN SANGHI**

**HON'BLE MR. JUSTICE JASMEET SINGH**

**ORDER**

% **17.11.2021**

1. An affidavit has been filed by respondent No.1 pursuant to our order dated 27.09.2021. It is stated that so far as the aspect of filling up of vacancies of Presiding Officers in the Debt Recovery Tribunals is concerned, the Search cum Selection committee headed by an Hon'ble Judge of the Supreme Court of India has held interaction with the eligible candidates and further process in this regard is underway. It is further informed that the said Search cum Selection committee is also considering

the applications for the post of Chairpersons of Debt Recovery Appellate Tribunals received in response to the vacancy circular dated 14.07.2021 issued by respondent No.1. Mr. Ravi Prakash assures the Court that as soon as recommendations from the Search cum Selection committee are received for the post of Presiding Officers of DRTs and DRATs the respondent Ministry shall process the same without any delay so that the existing vacancy could be filled up at the earliest.

2. It is submitted by Mr. Agrawal, Mr. Bhandari and Mr. Wali that till the time the fresh appointments to the posts of Presiding Officers in the DRTs and DRATs are made, the respondent should restore the pre-existing arrangement of empowering Presiding Officers of the other DRTs in the country to virtually hear and dispose of cases of the three Debt Recovery Tribunals in Delhi so that the litigants are not put through undue harassment. We may note that until recently DRT Jaipur, DRT Siliguri and DRT Allahabad were given additional charge of hearing cases of the three DRTs in Delhi. That practice has been discontinued without appointments being made to the posts of Presiding Officers in the three DRTs in Delhi. We fail to understand the reason for this Act/Omission on the part of the respondent No.1. The result of there being no Presiding Officers in any of the DRTs in Delhi is that banks and financial institutions, as well as the defendants/debtors and persons against whom proceedings under the SARFAESI Act are initiated are having to rush to the High Court to seek interim protection and relief. The progress of original applications before the DRTs involving thousands of crores of rupees of public money which have to be recovered is held up. It is completely opposed to public interest that the DRTs should not function. We therefore direct respondent No.1 to examine

the said aspect. Mr. Agrawal has also drawn our attention to Section 4 of the Recovery of Debts & Bankruptcy Act, 1993 which enables the entrustment of additional charge to Presiding Officers of other DRTs to deal with cases of the three DRTs in Delhi. Similarly, since the tenure of the Chairperson, DRAT Delhi has been curtailed, the respondent should examine the feasibility of granting additional charge to one of the existing DRATs, so that the functioning of DRAT in Delhi can be restored without any delay. In this regard, status report should be filed within the next 10 days. To consider this aspect, the matter shall be taken up on 02.12.2021.

3. Mr. Ravi Prakash submits that after the filing of the affidavit in question, appointments of 20 Recovery Officers have been made, of which three are in Delhi. So far as the framing of rules to deal with high value cases - where the recovery is in excess of Rs. 100 crores is concerned, Mr. Ravi Prakash submits that the respondent has uploaded the objections received to the suggestions made by the petitioner, on the website of the respondent - Ministry. Mr. Bhandari submits that he has, today, shared with Mr. Ravi Prakash the suggestions of the DRT Bar Association. Mr. Wali states that the DRAT Bar Association also adopts the same suggestions. The same should also be examined and uploaded on the said website.

4. In our view, it is essential that all the suggestions/objections which are posted on the website of the Ministry are given wide publicity within the relevant circles. Let the respondent No.1 communicate to all the NBFC, Asset Reconstruction companies, all DRTs and DRATs, Indian Bank Association and the RBI the factum of the suggestions and objections being

uploaded, and the *url* should also be shared with all such bodies, so that they are able to access the suggestions and objections and also contribute in the debate. We also direct all DRTs and DRATs, IBA and RBI to provide links on their respective websites for the *url* of the respondent No.1-Ministry to be able to access the suggestions and objections. This exercise be completed within the next two weeks. We direct respondent No.1 to consider all the suggestions and objections and to come up with the Rules within the next six weeks, as prayed for.

5. List the matter for consideration on the said aspect on 19.01.2022.

**VIPIN SANGHI, J**

**JASMEET SINGH, J**

**NOVEMBER 17, 2021**

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