

M/s. Mittal Synthetic and Ginning Industries and another Vs Haryana Financial Corporation and others

Court: High Court Of Punjab And Haryana At Chandigarh

Date of Decision: Oct. 10, 2013

Hon'ble Judges: Sanjay Kishan Kaul, C.J; Augustine George Masih, J

Bench: Division Bench

Advocate: Dhiraj Chawla, for the Appellant; Amit Jain, Advocate, for the Respondents No. 1 and 2 and Mr. Ajay Gupta, Addl. A.G. Haryana, for Respondents No. 3 and 4, for the Respondent

Judgement

Sanjay Kishan Kaul, C.J.

The writ petition has been filed by the petitioners seeking restraint against the respondents from using coercive

methods of arrest for recovery of old loans. In terms of the interim order dated 17.09.2008, the arrest of the petitioners was stayed while other

mode of recovery were permitted to be adopted. Learned counsel for respondents No. 1 and 2 further states that they do not seek to press the

recovery certificates under the old Act and seek to withdraw the same and they will avail the remedy in accordance with law u/s 32 of the State

Financial Corporation Act, 1951.

2. In our view, the matter is also otherwise covered by the judgment of the Hon"ble Supreme Court of India in case Jolly George Varghese and

Another Vs. The Bank of Cochin, and State of Punjab and Others Vs. S. Dharam Singh (Dead) by Successor Desa Singh and Another, where it

is laid down that the loan cannot be recovered by means of arrest and detention. Petition is thus allowed of in the aforesaid terms leaving the

parties to bear their own costs.