IN THE HIGH COURT OF JUDICATURE AT MADRAS

RESERVED ON : 21.02.2025

PRONOUNCED ON: 03.04.2025

CORAM:

THE HONOURABLE MR.K.R.SHRIRAM, CHIEF JUSTICE
AND
THE HONOURABLE MR.JUSTICE MOHAMMED SHAFFIQ

W.P. Nos.33396, 33398, 33399 of 2019, 3412, 3419 and 3427 of 2020
and
W.M.P. Nos.33865, 33866, 33867, 33868, 33869 of 2019, 14519 of 2021, 3530 of 2020, 3989, 3996, 7452, 8659 of 2020

1.M/s.INMA International Limited,
Rep. by its Chairman cum Managing Director,
G.Rathinavelu,
No.251 (Old) and 292, Avvai Shanmugam Salai,
Gopalapuram, Chennai-600 086.

2.Mr.G.Rathinavelu

3.Mr.G.Sundaravadivelu

... Petitioners in W.P.Nos.33396, 33398 and 33399 of 2019

Vs.

Indian Overseas Bank,
Rep. by its Assistant General Manager,
Cathedral Branch,
No.762, Anna Salai,
Chennai-600 002.

... Respondent in W.P.Nos.33396, 33398 and 33399 of 2019

1.Indian Overseas Bank,
Rep. by its Assistant General Manager,
Cathedral Branch, No.762,
Anna Salai, Chennai -600002.

...Petitioner(s) in W.P.Nos.3412, 3419 and 3427 of 2020

Vs

1.M/s. INMA International Limited,
Rep. by its Chairman cum
Managing Director,
G.Rathinavelu,
No. 251 (Old) and 292, Avvai Shanmugam
Salai, Gopalapuram, Chennai 600086
and also for service at
No.1-C Rahul Apartments,
24 Cenatoph 1st Street,
Teynampet, Chennai- 600018.

2.G.Rathinavelu

3.G.Sundara Vadivelu

...Respondent(s) in W.P.Nos.3419 and 3427 of 2020

1.M/s. INMA International Limited,
Rep. by its Chairman cum
Managing Director,
G.Rathinavelu,
No. 251 (Old) and 292, Avvai Shanmugam
Salai, Gopalapuram, Chennai 600086
and also for service at
No.1-C Rahul Apartments,
24 Cenatoph 1st Street,
Teynampet, Chennai- 600018.

2.G.Rathinavelu

3.G.Sundara Vadivelu

4.R.Gunamalar,

5.D.SilambuSelvi

...Respondent(s) in W.P.No.3412 of 2020

PRAYER in W.P.No.33396 of 2019: Writ Petition filed under Article 226 of the Constitution of India praying for a Writ of Certiorari calling for the records on the file of Debt Recovery Appellate Tribunal relating to the order dated 14.11.2019 in R.A.No.110 of 2019 and quash the same.

PRAYER in W.P.No.33398 of 2019: Writ Petition filed under Article 226 of the Constitution of India praying for a Writ of Certiorari calling for the records on the file of Debt Recovery Appellate Tribunal relating to the order dated 14.11.2019 in R.A.No.111 of 2019 and quash the same.

PRAYER in W.P.No.33399 of 2019: Writ Petition filed under Article 226 of the Constitution of India praying for a Writ of Certiorarified Mandamus calling for the records on the file of Debt Recovery Appellate Tribunal relating to the order dated 14.11.2019 in R.A.No.138 of 2019 and quash the same and consequently allow the R.A.No.138 of 2019.

PRAYER in W.P.No.3412 of 2020: Writ Petition filed under Article 226 of the Constitution of India praying for a Writ of Certiorarified Mandamus calling upon the records pertaining to the order dated 14.11.2019 passed in R.A.No.110 of 2019 passed by DRAT at Chennai and quash the same and consequently direct the respondents to pay the entire dues with accrued interest.

PRAYER in W.P.No.3419 of 2020: Writ Petition filed under Article 226 of the Constitution of India praying for a Writ of Certiorari calling upon the records pertaining to the order dated 30.05.2019 in CC 6 of 2018 on the file of the Debts Recovery Tribunal at Chennai and the consequential order dated 14.11.2019 in R.A.No.138 of 2019 on the file of the Debts Recovery Appellate Tribunal at Chennai, quash the same and consequently direct the respondents to pay the entire dues with accrued interest in the loan account of the 1st respondent.

<u>PRAYER in W.P.No.3427 of 2020:</u> Writ Petition filed under Article 226 of the Constitution of India praying for a Writ of Certiorarified Mandamus calling upon the records pertaining to the order dated 30.05.2019 in CC 6 of 2018 on the file of the Debts Recovery Tribunal at Chennai and the consequential order dated 14.11.2019 in R.A.No.111 of 2019 on the file of the Debts Recovery Appellate Tribunal at Chennai quash the same and consequently direct the respondents to pay the entire dues with accrued interest in the loan account of the 1st respondent.

For Petitioner(s) in W.P.Nos.33396, 33398 and 33399 of 2019	:	Mr.E.Omprakash Senior Advocate for Mr.B.Thilak Narayanan for Resolution Professional for P1 Mr.N.L.Rajah Senior Advocate for M/s.Ramya Subramanian forP2,P3
For Petitioner(s) in W.P.Nos.3412, 3419 and 3427 of 2020	:	Mr.Vijay Narayanan Senior Advocate for Mr.S.Sathiyanarayanan
For Respondent(s) in W.P.Nos.33396, 33398 and 33399 of 2019	:	Mr.Vijay Narayanan Senior Advocate for Mr.S.Sathiyanarayanan
For Respondent(s) in W.P.Nos.3412, 3419 and 3427 of 2020	:	Mr.E.Omprakash Senior Advocate for Mr.B.Thilak Narayanan for Resolution Professional for R1

Mr.N.L.Rajah
Senior Advocate
for M/s.Ramya Subramanian
forR2,R3

For Respondent(s)
in W.P.No.3412 of 2020 : No appearance (for R4 and R5)

COMMON ORDER

Mohammed Shaffiq, J.

The issue that arises for consideration in this batch of writ petitions revolves around the scope of sub-section (8) to Section 19 of the Recovery of Debts and Bankruptcy Act, 1993 (hereinafter referred to as "RDB Act").

1.1. There are six writ petitions, three filed by INMA International Limited (W.P.Nos.33396, 33398, 33399 of 2019) and other three writ petitions filed by Indian Overseas Bank (W.P.Nos.3412, 3419 and 3427 of 2020). All six writ petitions are filed challenging the common order dated 14.11.2019 of the Debt Recovery Appellate Tribunal (hereinafter referred to as "DRAT") in R.A. Nos.110, 111 and 138 of 2019. Since the issue that arises for consideration in all six writ petitions are inter-connected, these writ petitions are disposed of by way of a common order. For the purpose of this order, we shall refer to INMA International Limited as 1st petitioner, Mr.G.Rathinavelu as 2nd petitioner and Mr.G.Sundaravadivelu as 3rd petitioner (collectively as petitioners) and Indian Overseas Bank as respondent bank.

2. Brief facts:

In the above batch of writ petitions, INMA International Limited was originally represented by its Directors viz., 2nd and 3rd petitioners. Proceedings were initiated against 1st petitioner under Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as "IBC") wherein Resolution Professional (RP) came to be appointed vide order dated 21.09.2022. In view thereof, 1st petitioner company viz., INMA International Limited is represented by RP. Before proceeding to narrate the relevant facts, we intend to clarify at the outset that proceedings were initiated under RDB Act, Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (hereinafter referred to as "SARFAESI Act") and IBC. The present writ petitions are challenging the order of DRAT under RDB Act, we would thus focus primarily on the proceedings under RDB Act. While setting out briefly the proceedings under SARFAESI and IBC, we also intend to deal with facts under the following heads rather than a chronological narration of facts inasmuch as the proceedings overlap. The heads of narration of facts being:

A) Proceedings under RDB Act;

B) Proceedings under SARFAESI Act;

C) Proceedings under IBC.

A. <u>Proceedings under RDB Act</u>:

2.1. 1st petitioner is engaged in Engineering Constructions on Turn-key Project Basis. One Mosmetro India Private Limited (hereinafter referred to as "Principal Contractor"), an Indian subsidiary of Mosmetrostroy, a Russian company awarded to 1st petitioner works/ contract of supplying fabricated reinforcement cages for precast elements of the cylindrical tunnel for the Chennai Metro Rail Project in Chennai. Work order was issued on 06.12.2012.

2.2. 1st petitioner approached respondent bank for financing the project. Respondent bank sanctioned Clean Cash Credit of Rs.5 crores, Cash Credit limit against Book Debts to the tune of Rs.5 crores and Letter of Guarantee to the tune of Rs.20 crores. 2nd and 3rd petitioners stood as guarantors and offered their personal properties worth Rs.32 crores by way of security to respondent bank towards above facilities.

2.3. While 1st petitioner carried out the work, payments were delayed by the Principal Contractor. Principal Contractor abandoned the project sometime in May 2015, without settling payment due to sub-contractors including 1st petitioner. As a result, 1st petitioner faced severe financial constraints. This led to default in servicing loan accounts by 1st petitioner. Loan accounts of 1st petitioner were classified as NPA on 30.12.2014. Thereafter, a notice under Section 13(2) of the SARFAESI Act was issued on 27.01.2015, demanding a sum of Rs.16,51,98,132,50/-. On 28.07.2015, symbolic possession of secured assets were taken by respondent bank.

2.4. It was submitted that 1st petitioner approached various banks and financial institutions for extending / lending/ financial facilities. However, bankers/ financial institutions rejected such request of 1st petitioner.

2.5. After petitioners attempt to obtain loans from various banks/financial institutions failed, petitioners approached New India Co-operative Bank for extending financial facilities with a view to settle its dues with respondent bank. New India Co-operative Bank, informed 1st petitioner that statement of outstanding does not match/tally with financial report of Credit Information Bureau (India) Limited (hereinafter referred to as "CIBIL"). It is submitted, based on information received from New

Indian Co-operative Bank, 1st petitioner came to know that amount outstanding against its account was shown as Rs.32 Crores on CIBIL database. 1st petitioner obtained a report from CIBIL regarding erroneous reporting of outstanding relating to petitioner as submitted by respondent bank to CIBIL. It was explained by respondent bank and CIBIL that, while migrating from 17 digits to 15 digits account number, a mistake had inadvertently crept, whereby dues in cash credit account of 1st petitioner was reported twice. This excess outstanding (admittedly erroneous) in turn was reflected in report submitted by respondent bank to CIBIL. The above error adversely affected petitioner's CIBIL rating.

2.6. After petitioners realized erroneous reporting of amount outstanding against its account in CIBIL's database, 1st petitioner addressed letters to respondent bank between 21.12.2015 to 30.03.2016, regarding furnishing wrong information to CIBIL. On 31.12.2015, CIBIL deleted duplicate account entry. 1st petitioner was informed on 09.05.2016 that error in database/ platform of CIBIL relating to cash credit account of 1st petitioner had been corrected after obtaining clarifications from respondent bank.

2.7. On 27.07.2016, 1st petitioner issued a legal notice to respondent bank and CIBIL regarding false information submitted in relation to credit facilities of 1st petitioner. On 16.08.2016, CIBIL responded to legal notice issued by 1st petitioner stating that it only collates information provided by Banks and has no authority to make any unilateral change to data/records.

2.8. On 26.08.2016, respondent bank replied to 1st petitioner's legal notice, wherein it admitted to double entries but submitted that same was due to inadvertent error which crept at the time of migrating from 17 digits account numbers to 15 digits account numbers.

2.9. While so, respondent bank instituted O.A.No.633 of 2016 seeking recovery before Debts Recovery Tribunal (hereinafter referred to as "DRT") seeking recovery of Rs.14.13 Crores along with interest at 15.70% per annum with monthly rests. A counter claim came to be filed by petitioner's praying for damages of Rs.30 Crores on the premise that in view of erroneous reporting by respondent bank to CIBIL of outstanding at Rs.32,11,31,188/- instead of Rs.15,76,56,258/-, petitioners suffered loss in business, loss of reputation and mental agony. DRT disposed of the Original Application with following directions viz.,

a) Respondent bank is entitled to recover remaining principal amount after adjusting the payments made by petitioners from the date of sanction of financial facilities till the date of order with interest at 6% per annum simple from filing of O.A. till the date of realisation.

b) There shall be a waiver of interest from the date of sanction of loan facilities till the date of filing of O.A. as damages.

3. Aggrieved by above order of DRT dated 30.05.2019, both Bank and petitioners preferred appeals before DRAT. Respondent bank challenged the order of DRT inasmuch as it was aggrieved by the waiver of interest towards counter claim by way of damages made by petitioners. Petitioners preferred an appeal challenging the order of DRT insofar as its counter claim of Rs.30 crores was restricted to waiver/dis-entitlement of Bank in claiming interest from the date of sanctioning of financial facilities till the date of filing of original application and prayed to award damages of Rs.30 crores as claimed.

3.1. DRAT, by a common order dated 14.11.2019 in R.A.Nos.110, 111 and 138 of 2019, held that in view of the negligence of respondent bank in submitting an erroneous report to CIBIL, it may not be entitled to claim contractual rate of interest but, however, found fault with waiver of interest by DRT till the date of filing of O.A. towards/by way of damages.

DRAT modified the order of DRT waiving interest till the date of filing of O.A. by respondent bank, holding that respondent bank shall be entitled for recovery of interest from the date of sanction till the date of filing of O.A. at 9% per annum simple (a reduction from contractual rate). Further, rate of interest shall be 9% per annum simple from the date of the order till the date of realisation.

3.2. Aggrieved by above order of DRAT, both, petitioners and respondent bank have preferred the following six writ petitions. Prayer in the six writ petitions are tabulated below:

S.No.	Writ Petition No.	Prayer	Impugned Order
1.	W.P. No. 3412/ 2020 (Filed by Respondent Bank)	Praying this Court to issue a Writ of Certiorarified Mandamus or any other appropriate Writ or direction in the nature of Writ calling upon the records pertaining to the order dated 14.11.2019 passed in R.A. No. 110/2019 passed by the Hon'ble DRAT at Chennai and quash the same and consequently direct the respondents to pay the entire dues with accrued interest.	Challenging the common order dated 14.11.2019 passed by the DRAT Chennai in R.A. No. 110/2019 In [O.A. No. 633/2016 on the file of DRT-II, Chennai] In R.A. No. 111/2019 In [C.C No. 6/2018 on the file of DRT-II, Chennai] R.A. No. 138/2019 In [C.C. No. 6/2018 on the file of DRT-II, Chennai] The appellant bank is entitled for recovery of interest from the date of sanction till the date of filing of O.A also 9% p.a. simple. From

			the date of order till the date of realization rate of interest also should be 9% p.a. simple. The three appeals are disposed of.
2.	W.P. No. 3419/ 2020(Filed by Respondent Bank)	Praying this Court to issue a Writ of Certiorarified Mandamus or any other appropriate Writ, Order or direction in the nature of Writ of Certiorari Mandamus calling upon the records pertaining to the order dated 30.05.2019 passed in CC No. 6 of 2018 on the file of The Debts Recovery Tribunal at Chennai and the Consequential order dated 14.11.2019 in R.A No. 138 of 2019 on the file of the DRAT at Chennai quash the same and consequently direct the respondents to pay the entire dues with accrued interest in the loan account of the 1st Respondent.	Challenging the common order dated 14.11.2019 passed by the DRAT Chennai in R.A. No. 110/2019 In [O.A. No. 633/2016 on the file of DRT-II, Chennai] In R.A. No. 111/2019 In [C.C No. 6/2018 on the file of DRT-II, Chennai] R.A. No. 138/2019 In [C.C. No. 6/2018 on the file of DRT-II, Chennai] The appellant bank is entitled for recovery of interest from the date of sanction till the date of filing of O.A also 9% p.a. simple. From the date of order till the date of realization rate of interest also should be 9% p.a. simple. The three appeals are disposed of.
3.	W.P. No. 3427/ 2020(Filed by Respondent Bank)	Praying this Court to issue a Writ of Certiorarified Mandamus or any other appropriate Writ, Order or direction in the nature of Writ of Certiorari Mandamus calling upon the records pertaining to the order dated 30.05.2019 passed in CC No. 6 of 2018 on the file of The Debts Recovery Tribunal at Chennai and the Consequential order dated 14.11.2019 in R.A No. 111 of 2019 on the file of the DRAT at Chennai quash the same and consequently direct the	Challenging the common order dated 14.11.2019 passed by the DRAT Chennai in R.A. No. 110/2019 In [O.A. No. 633/2016 on the file of DRT-II, Chennai] In R.A. No. 111/2019 In [C.C No. 6/2018 on the file of DRT-II, Chennai] R.A. No. 138/2019 In [C.C. No. 6/2018 on the file of

		respondents to pay the entire dues with accrued interest in the loan account of the 1st Respondent.	DRT-II, Chennai] The appellant bank is entitled for recovery of interest from the date of sanction till the date of filing of O.A also 9% p.a. simple. From the date of order till the date of realization rate of interest also should be 9% p.a. simple. The three appeals are disposed of.
4.	W.P.No. 33396 of 2019 M/s. INMA International Limited and its Directors	Praying this court to issue writ, order or Direction more particularly a writ in the nature of Writ of certiorari calling for the records on the file of Debt Recovery Appellate Tribunal relating to the order dated 14/11/2019 in R.A.No.110 of 2019 and quash the same.	Challenging the common order dated 14/11/2019 passed by the DRAT, Chennai in RA.110/2019 IN (O.A.No.633/2016 on the file of DRT-II, Chennai) RA:111/2019 IN (C.C.No.6/2018 on the file of DRT-II, Chennai) RA:138/2019 IN (C.C.NO.6/2018 on the file of DRT-II, Chennai) The respondent bank is entitled for recovery of interest from the date of sanction till the date of filing of OA and also from the date of order till date of realization @9% p.a. simple.
5.	W.P.No. 33398 of 2019 M/s. INMA International Limited and its Directors	Praying this court to issue Writ, Order or Direction more particularly in the nature of Writ of certiorari calling for the records on the file of Debt Recovery Appellate Tribunal relating to the order dated 14/11/2019 in R.A.No.111 of 2019 and quash the same.	Challenging the common order dated 14/11/2019 passed by the DRAT, Chennai in RA.110/2019 IN (O.A.No.633/2016 on the file of DRT-II, Chennai) RA:111/2019 IN (C.C.No.6/2018 on the file of DRT-II, Chennai) RA:138/2019 IN (C.C.No.6/2018 on the file of

			DRT-II, Chennai) The DRAT has affirmed the waiver of interest as a mark of compensation towards borrowers counter claim of Rs.30 crores.
6.	W.P.No. 33399 of 2019 M/S. INMA International Ltd, and its Directors	Praying this court to issue writ, order or Direction more particularly a writ in the nature of Writ of certiorarified Mandamus calling for the records on the file of Debt Recovery Appellate Tribunal relating to the order dated 14/11/2019 in R.A.No: 138 of 2019 and quash the same and consequently allow the R.A.No: 138 of 2019 as prayed for.	Challenging the common order dated 14/11/2019 passed by the DRAT, Chennai in RA.110/2019 IN (O.A.No.633/2016 on the file of DRT-II, Chennai) RA:111/2019 IN (C.C.No.6/2018 on the file of DRT-II, Chennai) RA:138/2019 IN (C.C.No.6/2018 on the file of DRT-II, Chennai) The DRAT has affirmed the rejection of the counter claim filed by the petitioner in CC.No. 6/2018.

4. For sake of completion of narration of facts and events, it may be relevant to note that respondent bank, also proceeded under SARFAESI Act, before DRT and under IBC, before National Company Law Tribunal (hereinafter referred to as “NCLT”), respectively. We shall in the following paragraphs briefly deal with proceedings under SARFAESI Act and NCLT inasmuch as written submission refers to said proceedings in great detail,

though may not be of much relevance for the purpose of disposing the present batch of writ petitions.

B) <u>Proceedings under SARFAESI Act</u>:

4.1. Three sale notices dated 19.12.2015, 25.01.2017 and 20.12.2017 were issued. The same were the subject matter of challenge in S.A.Nos.20 of 2016, 15 and 287 of 2017. The above S.A's were disposed of on the following terms viz.,

a. S.A.No.20 of 2016 challenging sale notice dated 19.12.2015 was dismissed.

b. S.A.No.15 of 2017 challenging sale notice dated 25.01.2017, was partly allowed directing respondent Bank to bring only 1st item of property to sale, while directing that 2nd property shall not be sold.

c. S.A.No.287 of 2017 challenging sale notice dated 20.12.2017 was dismissed as infructuous.

C) <u>Proceeding before National Company Law Tribunal (NCLT):</u>

4.2. On 16.10.2018, respondent bank filed an application under Section 7 of IBC in IBA No.49 of 2019, before NCLT to initiate Corporate Insolvency Resolution Process (CIRP) against Corporate Debtor/INMA

(1st petitioner).

4.3. On 13.04.2022, NCLT passed order admitting IBA.No.49 of 2019 and thereby initiating CIRP against 1st petitioner. Interim Resolution Professional (IRP) took control of Corporate Debtor (1st petitioner) immediately.

D) <u>Proceedings before National Company Law Appellate Tribunal (NCLAT):</u>

4.4. On 22.04.2022, 1st petitioner filed an appeal before National Company Law Appellate Tribunal (hereinafter referred to "NCLAT"), Chennai, in Company Appeal (AT)(INS) No.143 of 2022 along with an Interlocutory Application No.330 of 2022, seeking to stay the operation of impugned order dated 13.04.2022 in IBA No.49 of 2019.

4.5. On 07.06.2022, 1st petitioner filed a Contempt Petition in Cont.P.No.1260 of 2022, for alleged violation of order of this Court in W.M.P.No.33866 of 2019 in W.P.No.33396 of 2019, and the same is pending.

4.6. On 28.11.2022, this Court directed the parties to maintain status quo as on date with regard to alienation of property and matter stood adjourned to 30.11.2022.

4.7. Thereafter, NCLAT, vide judgment dated 27.06.2023, dismissed the appeal.

4.8. On 28.07.2023, a Civil Appeal was filed before the Hon'ble Supreme Court against the judgment dated 27.06.2023 passed by NCLAT.

4.9. On 01.08.2023, Resolution Professional (RP) took custody of office premises. On 22.09.2023, Civil Appeal bearing No.29891 of 2023 filed by 1st petitioner challenging order of NCLAT was dismissed by the Hon'ble Supreme Court. The order speaks about One Time Settlement (OTS) reached at Rs.11.46 Crores and its non compliance. Relevant portions of the same is extracted below:

"Delay condoned.

We are not inclined to interfere with the impugned order under Article 136 of the Constitution of India.

We repeatedly put a question to learned senior counsel for the appellant that having made an offer of payment of Rs.11.46 crore in the insolvency proceedings which was accepted, the finding is that it was not honoured. Learned counsel for the appellant keeps on referring to payments made before that. That is irrelevant! Fully knowing what payments had been made, what their claims were, what the Bank's claims were, this amount was offered. If they have paid Rs.11.46 crores after the offer was made, something which is not before us, in view of the finding, they may approach the NCLT with proof of *payment of Rs.11.46 crores after the date of acceptance of the offer.*

The Civil Appeal is dismissed in the aforesaid terms."

5. Having narrated the sequence of events leading to impugned order of DRAT, we shall now proceed to set out the orders of this Court in W.P.No.1421 of 2017, orders of DRT and DRAT, i.e., impugned orders which are the subject matter of challenge in the present batch of writ petitions.

5.1. Order of High Court:

Petitioner(s) aggrieved by wrong reporting/duplication of credit account and credit balance of 1st petitioner by respondent bank, while submitting its report to CIBIL and its consequential reporting by CIBIL in its database/platform, a writ petition in W.P.No.1421 of 2017 came to be filed by 1st petitioner with the following prayer:

PRAYER:

"to issue a writ of mandamus directing the third respondent to take on file the complaint of the petitioner herein and expeditiously investigate and proceed in accordance with law as to how a dubious fraudulent parallel account was created and whether huge bank money was swindled by the 4th respondent officials."

5.1.1. This Court while disposing of writ petition vide order dated

13.11.2017, found that there were lapses on the part of respondent bank in furnishing/providing correct account and credit balance details of petitioners to CIBIL. However, learned Judge thereafter proceeded to observe that neither RBI nor IOB or CBI, could find any *prima facie* material, in the complaint given by petitioners to infer any wilful omission or false statement knowingly furnished by IOB officials, i.e., respondent bank. The writ petition was dismissed with a finding that Court is not inclined to entertain the writ petition seeking mandamus. 1st petitioner was also granted liberty, if so advised, to proceed against respondent bank for damages. Following portions of the order is relevant and thus extracted hereunder:

> <u>Order in W.P.No.1421 of 2017:</u>
>
> *"21.Apparently, in this case, a dispute has arose and the communication between the parties since 21.11.2015 till 30.03.2016 centres around the dispute and the settlement of the said dispute. Despite rectification of the duplicate entries, if the writ petitioner is under the Impression that the duplication is not an Innocuous error crept inadvertently but, with intention to cause wrongful loss to the company, it is always open to the writ petitioner to seek damages under the common law remedy.*
>
> *22. From the records, it appears that neither the RBI nor the IOB nor CBI could find any prima facie material in the complaint given by the writ petitioner to infer any willful omission or false statement knowingly furnished by IOB officials. In such circumstances, this Court is not inclined to entertain this writ*

petition seeking mandamus.

23.In the result, the writ petition fails and accordingly, the same is dismissed. However, it is open to the writ petitioner, if so advised, to resort relief under common law procedure. No costs. Consequently, connected miscellaneous petition is closed."

5.1.2. 1st petitioner filed a writ appeal in W.A.No.1853 of 2018 as against orders refusing to order investigation in W.P.No.1421 of 2017. The same came to be dismissed on 31.08.2018. Against this, a review is stated to have been filed.

5.2. Order of Debts Recovery Tribunal and Debt Recovery Appellate Tribunal:

Having narrated broadly the proceedings in Original Application before DRT and Regular Appeal before DRAT, we shall take a closer look at the orders of DRT and DRAT, inasmuch as the above orders are the subject matter in issue in the present batch of writ petitions.

i) Order of Debts Recovery Tribunal:

5.2.1. Learned Tribunal after making reference to the order of this Court in W.P.No.1421 of 2017 proceeds on the premise that the High Court had held that there is tortious liability and petitioners are entitled for damages. The relevant portions of DRT's order is extracted hereunder:

"....The Hon'ble High court held that the defendants are entitled for damage from the applicant bank's tortuous liability. Though there is CIBIL report against D1 for no fault of D1, we need not elaborately discuss about CIBIL report since the Hon'ble High Court had held that the defendants are entitled for damages for applicant bank's tortuous liability.

(emphasis supplied)

5.2.2. Tribunal also found that while respondent bank classified loan amount as NPA and initiated proceedings under SARFAESI Act, petitioners with a view to resolve the above issue had approached New India Co-operative Bank to take over liability of the Bank. Initially, New India Co-operative Bank expressed its willingness, while accepting the above request of 1st petitioner and its directors. However, on verifying CIBIL score report, it noticed that there were two accounts in the name of 1st petitioner and that assets were also classified as "sub-standard". New India Co-operative Bank, refused to sanction financial facilities due to CIBIL score report. It is submitted that petitioners were unable to settle the dues only because New India Co-operative Bank had withdrawn its earlier proposal to take over the liability of petitioners with respondent bank. This, according to Tribunal, must have resulted in loss of business, loss of reputation and mental agony. It was found that though petitioners had approached the Bank for settlement, however, proposal for settlement was rejected without even placing the proposal before the Board of Directors. Respondent bank instead proceeded under SARFAESI Act, which in view of Tribunal lacked bonafides. Tribunal finally looked to the wrong CIBIL report to find that it has caused loss of business, loss of reputation and mental agony to petitioners thereby warranting award of damages by way of waiver of interest. Relevant portions of order in O.A.No.633 of 2016 is extracted hereunder:

> *"16. ..... Therefore, the defendants are entitled for waiver of the total interest from the date of sanction of loan facilities till the date of filing of OA as damage. This interest amount is treated as compensation amount to D1 under Counter Claim. Hence I find D1 to D3 are entitled for this amount only as counter claim from the applicant bank and not entitled for Rs.30 crores as prayed in the Counter Claim due to the blunder of the officials of the Applicant Bank which affected D1's name and its business."*
>
> *17. Defendants prayed for Rs.30 crores as damage for loss in business, loss of reputation, and mental agony. Applicant bank claimed a sum of Rs.14,13,87,217.60p. For the wrong CIBIL report, the entire claim amount of the applicant bank has to be set off as damage since there is loss in business, loss of reputation, and mental agony to D1 to D3. However, the claim amount in the OA is public money and for the wrongful act act at the officials of the applicant bank, the entire claim amount cannot be set off. Hence for the interest of justice,applicant bank is not entitled for the interest from the date of sanctioning of financial facilities till the date of filing of this OA. Further, the payments made by the defendants from the date of sanction of the loan till today has to be adjusted only towards the principal amount. If there is balance outstanding due after adjustment, applicant bank is entitled to recover the same from the defendants...."*

(emphasis supplied)

ii) <u>Order of Debt Recovery Appellate Tribunal:</u>

5.3. Aggrieved by the order of DRT, both petitioners and respondent bank preferred appeal before DRAT. While petitioners would submit that DRT erred in not awarding damages of Rs.30 crores as claimed by petitioners, on the other hand, respondent bank would challenge the award of damages by way of waiver of interest. DRAT modified the order of DRT waiving interest and respondent bank was found entitled to interest at 9% per annum instead of interest at contractual rate. Relevant portions of Appellate Tribunal's order is extracted hereunder:

> *"20. The Presiding Officer has waived interest from the date of sanction till date of filing of OA only on the basis of generation of wrong CIBIL report. If it is not a malafide or fraudulent act/omission of the bank, at least it is a gross negligence on the part of the bank that has caused a prejudice to the borrowers to some extent. This is also true that this mistake is continued for a period of only three weeks and it was rectified also and borrower was willing to clear the dues for OTS of Rs.14 crores also. For negligence of maintenance of CIBIL, bank is responsible in part and is liable to lose some Interest on dues.*
>
> *21. In such a situation, denial of interest from the date of sanction till the date of filing of OA seems not reasonable. The bank had other means for recovery of dues also. <u>In such a situation, on the basis of this OA, in view of the facts and circumstances of this case, the appellant bank is entitled for recovery of Interest from the date of sanction till the date of filing of OA also @9% p.a. simple.</u>*

From the date of order till date of realisation rate of interest also should be @9% p.a. simple. Loss of the bank is the gain for the borrower. The Presiding Officer has rightly rejected the counter claim treating that relief in interest will be equal to the amount of counter claim.

22. Accordingly, Impugned order is modified in part. The bank is entitled for rate of interest on due amount from the date of sanction till realisation @ 9% p.a. simple. The remaining part of the order is hereby affirmed.

23. In terms of the above, said all three appeals are disposed of."

(emphasis supplied)

5.4. In the present batch of six writ petitions, three filed by petitioners and three other filed by respondent bank, challenge is made to the common order dated 14.11.2019 of DRAT. Petitioners, in their written submissions, have narrated the facts, which we have captured in earlier portions of this order and thus not dealt with again to avoid repetition. We shall now proceed to deal with issues and contentions raised by either side in the present batch of Writ Petitions.

6. Case of 1st petitioner represented by Resolution Professional

6.1. Shri E.Om prakash, learned Senior Advocate appearing on behalf of the Resolution Professional representing 1st petitioner, while not advancing any arguments on the legality of the order of DRT/DRAT, focused primarily on the conduct of 2nd and 3rd petitioners and submitted the following:

6.2. An application was lodged against 1st petitioner by respondent bank under section 7 of IBC for initiation of Corporate Insolvency Resolution Process. Claim of the respondent bank was admitted and Corporate Insolvency Resolution Process was ordered by NCLT vide order dated 13.04.2022. Interim Resolution Professional was appointed on the same day i.e., 13.04.2022. Thereafter IRP was replaced by a Resolution Professional Mr.Shriraam Shekher. 2nd and 3rd petitioners were suspended as Directors.

6.3. A Report and an Additional Report was filed by the Resolution Professional on behalf of 1st petitioner wherein serious allegations of fraud was made against 2nd and 3rd petitioners. We do not propose to get into the details of those allegations except to very broadly outline the contents of Report and Additional Report which *inter alia* contained the following allegations :

a)Non co-operation by petitioners 2 and 3 herein with RP including non furnishing of details necessary to carry out the day to day affairs of the petitioner company and discharge statutory obligations/compliances.

b) Transfer of 1st petitioner's immovable property at Gopalapuram to 3rd petitioner for a value of Rs.5.8 crore vide sale deed dated 15.12.2015, however, verification of statement of accounts of 1st petitioner would reveal that sale consideration stated to have been paid vide cheque dated 15.12.2015 was not realized by 1st petitioner.

c) 3rd petitioner by mortgaging the above property obtained loan from New India Co-operative Bank.

d) A forensic audit was carried out/conducted by the RP in terms of Section 25 of IBC, in view of fraudulent activities of the 2nd and 3rd petitioners.

e) Forensic Report revealed that apart from the transfer of the Gopalapuram property which is stated to be not supported by consideration, there was sale of movable assets to the extent of Rs.3 crores which was not mentioned in the Asset Purchase Agreement by 2nd petitioner.

f) Additional Report states that the transactions relating to movable and immovable property without consideration qualifies as the fraudulent or wrongful trading/transaction in terms of Section 66 of IBC.

g) Additional Report also alleges that the properties of 1st petitioner which has been fraudulently transferred to petitioners nos.2 and 3 was utilized to avail cash credit facilities for one Tunnel Konnect India Pvt. Ltd., which apparently was related to petitioners nos.2 and 3.

h) Audit report also recommends investigation into the affairs of 1st petitioner to determine whether the acts of petitioners nos.2 and 3 would come under the purview of PMLA Act (Prevention of Money Laundering Act, 2002).

i) The Report and Additional Report contains other serious allegations of fraud and other irregularities committed by 2nd and 3rd petitioners which we do not propose to deal with in detail except to the limited extent they have a bearing on the issues that were raised particularly as to whether petitioners really suffered any loss or damage.

6.4. Case of 2nd and 3rd petitioners:

Shri N.L.Rajah, learned Senior Advocate submitted the following on behalf of 2nd and 3rd petitioners:

i) Loss of business and reputation caused by intentional sabotage of respondent bank.

ii) Bank account numbers are to be 15-digit since January, 2010 (Refer to RBI Circular, April 2011). Therefore, second fraudulent account opened by IOB which was reflected in CIBIL report from Feb 2013 was created wantonly by manual intervention by IOB, as the Core Banking Software will not accept a 17 digit account number. The first four digits and last four digits are the same.

iii) CIBIL filed affidavit before this Court in W.P.No.1421 of 2017, wherein it clearly states that it only acts as a repository of information and loads information given by the bank. It does not undertake any independent activity of either scrutinizing or providing information.

iv) Petitioners led evidence in DRT extensively and filed 46 exhibits and introduced their witness, Mr. J.Thiruvarasan, the CEO of petitioner Company. However, respondent bank did not cross-examine petitioners' witnesses. Therefore, Respondent ought to be deemed to have admitted the statements and documents introduced by petitioners. Reference was made to the judgments of the Hon'ble Supreme Court in ***Rajinder Pershad v. Darshana Devi***[1], and ***State of U.P. v. Nahar Singh (dead)***[2].

6.5. DRT further held that there was loss of business and reputation to the company and that property worth Rs.32 crore was pledged with the bank. The bank wanted to assert their rights over the property. Importantly,

1.*(2001) 7 SCC 69*
2. *1998 Cri LJ 2006*

even though New India Co-operative Bank was willing to take over the loan from IOB, they did not extend the facility in view of erroneous data/ rating shown in CIBIL's database viz., dues of Rs.32 crores as against the actual due of Rs.15 crores, which petitioners owed to respondent bank. When approached by petitioners, CIBIL informed that a credit information bureau such as CIBIL is only a repository of credit information received from its member banks and that it can make a correction/deletion only after such correction/deletion has been certified as correct by the concerned member credit institution/bank. Therefore, the company has lost contracts worth several crores due to adverse actions of the Bank.

6.6. Respondent bank sought to benefit from property secured with respondent bank and was therefore not interested in accepting OTS and Mediation. Petitioners have repaid Rs.14.13 crore from date of NPA. In any event, 1st petitioner is not a wilful defaulter.

6.7. DRT has the right to award damages as counter claim under Section 19(8) of RDB Act.

6.8. Court has power to reduce contractual rate of interest as held in the judgment of the Apex Court in ***Punjab & Sind bank v M/s. Allied***

beverage company[3], in *Civil Appeal No.8443 of 2010.*

6.9. DRT, under Section 22(2) of RDB Act, has all powers of civil court as enunciated under Code of Civil Procedure, 1908. Therefore, reading the above in conjunction with Section 34 of the CPC, shall have the power to reduce the interest to nil.

6.10. That order of DRAT is a bundle of contradictions/ inconsistencies and setting out instances of the same.

6.11. Order of DRAT is contrary to settled principles of law that the scope of interference/modification for an appellate court is narrow. The principle is based on the fact that court of first instance, being a fact finding court has painstakingly considered all materials before it and come to the conclusion. Therefore, unless perversity or illegality is shown, there can be no reversal of fact finding, either by DRAT or by this Court. In this regard, reliance was placed on the following judgments:

(a) ***Collector of Customs Bombay vs. Swastic Woollens Pvt Ltd***[4],

(b) ***Mohd. Salamatullah and ors. vs. Government of Andhra Pradesh***[5],

3. (2010) 10 SCC 640

4. *AIR 1988 SC 2176 (Para 9, 10)*

(c) ***Delhi Development Authority vs. Associate Builders***[6].

6.12. The matters were reserved for orders on 21.02.2025. Counsel for 2nd and 3rd petitioners sought time to file their response/ counter after the arguments were over. This was rejected as all the material including Report and Additional Report of RP on behalf of 1st petitioner were submitted as early as on 24.08.2023 and 25.02.2024, respectively and no response was filed by 2nd and 3rd petitioners for almost a year or even before the matter was heard. Learned counsel for 2nd and 3rd petitioners then requested leave to file written submissions. This was permitted. Respondent bank was also, therefore, permitted to file its written submissions. Petitioners were permitted to file submissions and response by the bank, if any, to such rejoinder was permitted to be filed. Counsel for 2nd and 3rd Petitioners had submitted written submissions, however, the rejoinder was submitted in the form of an affidavit when all that was permitted was to file written submissions. We are thus not inclined to take the rejoinder on record. However, we shall deal with the oral submissions made by the learned counsel for the 2nd and 3rd petitioner, *inter alia,* dealing with the submissions / reports made by

5. *AIR 1977SC 1481 (Para 4)*
6. *2008(1)ARBLR490(Delhi) (Para 6)*

learned Senior Advocate appearing on behalf of the 1st petitioner company. It was submitted that Forensic Audit Report (hereinafter referred as "FAR") is irrelevant to present writ petitions which are confined to order of DRT and DRAT. That FAR and its conclusion are sub-judice before NCLT and would have no bearing on correctness of orders of DRT and DRAT which are the subject matter of challenge in this batch of writ petitions. That FAR cannot be relied upon for it was not part of pleadings before DRT or DRAT.

6.13. Without prejudice to their case that FAR is not relevant for purposes of present writ petition, the 2nd and 3rd petitioner would submit that the transfer of Gopalapuram property of 1st petitioner was in fact supported by consideration. The consideration was paid as under:

Date of Payment	***Transfer reference number***	***Amount***
17.12.2015	SBINR52015121723605691	2,00,00,000/-
22.01.2016	SBINR52016012225115649	1,00,00,000/-
10.02.2016	SBINR52016021025868083	3,50,00,000/-

(Though we *prima facie* find that the above submission itself is contrary to sale deed dated 15.12.2015, which contains a recital/provides that sale consideration of Rs.5.8 Crores was paid by 2nd petitioner vide Cheque No.755655 dated 15.12.2015 – We are not elaborating the same for the purpose of disposing of the present batch of writ petitions.)

6.14. 2nd and 3rd petitioners does not deal with any of the other allegations including the following:

a) Diversion of credit/ cash facilities to M/s.Tunnel Konnect India Pvt. Ltd., related to 2nd and 3rd petitioner;

b) Transfer of movable assets not supported by consideration;

c) Acts of petitioner's 2 and 3 would come under purview of PMLA.

2nd and 3rd petitioners have merely stated that allegations are dealt with in the proceedings before NCLT and the same may not be relevant for resolving the issue arising in the present batch of writ petitions.

7. Case of the Respondent:

Shri Vijay Narayanan, learned Senior Advocate would submit the following on behalf of the Respondent Bank:

7.1. Claims of the Bank made in O.A.No.633 of 2016 was fully allowed by DRT. Against the same, no appeal was preferred by petitioners/borrowers.

7.2. As far as the counter claim of petitioners made before DRT is concerned, it was submitted that DRT has no jurisdiction to adjudicate claim for damages for purported loss of business and reputation and for mental agony.

7.3. The Hon'ble Supreme Court in ***Bank of Rajasthan Ltd Vs. VCK Shares & Stock Broking Services Ltd***[7] *(Civil Appeal Nos.8972-8973 of 2024)* has held in paragraphs 48 and 50, that DRT does not have jurisdiction to decide on counter claim which is in the nature of remedy to be specifically adjudicated in a civil suit.

7.4. If DRT does have jurisdiction, it is submitted that petitioners/borrowers have failed to substantiate their claim for damages through evidence. Rather, DRT has allowed waiver of interest in lieu of damages solely on erroneous interpretation of this Court's order dated 13.11.2017 passed in W.P.No.1421 of 2017 and therefore held that petitioners/borrowers are entitled for damages for error that occurred in CIBIL Report.

7.5. DRT without recording any findings assumed that damage was caused to petitioners / borrowers, by over-looking the finding of DRT - III in its order dated 09.09.2016 in S.A.No.20 of 2016, that mistake in CIBIL Report was reflected only for a short period and that no searches were made by anybody to establish that petitioners suffered any damage over the same.

7. (2023) 1 SCC 1

7.6. Further, petitioners' / borrowers' averment that it would not get any credit sanctioning because of alleged error in CIBIL report is also false as New India Co-operative Bank Ltd. issued sanction letter to Mr. Rathinavelu for Rs. 4 Crores on 27.11.2015, on the agreed terms that loan is to be disbursed in favour of 1st petitioner Company (INMA International Limited). Hence, no alleged loss was suffered by petitioners / borrowers on account of alleged CIBIL error.

7.7. Further, it has come to light from reports filed by the Resolution Professional that petitioners / borrowers, in addition to the initial loan obtained from New India Cooperative Bank, had obtained two enhancements to the loan from the said bank by mortgaging property which was transferred to its director. It was submitted that above transfers were without receipt of any sale consideration. Further loans were also obtained by mortgaging additional properties as well. Therefore, it is clear that (i) in spite of availability of funds, petitioners / borrowers did not pay approved OTS, and (ii) no prejudice was caused to petitioners / borrowers due to error in CIBIL report.

7.8. Further, DRT without arriving at any finding as to whether any alleged damages has occurred or not based on evidences and without going into the exercise of quantifying the alleged damages that is purported to be caused to petitioners, has erroneously ordered for waiver of interest on the erroneous premise that High Court had held that petitioners / borrowers suffered due to CIBIL report and petitioners / borrowers are entitled for damages in tort.

7.9. Further, DRT in its order dated 30.05.2019 has arbitrarily stated that order dated 09.09.2016 passed in S.A.No.20/2016 by DRT is not binding in subject proceedings. The said statement reflects lack of judicial discipline and non-coherence.

7.10. DRAT did not disturb the finding of DRT to the extent of admission of claim of respondent bank. Further, DRAT also recorded that interest cannot be waived as the same is nothing but public money. However, in spite of such observation DRAT has erroneously ordered for simple interest at 9% per annum from the date of order till date of realization. The interest rate ordered by DRAT is less that the contractual rate agreed by the parties.

7.11. Further, in Civil Appeal Diary No.29801/2023 preferred by petitioners/borrowers, the Hon'ble Supreme Court in its order dated 22.09.2023 has observed that the petitioners/borrowers have made an offer for Rs.11.46 Crores when insolvency proceedings were pending and subsequently failed to honor the same.

8. Against the above background, following questions arise for consideration viz.,

a) Whether DRT was within its jurisdiction in entertaining the claim for damages, after finding that the same is founded on tort?

b) Assuming DRT was within its jurisdiction in entertaining the plea of damages, the following issues would arise for consideration viz.,

i) Whether the order of DRT/DRAT insofar it grants/modifies, damages on the counter claim made by petitioners, is made on a gross misreading of the judgment of this Court in W.P.No.1241 of 2017 dated 31.08.2018, thus patently illegal?

ii) Whether the order of DRT/DRAT insofar it grants/modifies damages on the counter claim made by petitioners made in the absence of evidence suffers from being perverse and arbitrary?

iii) Whether the order of DRT/DRAT insofar it grants/modifies damages on the counter claim made by petitioners, ought to have seen that the above claim itself is an after thought, thus unsustainable?

Analysis:

9. Recapitulation of facts:

9.1. It may be necessary to recapitulate the relevant facts on the basis of which claim for damages is founded by petitioners, to understand the nature of damages claimed and ordered. Claim for damages is made by petitioners on the premise that while reporting to CIBIL, respondent bank had shown a sum of Rs.32,11,31,188/- as outstanding from petitioners' company as against actual due of Rs.15,76,56,258/-. CIBIL in turn disclosed the dues outstanding as Rs.32,11,31,188/-. In view of the excessive outstanding shown against the account of petitioners, petitioners faced difficulties in obtaining credit/loan facilities. As a result thereof, DRT found that petitioners suffered loss of reputation, loss of business and mental agony. Importantly, DRT had, while awarding damages, found that claim of damages is founded in tort.

10. Question thus arises whether it is within the jurisdiction of DRT/ DRAT to adjudicate a claim for damages founded in tort.

10.1. To answer the above question, it may be necessary to bear in mind the object of RDB Act, scope and extent of power of DRT/DRAT constituted under RDB Act, post the amendment inserting sub-sections (6) to (11) to Section 19 of RDB Act, which *inter-alia* includes adjudication of counter claims whether by way of damages or not, in terms of sub-section (8) to Section 19 of RDB Act introduced vide Act 1 of 2000.

10.2. Object of RDB Act:

It may be relevant to refer to the background necessitating the introduction of RDB Act. RDB Act was enacted by Parliament with the object of ensuring expeditious recovery of debts due to the banks. Before coming into force of RDB Act, banks were approaching Civil Courts for recovery of their debts from defaulters by filing civil suits before Civil Courts of competent jurisdiction. After the coming into force of RDB Act on 25th June, 1993, the jurisdiction of Civil Courts was taken away. The decision to have separate Bank Tribunals was taken by the Central Government after considering increasing workload of Civil Courts and delay in disposal of the bank suits. The Statement of Objects and Reasons for enactment of RDB Act would show that banks and financial institutions experienced considerable difficulties in recovering loans and enforcement of securities charged with them. The procedure prior to introduction of RDB Act, for recovery of debts due to banks and financial institutions blocked a significant portion of their funds in unproductive assets, the value of which deteriorated with the passage of time. The locking up of such huge amount of public money in litigation prevented proper utilisation and recycling of the funds for the development of the country[8]. It was against the above background that RDB Act was introduced. In this regard, it would be apposite to note the Statement of Objects and Reasons for enacting RDB Act, which reads as under:

> *"**Statement of Objects and Reasons.**—Banks and financial institutions at present experience considerable difficulties in recovering loans and enforcement of securities charged with them. The existing procedure for recovery of debts due to the banks and financial institutions has blocked a significant portion of their funds in unproductive assets, the value of which deteriorates with the passage of time. The Committee on the Financial System headed by Shri M. Narasimham has considered the setting up of the Special Tribunals with special powers for adjudication of such matters and speedy recovery as critical to the successful implementation of the financial sector reforms. An urgent need was, therefore, felt to work out a suitable mechanism through which the dues to the banks and*

8.*Greater Bombay Coop. Bank Ltd. v. United Yarn Tex (P) Ltd.* reported in (2007) 6 SCC 236 :

financial institutions could be realised without delay. In 1981, a Committee under the chairmanship of Shri T. Tiwari had examined the legal and other difficulties faced by banks and financial institutions and suggested remedial measures including changes in law. The Tiwari Committee had also suggested setting up of Special Tribunals for recovery of dues of the banks and financial institutions by following a summary procedure. The setting up of Special Tribunals will not only fulfil a long-felt need, but also will be an important step in the implementation of the report of Narasimham Committee. Whereas on 30-9-1990 more than fifteen lakhs of cases filed by the public sector banks and about 304 cases filed by the financial institutions were pending in various courts, recovery of debts involved more than Rs 5622 crores in dues of public sector banks and about Rs 391 crores of dues of the financial institutions. The locking up of such huge amount of public money in litigation prevents proper utilisation and recycling of the funds for the development of the country."

10.3. It may also be relevant to refer to the following judgments of the Hon'ble Supreme Court wherein the object of RDB Act has been expounded to ensure speedy/expeditious adjudication/recovery of debts due to banks and financial institutions. There could be no two views, about the fact that the object/central theme of RDB Act, is to expedite recovery process which has for long suffered gross delays in civil proceedings which has been taken undue advantage of defaulters thereby adversely impacting public interest. In this regard, it may be relevant to refer to the following judgments:

i) Bank of Rajasthan Ltd. v. VCK Shares & Stock Broking Services

Ltd.:

"44. Now, if we turn to the objective of the RDB Act read with the scheme and provisions thereof; it is abundantly clear that a summary remedy is provided in respect of claims of Banks and financial institutions so that recovery of the same may not be impeded by the elaborate procedure of the Code."

ii) *Official Liquidator v. Allahabad Bank*[9]*:*

"9. The purpose of the RDB Act, as is evincible, is to provide for establishment of Tribunals and Appellate Tribunals for expeditious adjudication and recovery of debts due to banks and financial institutions and for matters connected therewith or incidental thereto."

10.4. The above view of the Supreme Court in *VCK Shares (supra)* on the object of the RDB Act was reiterated by the Hon'ble Supreme Court in its recent judgment in the case of ***Central Bank of India and Another vs. Smt.Prabha Jain and Others***[10]**.**

10.5. It is thus beyond the pale of any doubt that the introduction of the RDB Act and formation/constitution of the Tribunal under the said Act, was with the avowed objective of expeditious adjudication of claims relating to debts due to bank and financial institutions.

11. *Background leading to insertion of Provisions for Set-Off and*

9. (2013) 4 SCC 381
10. 2025 SCC OnLine SC 121

Damages –

11.1. When RDB Act was introduced, there were no provisions either to claim a set off or to lodge a counter claim. Provisions of RDB Act was the subject matter of challenge before the Delhi High Court in the case of ***Delhi High Court Bar Association vs. Union of India***[11] wherein the validity of the Act was challenged primarily on the ground that it erodes independence of judiciary. Challenge was also on the ground that there is no provision in RDB Act for set off or counter claim. It was found that RDB Act produced anomalous results. The challenge to the provisions was upheld. The matter was carried in appeal by the Union of India to the Hon'ble Supreme Court. It is pertinent to note that by the time the judgment was rendered in *Delhi High Court Bar Association,* RDB Act was suitably amended by Act 1 of 2000 to include provisions providing for set off and counter-claim and thus the anomaly pointed out by Delhi High Court stood remedied/ plugged. Consequently, the Act was upheld.

12. Jurisdiction, power and authority of Tribunal to adjudicate counter claim by way of damages:

11 . AIR 1995 Delhi 323

12.1. Having examined the object of RDB Act, and the legislative history behind conferment of power on DRT/DRAT to adjudicate on counter claims whether in the nature of damages or not, we shall now examine the relevant provisions relating to jurisdiction, power and authority of DRT/DRAT including its jurisdiction and authority to adjudicate counter claims under RDB Act. The relevant provisions reads as under:

12.2. Relevant provisions of RDB Act:

Section 17:

"17. Jurisdiction, powers and authority of Tribunals.

(1) A Tribunal shall exercise, on and from the appointed day, the jurisdiction, powers and authority to entertain and decide applications from the banks and financial institutions for recovery of debts due to such banks and financial institutions.

[(1-A) Without prejudice to sub-section (1), -

(a) the Tribunal shall exercise, on and from the date to be appointed by the Central Government, the jurisdiction, powers and authority to entertain and decide applications under Part III of Insolvency and Bankruptcy Code, 2016.

(b) the Tribunal shall have circuit sittings in all district headquarters.]

(2) An Appellate Tribunal shall exercise, on and from the appointed day, the jurisdiction, powers and authority to entertain appeals against any order made, or deemed to have made, by a Tribunal under this Act.

[(2-A) Without prejudice to sub-section 2) the Appellate Tribunal shall exercise, on and from the date to be appointed by the Central

Government, the jurisdiction, powers and authority to entertain appeals against the order made by the Adjudicating Authority under Part III of the Insolvency and Bankruptcy Code, 2016.]"

"Section 19: Application to the Tribunal:

(6)Where the defendant claims to set-off against the applicant's demand any ascertained sum of money legally recoverable by him from such applicant, the defendant may, at the first hearing of the application, but not afterwards unless permitted by the Tribunal, present a written statement containing the particulars of the debt[1][the debt sought to be set-off along with original documents and other evidence relied on in support of claim of set-off in relation to any ascertained sum of money, against the applicant].

...

(8)A defendant in an application may, in addition to his right of pleading a set-off under sub-section (6), set up, by way of counter-claim against the claim of the applicant, any right or claim in respect of a cause of action accruing to the defendant against the applicant either before or after the filing of the application but before the defendant has delivered his defence or before the time limited for delivering his defence has expired, whether such counter-claim is in the nature of a claim for damages or not.

(9)A counter-claim under sub-section (8) shall have the same effect as a cross-suit so as to enable the Tribunal to pass a final order on the same application, both on the original claim and on the counter-claim.

(10)The applicant shall be at liberty to file a written statement in answer to the counter-claim of the defendant within such period[as may be prescribed].

(11)Where a defendant sets up a counter-claim in the written statement and in reply to such claim the applicant contends that the claim thereby raised ought not to be disposed of by way of counter-claim but in an independent action, the Tribunal shall decide such issue along with the claim of the applicant for recovery of the debt."

13. Section 17 of RDB Act, deals with jurisdiction, powers and authority of DRT/DRAT constituted under RDB Act. It provides that DRT/DRAT shall have jurisdiction, power and authority to entertain and decide applications from the banks and financial institutions for recovery of debts due to such banks and financial institutions. The expression *"debt"* is defined under Section 2(g) of RDB Act as under:

> *"2.....*
> *(g) "**debt**" means any liability (inclusive of interest) which is claimed as due from any person by a bank or a financial institution or by a consortium of banks or financial institutions during the course of any business activity undertaken by the bank or the financial institution or the consortium under any law for the time being in force, in cash or otherwise, whether secured or unsecured, or assigned, or whether payable under a decree or order of any civil court or any arbitration award or otherwise or under a mortgage and subsisting on, and legally recoverable on, the date of the application [Ins. by Act 44 of 2016, S. 26(i) (w.e.f. 1-9-2016).] [and includes any liability towards debt securities which remains unpaid in full or part after notice of ninety days served upon the borrower by the debenture trustee or any other authority in whose favour security interest is created for the benefit of holders of debt securities or];"*

13.1. On a reading of sub-sections (6) and (8) to Section 19 of RDB Act, it would be clear that DRT/DRAT may adjudicate/examine a claim of set-off under sub-section (6) to Section 19 of RDB Act, or a counter claim including by way of damages under sub-section (8) to Section 19 of RDB

Act.

13.2. We are concerned with the authority/ jurisdiction of DRT/DRAT to deal with a claim of damages, rather the class/ nature of damages, that could be adjudicated by DRT/DRAT. In other words, the question is whether DRT/DRAT by virtue of sub-section (8) to Section 19 of RDB Act, has jurisdiction to adjudicate damages in all its hues including damages in tort or is it restricted to damages arising out of and incidental to debt sought to be recovered under the contract between bank and borrower. There is no dispute that damages claimed in the present case is founded on tort and not contract.

14. To appreciate the issue that arises for consideration, it may be relevant to understand the nature and scope of the expression *"damages"*. We shall refer to the meaning attributed to the expression *"damages"* jurisprudentially.

14.1. *"Damages"* are the pecuniary recompense given by process of law to a person for the actionable wrong that another has done him[12].

12. HALSBURY, 4th Edition., Vol. 12, para 1102, p. 412

14.2. McGregor defines damages as the pecuniary compensation, obtainable by success in an action, for a wrong which is either a tort or a breach of contract.

14.3. The essentials of damages are (a) detriment to one by wrongdoer of another, (b) reparation awarded to the injured through legal remedies and (c) its quantum being determined by the dual components of pecuniary compensation for the loss suffered and often not always, a punitive addition as a deterrent cum denunciation by the law[13].

14.4 . The range and nature of damages are very wide. In this regard, it may be useful to refer to the following:

> *"A plurality of variants stemming out of a core concept is seen in such words as actual damages, civil damages, compensatory damages, consequential damages, contingent damages, continuing damages, double damages, excessive damages, exemplary damages, general damages, irreparable damages, pecuniary damages, prospective damages, special damages, substantial damages, unliquidated damages.[14]"*

14.5. It is not in dispute that DRT had found that damages in the present case is founded in tort. Relevant portion of DRT's order is extracted hereunder:

13. Organo Chemical Industries vs. Union of India reported in (1979) 4 SCC 573
14. Organo Chemical Industries vs. Union of India reported in (1979) 4 SCC 573

> *"14....Therefore there is tortuous liability and they are entitled for damages from the applicant bank...*
>
> *"15....The Hon'ble High court held that the defendants are entitled for damage from the applicant bank's tortuous liability. Though there is CIBIL report against D1 for no fault of D1, we need not elaborately discuss about CIBIL report since the Hon'ble High Court had held that the defendants are entitled for damages for applicant bank's tortuous liability...."*

14.6. We would think that independent of the above finding of DRT, claim for damages, if any, obtaining in the facts of the case is founded in tort and not contract. This would be clear if we bear in mind that respondent bank was under an obligation to submit data to CIBIL admittedly in view of RBI instructions/guidelines. The above is a legal obligation. It is an obligation independent of the contract between petitioner and respondent bank, there is nothing in the contract which requires respondent bank to furnish data relating to dues outstanding of its borrowers/account holders to CIBIL. Thus, any error in data furnished by respondent bank to CIBIL which may have caused detriment/prejudice to petitioners, giving rise to claim for damages can only be a claim for damages in tort and not in contract. Importantly, DRT proceeded on the basis that damage is founded on tort. That is not in dispute and has attained finality.

15. At this stage, it may also be necessary to take a look at the nature of tort. In this regard, it may be relevant to refer to the decision of the Hon'ble Supreme Court in ***Common Cause v. Union of India***[15]:

> *"84. "Tort" has been derived from the Latin word "tortus" which means "twisted" or "crooked". In its original and most general sense, "tort" is a wrong. Jowitt's Dictionary of English Law defines tort as under:*
>
> > *" 'Tort' signifies an act which gives rise to a right of action, being a wrongful act or injury consisting in the infringement of a right created otherwise than by a contract. Torts are divisible into three classes, according as they consist in the infringement of a jus in rem, or in the breach of a duty imposed by law on a person towards another person, or in the breach of a duty imposed by law on a person towards the public.*
> >
> > *The first class includes (a) torts to the body of a person, such as assault, or to his reputation, such as libel, or to his liberty, such as false imprisonment; (b) torts to real property, such as ouster, trespass, nuisance, waste, subtraction, disturbance; (c) torts to personal property, consisting (i) in the unlawful taking or detaining of or damage to corporeal personal property or chattels; or (ii) in the infringement of a patent, trademark, copyright, etc.; (d) slander of title; (e) deprivation of service and consortium.*
> >
> > *The second class includes deceit and negligence in the discharge of a private duty.*
> >
> > ***
> >
> > *The third class includes those cases in which special damage is caused to an individual by the breach of a duty to the public."*

15.(1999) 6 SCC 667

16. Distinction between damages in tort and contract – in law:

16.1. Having examined the nature of damages and tort broadly, we must bear in mind that damages is a very wide concept. Importantly, law makes a distinction between damages founded in contract and in tort which may be relevant in delineating the jurisdiction of DRT/DRAT under RDB Act, to adjudicate claim on damages. The following judgments would make the above position clear:

> ***a) P.K. Kalasami Nadar Vs. Alwar Chettiar and Others[16]:***
>
> *"7. ...... At the present day, tort and contract are distinguish able from one another in that the duties in the former are primarily fixed by law, while in the latter they are fixed by the parties themselves. Moreover, in tort the duty is towards persons generally; in contract it is towards a specific person or specific persons......*
>
> *..... In Halsbury's Laws of England, Vol. I (Simonds Edn.)[17.]*
>
> *"In deciding whether an action is founded on contract or on tort, the substance of the action must be looked at and the form of it as stated in the pleadings is immaterial. Where the breach of duty alleged arises out of a liability independently of the*

16. (AIR 1962 Mad 44)
17. At Page 36

personal obligation undertaken by contract the action may be said to be founded on tort, and it may still be founded on tort even though there may happen to be a contract between the parties, if the duty in fact arises independently of that contract; an action may be said to be founded on contract where that which is complained of is a breach of duty arising out of the obligations undertaken by the contract."

b) *Prashant Hasmukh Manek and Others vs. Ramu Annamalai Ramasamy*[18]:

Tortious and contractual liability:

"35. There is a marked difference between claims based upon tort and contractual liability. The tortious claim stands outside the contract. In a tort, a breach of duty comes out of a liability independently other than the contract, whereas in a breach of contract the remedy is sought for when a duty is not performed. When it becomes a tort simpliciter then the contract has got no relevancy.

....

38. Sri. Raja Sobhanadrai Appa Rao Bahadur v. Sri. Raja Parthasarathi Appa Rao

Savai Aswa Rao Bahadur, The Law Weekly, 1932:—

"8. What then is the test of this distinction between an action of tort and an action for a wrong arising out of contract? The general rule is, that where a contract exists, the suit must be in contract and not in tort. But the fact that there is a contract will not prevent the plaintiff from suing in tort if he can do so without relying on the contract; for

18. 2019 SCC Online Mad 5869

example, a physician who harms his patient by negligently administering a deleterious drug is guilty of a wrong which is both a breach of contract and a tort. It is a breach of contract because the physician has impliedly promised to use due care and skill in the treatment of his patient, and it is also a tort because, apart from contract altogether, no one has a right to do another physical harm by giving him poison. But, if, in order to Establish the liability of the defendant, it is necessary for him to prove the contract, then he must sue in contract and not in tort; for it is the contract that defines the defendants liability. The same principle is also thus stated:— If the complaint is in respect of an act which without proof of any contract does not give rise to a cause of action, then the suit is based upon contract and not upon tort. If, on the other hand, the relation of the plaintiff and the defendant be such that a duty arises from that relationship, irrespective of contract, then the suit is one of tort."

c) State of Tripura v. Province of East Bengal[19]:

"35.Thus tort is a civil injury other than a breach of contract which is capable of sustaining an action for unliquidated damages in a court of law. If the appropriate remedy is not a claim for unliquidated damages but for injunction or some other relief, it would not rank as a tort though all the same it would be an actionable wrong."

(emphasis supplied)

19.*(1950) SCC 794*

16.2. It is clear that law draws a distinction between damages in tort vis-a-vis damages in contract, while breach of duties primarily fixed by law gives rise to an action in tort, on the other hand, in the case of contract a claim arises on failure to discharge contractual obligation fixed by the parties themselves. Further, tort is a duty towards persons generally while contract is towards specific persons. The judgments referred above makes the above position clear.

17. Keeping in view the above principles on damages and the distinction in law between damages founded in tort and contract, we shall proceed to examine the scope of the expression *"damages",* employed in sub-section (8) to Section 19 of RDB Act.

17.1. The entire controversy would revolve around the construction to be placed on the expression *"damages",* employed in sub-section (8) to Section 19 of RDB Act. There are two views possible viz., to apply literal/strict construction or adopt a purposive construction keeping in view the object of RDB Act.

18. It is settled rule of interpretation that any provisions must be

understood and interpreted in a manner which furthers the object and suppresses the mischief; mischief in the present case being the gross delay in the civil proceeding in recovering the debts due to the Banks and Financial Institutions, thereby adversely affecting public interest, which was sought to be remedied by enacting RDB Act and constitution of specialised Tribunals for expeditious adjudication of disputes relating to debts due to Banks/ Financial Institutions. It may be useful to refer to Heydon's/ Mischief Rule:

> *Rule in Heydon's case; purposive construction: Mischief rule*
>
> *Heydon's case*[20] *which has now attained the status of a 'classic'*[21]*. The rule which is also known as 'purposive construction' or 'mischief rule'*[22]*, enables consideration of four matters in construing an Act: (i) What was the law before the making of the Act, (ii) What was the mischief or defect for which the law did not provide, (iii) What is the remedy that the Act has provided, and (iv) What is the reason of the remedy. The rule then directs that the courts must adopt that construction which "shall suppress the mischief and advance the remedy".*

19. Keeping the above rule of interpretation in mind, we would think

20.*(1584) 3 Co. Rep. 7a, p. 7b: 76 ER 637)*

21.*Kanailal Sur v. Paramnidhi Sadhukhan, AIR 1957 SC 907, p. 910: 1958 SCR 360)*

22.*Anderton v. Ryan, (1985) 2 All ER 355, p. 359 (HL). The Law Commission (U.K.) in 1969 disapproved of the term 'mischief' being archaic and preferred a 'purposive' approach to construction: CROSS: "Statutory Interpretation", 3rd Edition, pp. 17, 18.)*

that amendment introducing sub-section (8) to Section 19 of RDB Act, enabling counter claim to be lodged and adjudicated by Tribunal(s)(DRT/DRAT) must be understood as being incidental and ancillary to the substantive power of the Tribunal(s) viz., to adjudicate the claim of debts due to the bank from its borrowers arising out of contract, in terms of Section 17 of RDB Act. The damages in sub-section (8) to Section 19 of RDB Act, cannot be understood as being conferment of independent power nor expansion of the substantive jurisdiction of Tribunal(s), dehors the contract under which debt stood created.

19.1. It appears Parliament, conscious of the object behind the RDB Act, while inserting sub-section (8) to Section 19 of RDB Act, allowing borrower of a bank to lodge a counter claim, even though the same is in the nature of damages, has not amended/expanded the jurisdiction, power and authority of Tribunals (DRT/DRAT) under Section 17 of RDB Act. Section 17 of RDB Act, remains untouched. The jurisdiction and power of Tribunals (DRT/DRAT) continues to remain the same both pre and post amendment to Section 19 of RDB Act.

20. It may be necessary to bear in mind that Tribunals (DRT/DRAT)

under RDB Act, is a creature of statute and power is limited to that conferred under RDB Act, it does not have inherent powers as in the case of a civil Court. The above position was made clear in the context of DRT by the Hon'ble Supreme Court in the case of ***Transcore vs. Union of India***[23]***,*** a view reiterated by the Hon'ble Supreme Court in the case of *VCK Shares (supra).*

21. It seems desirable rather necessary to give damages under Section 19(8) of RDB Act, a narrow meaning and avoid giving a wide/expansive meaning to the expression "*damages*" employed in Section 19(8) of RDB Act. We say so, since a wide construction of the expression *"damages"*, would result in expanding the jurisdiction of Tribunals (DRT/DRAT) to try damages of all kinds and nature by way of a counter claim, even in absence of corresponding amendment to Section 17 of RDB Act, which deals with power, jurisdiction and authority of Tribunals (DRT/DRAT). A wide construction of the expression *"damages"* under Section 19(8) of RDB Act, would produce results which are anomalous and frustrate the very object of RDB Act, which is expeditious recovery of dues to the Bank.

23. (2008) 1 SCC 125

22. Yet another reason, we would think that a claim for damages founded on tort, ought not to be tried by Tribunals (DRT/DRAT), is also for the reason that enquiry in cases of damages founded on tort may travel beyond the contours of what the Tribunals (DRT/DRAT), was envisaged to discharge under RDB Act. Tribunals (DRT/DRAT) under RDB Act, is constituted to deal with debts arising out of contractual liabilities, thus a counter claim even in the nature of damage must be founded on contract. If damages in sub-section(8) to Section 19 of RDB Act, is understood as encompassing damages founded on tort, it would really be expanding the jurisdiction of Tribunals (DRT/DRAT). This as stated supra Parliament has consciously avoided even while introducing sub-sections (6) to (11) to Section 19 of RDB Act inasmuch as Section 17 of RDB Act, which deals with jurisdiction of Tribunals (DRT/DRAT) remains intact/untouched. It may also be relevant to refer to the judgment of Hon'ble Supreme Court in the case of *VCK Shares (supra),* wherein while dealing with a reference arising from a question over the legal right of borrower to initiate proceedings before a civil Court against bank or financial institutions, which seeks for recovery of loan amount against it. The Apex Court after reiterating the

objects and reasons for which RDB Act was introduced while dealing with the nature of counter claim and jurisdiction of Tribunals (DRT/DRAT), made the following observations:

> *"40. It was noticed that the significant aspect of Sections 17 and 18 of the RDB Act was that even after establishment of DRT, no jurisdiction had been conferred on it to try independent suits proceedings initiated by the borrower or others against Banks/financial institutions. What has been permitted is only a cross-action in the form of a counter claim by a defendant in the pending application to facilitate a unified proceeding. The most significant aspect considered in this behalf is set out in para 17 extracted above—that a counter claim in a bank's application before DRT was not the only remedy, but an option available to the defendant borrower. The borrower was not precluded from filing a separate suit or proceeding before a civil court or other appropriate forum. Not only that, even the Bank, i whose application a counter claim is made, has the option to apply to DRT to exclude the counter claim of the defendant while considering its application. If DRT were to find in the Bank's favour, the defendant would have to approach the civil court in respect of such excluded counter claim, as DRT does not have jurisdiction to try an independent claim against the Bank/financial institution.*
>
> *44. Now, if we turn to the objective of the RDB Act read with the scheme and provisions thereof; it is abundantly clear that a summary remedy is provided in respect of claims of Banks and financial institutions so that recovery of the same may not be impeded by the elaborate procedure of the Code. The defendant has a right to defend the claim and file a counter claim in view of sub-sections (6) and (8) of Section*

19 of the RDB Act. In case of pending proceedings to be transferred to DRT, Section 31 of the RDB Act took care of the issue of mere transfer of the Bank's claim, albeit without transfer of the counter claim. Thus, if the debtor desires to institute a counter claim, that can be filed before DRT and will be tried along with the case. However, it is subject to a caveat that the Bank may move for segregation of that counter claim to be relegated to a proceeding before a civil court under Section 19(11) of the RDB Act, though such determination is to take place along with the determination of the claim for recovery of debt.

46.We may notice that the RDB Act was amended from time to time, including by amendments made under Act 1 of 2000, Act 30 of 2004, Act 1 of 2013 and Act 44 of 2016. The anomaly, inter alia, initially sought to be cured was on account of the non-availability of provisions on counter claim and set-off. It is to get over such a scenario that amendment through Act 1 of 2000 was made by the legislature itself to cure the problem. The legislature did not, at any stage, make any further amendment for excluding the jurisdiction of the civil court in respect of a claim of a defendant in such a proceeding being filed along with the suit. <u>The legislature in its wisdom has also not considered it appropriate to bring any amendment to enhance the powers of DRT in this respect.</u>

47.We may also refer to the judgment of this Court in Transcore [Transcore v. Union of India, (2008) 1 SCC 125 : (2008) 1 SCC (Civ) 116] opining that DRT, being a Tribunal and a creature of the statute, does not have any inherent power which inheres in civil courts such as Section 151 of the Code.

48.We now draw our attention to Chapter 5 of the RDB Act, which deals with recovery of debt determined by DRT. Section 25 of the RDB Act prescribes the mode of recovery of debts, which takes

> *place pursuant to a certificate issued under sub-section (7) of Section 19 to recover the amount of debt specified in the certificate by any of the modes specified therein. The expanse of the reliefs the defendant may claim in the suit proceeding can certainly go beyond mere adjustments of the amounts of claim, for which DRT would not have any power.*
>
> *........*
>
> *50.We must also notice an important aspect that even where a defendant is to invoke the jurisdiction of DRT by filing a counter claim, the Bank has a right to seek a relegation of that claim to the civil court and DRT has been empowered to do so, albeit, at the final adjudication stage. This is so in view of the summary nature of remedy provided before DRT and thus, if certain inquiries beyond the contours of what DRT does are envisaged, a civil court remedy may be considered as appropriate."*
>
> (emphasis supplied)

22.1. It may be relevant to note that even in the context of Consumer Forum, the Hon'ble Supreme Court in ***Trai Foods Ltd., vs. National Insurance Company***[24]**,** held that Consumer Forum which have been given the responsibility of granting speedy remedy ought to not to entertain claims for damages which may require extensive evidence being let in. The Hon'ble Supreme Court uttered a caution that consumer forum were not meant to duplicate Civil Courts and subject litigants to delays which have become endemic in Civil Courts.

24 .(2004)13 SCC 656

22.2. It may also be relevant to refer to the judgment of Hon'ble Supreme Court in the case of ***Bank of Maharasthra vs. Pandurang Keshav***[25], wherein while dealing with the question whether DRT is conferred with power to adjudicate dues of workmen of debtor company, it was held that adjudication of workmen's claim against debtor company is a substantive matter and DRT has neither competence nor machinery for carrying out such exercise. The Apex Court observed that certain incidental and ancillary powers given to DRT do not encompass power to adjudicate upon or decide dues of workmen of debtor company.

22.3. The above judgments are referred only to show that while construing jurisdiction of specialised Tribunals, Courts have consistently leaned towards adopting a cautious approach exercising restraint in expanding jurisdiction of such specialised Tribunals. The above approach is apparently driven by the reason that expanding jurisdiction of specialised Tribunals may defeat and frustrate the very object of specialised Tribunals which is for speedy adjudication of disputes.

22.4. Keeping the above principles in view, it would be clear that jurisdiction of Tribunals (DRT/DRAT) under sub-section (8) to Section 19 of

25 .(2013) 7 SCC 754

RDB Act cannot be understood to enable the Tribunals (DRT/DRAT) to assume jurisdiction/embark on adjudication of claim for damages independent of contract between bank and borrowers/ petitioners. It does not enable Tribunals (DRT/DRAT) to adjudicate claim of damages founded on tort which as seen supra is distinct from a claim for damages founded on contract.

22.5. It is a recognised rule of interpretation that expressions used in a statute should ordinarily be understood in a sense in which they best harmonise with the object of statute, and which effectuate the object of Legislature"[26]. Therefore, when two interpretations are feasible, Court will prefer that which advances remedy and suppresses mischief as Legislature envisioned[27]". Meaning of a word is not to be taken in abstract but regard must be had to the setting in which the word occurs as also to the subject-matter and object of the enactment. However, in case of doubt these factors gain great prominence in selecting the true meaning out of rival interpretations which may be reasonably open. It is not unusual for Courts to either give a narrow or expansive meaning keeping in view the object of

26.New India Sugar Mills Ltd. v. Commissioner of Sales Tax, Bihar, AIR 1963 SC 1207, p.1213; Kanwar Singh v. Delhi Administration, AIR 1965 SC 871
27. Carew & Company v. Union of India, (1975) 2 SCC 791;
State of Haryana v. Sampuran Singh, AIR 1975 SC 1952,

RDB Act and its contextual setting. The same expression used in two different enactments in similar context may have different meanings having regard to the object of each enactment. This is illustrated by construction of the expression 'interlocutory order' in Section 397(2) of the Code of Criminal Procedure, 1973, and Section 11 of Special Courts Act, 1979. In the former, it is understood in a strict sense but in the latter, in a wide sense having regard to the object of speedy trial[28].

22.6. We find that if the expression "*damages*" employed in sub-section(8) to Section 19 of RDB Act, is construed by giving it a wide meaning, it would frustrate the object of RDB Act, as could be seen from the above discussion.

23. <u>Departure from literal construction – warranted</u>:

23.1. There could be doubts if it is open for the Court to depart from the rule of literal construction. While there can be no two views, that plain or literal construction must be preferred, the same rule is not without exceptions. One such exception is when plain or literal construction would defeat the object or produce results which are obnoxious. Court would then

28. V.C. Shukla v. State, AIR 1980 SC 962: 1980 SCC (Cri) 695: 1980 Supp SCC 92

not state that its hands are tied and that it would not depart from literal rule of construction, instead Court is cast with the duty to interpret in a manner that makes the provisions rationale/ reasonable/ workable and in consonance with the object. In this regard, it may be relevant to refer to the judgment of the Hon'ble Supreme Court in ***K.P. Varghese v. ITO***[29]**,** the relevant portions are extracted hereunder***:***

> *"6. The primary objection against the literal construction of Section 52 sub-section (2) is that it leads to manifestly unreasonable and absurd consequences. It is true that the consequences of a suggested construction cannot alter the meaning of a statutory provision but they can certainly help to fix its meaning. It is a well-recognised rule of construction that a statutory provision must be so construed, if possible, that absurdity and mischief may be avoided. ..... We must therefore eschew literalness in the interpretation of Section 52 sub-section (2) and try to arrive at an interpretation which avoids this absurdity and mischief and makes the provision rational and sensible, unless of course, our hands are tied and we cannot find any escape from the tyranny of the literal interpretation. It is now a well-settled rule of construction that where the plain literal interpretation of a statutory provision produces a manifestly absurd and unjust result which could never have been intended by the legislature, the court may modify the language used by the legislature or even "**do some violence**" to it, so as to achieve the obvious intention of the legislature and produce a rational construction (vide Luke v. Inland Revenue Commissioner [(1963) AC 557]). The Court may also in such a case read into the statutory provision a*

29.(1981) 4 SCC 173

condition which, though not expressed, is implicit as constituting the basic assumption underlying the statutory provision..."

(emphasis supplied)

24. We shall now turn to Section 19(11) of RDB Act, which reads as under:

> *"19(11)Where a defendant sets up a counter-claim in the written statement and in reply to such claim the applicant contends that the claim thereby raised ought not to be disposed of by way of counter-claim but in an independent action, the Tribunal shall decide such issue along with the claim of the applicant for recovery of the debt."*

24.1. A reading of the above provision would show that the applicant may raise defense against such counter claim on the premise that the same must be disposed of in an independent action, which would then be decided by Tribunal along with claim of the applicant for recovery of debt. This reflects that the legislative intent in introducing sub-section (8) to Section 19 of RDB Act, was only to adjudicate claim for damages founded in contract. It was not intended to confer jurisdiction on the Tribunals under RDB Act, to adjudicate claims which needs to be tried and decided in an *"independent action"*. The expression *"independent action",* employed in sub-section (11) to Section 19 of RDB Act, would reveal that power of DRT to adjudicate on damages is limited to those which arise out of the contract between Bank and its borrowers.

24.2. We must clarify that sub-section (11) to Section 19 of RDB Act, cannot be understood as conferring power on tribunal to decide claim for damages though founded on tort, unless objected to by the parties under sub-section (11) to Section 19 of RDB Act. Consequence of such construction would be that jurisdiction of tribunal would be decided not by terms of statute, but by tribunal, on the application of parties objecting against entertaining a plea of damages or otherwise. The above is a result/construction which is unacceptable, if we bear in mind that statutory tribunals do not have inherent jurisdiction but its powers are confined to that conferred under RDB Act.

25. Further any attempt to give damages an expansive meaning to also include power to adjudicate claim for damages founded in tort, either in view of the plain language of sub-section (8) to Section 19 of RDB Act or looking at sub-section (11) to Section 19 of RDB Act, which looks to an objection against Tribunals (DRT/DRAT) entertaining a claim for damages on the ground that it is based on an independent action would result in collision between sub-section(11) to Section 19 and Section 17 of RDB Act,

which deals with jurisdiction, power and authority of Tribunals (DRT/DRAT) and which remains unaltered/ untouched even after introduction of sub-sections (6) and (8) to Section 19 of RDB Act.

25.1. It is trite law that when question arises as to the meaning of a certain provision in a statute, it is not only legitimate but proper to read that provision in its context. To ascertain the meaning of a clause in a statute the court must look at the whole statute, as to what precedes and what succeeds and not merely at the clause itself[30]. It is the duty of the courts to avoid "a head on clash[31]" between two sections of the same Act and, "whenever it is possible to do so, to construe provisions which appear to conflict so that they harmonise[32]". If we keep the above principle in mind, it is clear that expression *"damages"* employed in sub-section (8) to Section 19 of RDB Act, must be understood as enabling Tribunals (DRT/DRAT) to adjudicate claim of damages founded on contract between bank and its borrowers and not an independent action founded on tort.

26. While one may argue that respondent Bank ought to have raised

30. National Insurance Co. Ltd. Vs Anjana Shayam, (2007) 7 SCC 445, Para 17: AIR 2007 SC 2870.
31. Raj Krushna v. Binod Kanungo, AIR 1954 SC 202, p. 203: 1954 SCR 913;
32.University of Allahabad v. Amritchand Tripathi, AIR 1987 SC 57, p. 60: 1986 (4) SCC 176;

the issue of jurisdiction before DRT in terms of Section 19(11) of RDB Act, we would think that Section 19(11) of RDB Act, is only an enabling provision to raise the issue of jurisdiction. In the light of above discussion, jurisdiction of DRT to claim damages is limited to damages founded in contract and may not extend to that founded on tort. This is an issue which goes to the root of jurisdiction. It is trite law that no amount of waiver or consent can confer jurisdiction on a Court which it inherently lacks or where none exists[33]. In other words, a defect of jurisdiction, strikes at the very authority of the adjudicating body/court to pass any order. Such a defect cannot be cured even by consent of parties[34].

27. From the above discussion, the following position emerges:

a) Object of RDB Act, is to expeditiously adjudicate/ recover due to bank and financial institutions.

b) DRT is a creature of statute with its powers being confined to that conferred under RDB Act.

c) Law maintains a distinction in respect of damages in contract and in tort.

33. Vithalbhai (P) Ltd. v. Union Bank of India, (2005) 4 SCC 315
34.Sushil Kumar Mehta v. Gobind Ram Bohra, (1990) 1 SCC 193

d) With amendment to Section 19 of RDB Act, no corresponding amendment to Section 17 of RDB Act to adjudicate counter claims arising out of an independent action.

e) Attributing a wide meaning to damages employed in sub-section (8) to Section 19 would convert Tribunals (DRT/DRAT) under RDB Act into a substitute for civil Courts, to decide on damages would result in Tribunals (DRT/DRAT) making enquiry which may travel beyond the contours of what DRT/DRAT was envisaged to discharged.

27.1. We are thus of the view that jurisdiction of Tribunals (DRT/DRAT) under Section 19(8) of RDB Act, may not extend to adjudicate a claim for a damages founded in tort. Resultantly, the impugned orders of DRT and DRAT insofar as awarding damages by way of waiving/reduction of rate of interest on a claim for damages in tort, is in excess of its jurisdiction and thus unsustainable.

28. We shall now consider whether order of Tribunals (DRT/DRAT) is sustainable, assuming the Tribunal(s) were within its jurisdiction in adjudicating the claim for damages?

28.1. Assuming, Tribunal(s) were within its jurisdiction in adjudicating the claim for damages, the orders of DRT and DRAT, may still not be sustainable for the following reasons:

a) Misreading of the order of the High Court - By DRT while awarding damages:

The order of DRT waiving interest by way of damages is on the basis of gross misreading the order of this Court in W.P.No.1421 of 2017 dated 13.11.2017 and thus patently illegal. DRT proceeds on the erroneous premise that High Court had held that respondent bank is liable for damages. On a reading of order of High Court, we find no observation much less returned any finding to that effect. To appreciate the same, it may be relevant to extract the relevant portions of the order of High Court:

Order of the High Court:

> *"Despite rectification of the duplicate entries, if the writ petitioner is under the impression that the duplication is not an innocuous error crept inadvertently but, with intention to cause wrongful loss to the company, it is always open to the writ petitioner to seek damages under the common law remedy.*
>
> *22.From the records, it appears that neither the RBI nor the IOB nor CBI could find any prima facie material in the complaint given by the writ petitioner to infer any willful omission or false statement knowingly furnished by IOB officials. In such circumstances, this Court is not inclined to*

entertain this writ petition seeking mandamus.

23.In the result, the writ petition fails and accordingly, the same is dismissed. However, it is open to the writ petitioner, if so advised, to resort relief under common law procedure."

28.2. From a reading of the order of this Court, it is clear that there is no finding of respondent bank being liable for damages. We shall now examine the order of DRT. The relevant portion reads as under:

"....Therefore, the petition is not necessary to be sent to CBI for investigation and dismissed the writ, in which Hon'ble High Court further held that the defendants were affected by the CIBIL report. Therefore, there is tortuous liability and they are entitled for damages from the applicant bank....."

"...The main idea of the Hon'ble High Court's order is that the defendants are entitled for damage whether it is common law or any other law....."

"....The Hon'ble High Court held that the defendants are entitled for damages from the applicant's bank tortuous liability...."

28.3. The order of DRT proceeds on the basis that High Court had found respondent bank to be liable for damages in tort which is unfounded. The order of DRT proceeds on a gross misreading/misunderstanding of the order of High Court in W.P.No.1421 of 2017 dated 13.11.2017, thus patently illegal and unsustainable.

b) Claim for damages - no basis/evidence:

28.4. We find that DRT had found that there is a tortious liability in view of wrong reporting/duplication by respondent bank of petitioners' dues while submitting a report to CIBIL. Respondent bank also admits to the above error. DRT, while dealing with the counter claim of petitioners, had found that High Court in W.P.No.1421 of 2017 dated 13.11.2017 had held the bank to be liable for damages. We have already found that the above understanding is patently erroneous. DRT had thereafter proceeded to award damages by holding that the respondent bank is not entitled for interest from the date of sanctioning of financial facilities till the date of filing of O.A. The above was held to be compensation awarded to petitioners on the counter claim filed by them for damages before DRT. The relevant portion is extracted hereunder:

Order of the Debts Recovery Tribunal:

> *"13.Ld. Counsel appearing for the applicant bank submitted that the Hon'ble High Court has held in the Writ Petition that the defendants are entitled to claim damage only under common law not under any other law....*

14....Therefore, the petition is not necessary to be sent to CBI for Crew investigation and dismissed the writ, in which Hon'ble High Court further held that the defendants were affected by the CIBIL report. Therefore, there is a tortuous liability and they are entitled for damages from the applicant bank.

15....The Hon'ble High court held that the defendants are entitled for damage from the applicant bank's tortuous liability. Though there is CIBIL report against D1 for no fault of DI, we need not elaborately discuss about CIBIL report since the Hon'ble High Court had held that the defendants are entitled for damages for applicant bank's tortuous liability.

16...Therefore, the defendants are entitled for waiver of the total interest from the date of sanction of loan facilities till the date of filing of OA as damage. This interest amount is treated as compensation amount to D1 under Counter Claim. Hence I find D1 to D3 are entitled for this amount only as counter claim from the applicant bank and not entitled for Rs.30 crores as prayed in the Counter Claim due to the blunder of the officials of the Applicant Bank which affected D1's name and its business.

17. Defendants prayed for Rs.30 crores as damage for loss in business, loss of reputation, and mental agony. Applicant bank claimed a sum of Rs.14,13,87,217.60p. For the wrong CIBIL report, the entire claim amount of the applicant bank has to be set off as damage since there is loss in business, loss of reputation, and mental agony to D1 to D3. However, the claim amount in the OA is public money and for the wrongful act of the officials of the applicant bank, the entire claim amount cannot be set off. Hence for the interest of justice, applicant bank is not entitled for the interest from the date of

> *sanctioning of financial facilities till the date of filing of his OA. Further, the payments made by the defendants from the date of sanction of the loan till today has to be adjusted only towards the principal amount. If there is balance outstanding due after adjustment, applicant bank is entitled to recover the same from the defendants."*
>
> *(emphasis supplied)*

28.5. From a reading of above order of DRT, it would be clear that DRT had proceeded that the above error in reporting to CIBIL by respondent bank has resulted in loss of business, loss of reputation and mental agony to petitioners.

28.6. The above order of DRT was modified by DRAT which found that the waiver of interest may not be justified instead held that the respondent bank would be entitled to recover interest at the rate of 9% per annum. Relevant portions of DRAT's order is extracted hereunder:

Order of the Debt Recovery Appellate Tribunal:

> *"20.The Presiding Officer has waived interest from the date of sanction till date of filing of OA only on the basis of generation of wrong CIBIL report. If it is not a malafide or fraudulent act/omission of the bank; at least it is a gross negligence on the part of the bank that has caused a prejudice to the borrowers to some extent. This is also true that this mistake is continued for a period of only three weeks and it was rectified also and borrower was willing to clear the dues for OTS of Rs.14 crores also. For negligence of maintenance of CIBIL, bank is responsible in part and*

> *is liable to lose some interest on dues.*
>
> *21. In such a situation, denial of interest from the date of sanction till the date of filing of OA seems not reasonable. The bank had other means for recovery of dues also. In such a situation, on the basis of this OA, in view of the facts and circumstances of this case, the appellant bank is entitled for recovery of interest from the date of sanction till the date of filing of OA also @ 9% p.a. simple. From the date of order till date of realisation rate of interest also should be @ 9% p.a. simple. Loss of the bank is the gain for the borrower. The Presiding Officer has rightly rejected the counter claim treating that relief in interest will be equal to the amount of counter claim."*

28.7. We find on a perusal of the order of DRT that it proceeds on the basis that in view of erroneous reporting of outstanding/dues by respondent bank to CIBIL, petitioners were unable to secure any loan/arrange funds for repayment of dues to bank, resulting in loss of reputation, loss of business and mental agony. There is no averment muchless cogent evidence in support of loss of business, reputation and mental agony in the counter claim filed by petitioners due to the above wrong report filed by respondent bank to CIBIL. Though petitioners would submit that they had let in documentary evidence from Exs.B1 to B46. However, except for assertion by petitioners that the above evidence would show the damage caused by wrong reporting to CIBIL by respondent bank of the outstanding due from petitioners, none of the above documents/exhibits is shown to have any direct bearing. The claim for damages is thus vexatious. A perusal of order of DRT/DRAT would show that no reference is made to any of the above documents/ exhibits, except a conclusion that erroneous reporting of the outstanding due resulted in loss of business, loss of reputation and mental agony. There is no reference to any project/ business opportunity lost in view of the above erroneous reporting by Bank to CIBIL. The quantum of damages is fixed not on the basis of any evidence, nor is there any discussion of the loss that is or might have been suffered by petitioners in view of the erroneous reporting to CIBIL. In other words, the award of damages is not based on any evidence, rather capricious and whimsical.

28.8. While we are conscious that measure of damages would involve an element of guess work on the basis of material, however, the waiver of interest by DRT and its modification by restricting the interest to 9% per annum by DRAT is not based on any material but capricious rather whimsical to put it mildly, thus perverse and stands vitiated.

28.9. It is trite law that the burden is on the claimant to show that the losses suffered warrant recompense by way of damages. The evidence must be cogent in support of such claim. Damages cannot be awarded on the basis of mere assertion. In this regard, it may be useful to refer to the following judgments:

a) ***Infosys Technologies Ltd. vs. Marwadi Inforys (P) Ltd.***[35]**:**

> "11. *On the question of damages it is settled that the assessment of damages has to be based on cogent evidence furnished for the purpose.....*"

b) ***Draupadi Devi vs. Union of India***[36]**:**

> *"79. ....The burden of establishing that the plaintiff had sustained damages and the measure of damages was squarely on the plaintiff. The plaintiff has singularly failed to discharge this onus both by lack of pleadings and lack of evidence. In the circumstances, this alternative relief claimed by the plaintiff must fail."*

c) A claimant claiming damages must prove his case. To justify an award of substantial damages he must satisfy the court both as to the fact of damage and as to its amount[37].

28.10. We find that DRT as well as DRAT have not even applied their mind to determine whether respondent bank's submission of wrong report has caused damage to the claimant by applying the universal accepted test i.e. "but for" test. In terms of the above test, it must be shown that the

35.2009 SCC OnLine Del 2111
36.Managing Director, Kerala Tourism Development Corporation Ltd., vs. Deepti Singh and others, (2004) 11 SCC 425
37. Mc Gregor on Damages 17th Edition, Chapter 8, page 297

wrongful act is a cause for the claimants harm if such harm would not have occurred without it; "but for" it[38]. However, DRT/DRAT have not directed itself to the above test instead awarded damages in a rather whimsical manner.

28.11. We also find that order of DRT and that of DRAT is perverse inasmuch as it fails to see that there is no averment as to the loss of business or reputation much less evidence being let in. DRT proceeds on a misreading of this Court's order while waiving interest on account of damages claimed by petitioners which is modified by DRAT. There is no basis disclosed by DRT as well as DRAT in determining the quantum of damages.

d) Claim of damages - an after thought:

i) We would also think from the sequence of events narrated above, the claim for damages itself is an after thought. This would be evident from the fact that petitioners were aware of the erroneous submission of report as early as 27.11.2015. The O.A. was filed by respondent bank in the year 2016. The counter claim is filed sometime in July, 2017 i.e., almost a year after the filing of O.A. and almost two years after CIBIL report. Importantly,

38. Mc Gregor on Damages, Chapter 6, page 100

petitioners in the meanwhile, had offered settlement on more than one occasion including in November, 2018 and in March, 2019. Payments were also made during pendency of the matter before DRT/DRAT. The above would suggest that the claim for damages is more an after thought and thus unsustainable.

ii) Yet another reason which prompts us to believe that claim for damages is an after thought is also the fact that though claim for damages is premised on the erroneous reporting of outstanding dues of petitioners by respondent bank to CIBIL, however, DRAT has returned a finding of fact that above wrong accounting/disclosure was there in CIBIL database only for few weeks, during which period access to the above database was not made by any bank/financial institution/third party. Thus, claim of damages on the ground that petitioners were unable to secure loan/other facilities from bank and financial institutions only in view of the above erroneous reporting by petitioners to CIBIL is imaginary and an afterthought. The relevant portion of DRAT's order is extracted hereunder:

> *"20. ...This is also true that this mistake is continued for a period of only three weeks and it was rectified also and borrower was willing to clear the dues for OTS of Rs.14 crores also..."*

iii) The above finding of fact being that of DRAT must be preferred to that of the finding by DRT. In this regard, it may be relevant to refer to the judgment of the Hon'ble Supreme Court in ***Hoogly Trust vs. Commissioner of Income Tax***[39]:

> *"cannot prefer the findings of fact by the lower authorities to those of the Appellate Tribunal nor can it accept facts presented before it for the first time, even if the new facts could not have been produced earlier for sufficient cause; the matter can at best be remanded to the lower authority for considering them."*
>
> *(emphasis supplied)*

29. Before we close, we shall deal with the decisions cited by the learned Senior Advocate for petitioners. The learned Senior Advocate for petitioners placed reliance on the judgment of the Supreme Court in *Mohd. Salamatullah (supra)*, wherein while dealing with reduction of damages from 15% of the contract price awarded by the trial court to 10% of the contract price by the High Court, Apex Court found that the first was a guess, at least a better guess than the second one and found no justification for the Appellate Court to interfere with the finding of fact given by the trial court unless some reason based on some fact placed on record. The above judgment may have no relevance/ applicability in view of the fact that we have held that jurisdiction of Tribunals (DRT/DRAT) may not be wide

39.1967 73 ITR 685 SC

enough to adjudicate claim for damages arising in tort.

30. Reliance was placed on the judgment of the Apex Court in *Rajinder Pershad* (*supra*) to submit that evidence by a party in the absence of cross-examination, must be taken to have been admitted. This again may not have any bearing in view of the fact that we have held that the jurisdiction of Tribunals (DRT/DRAT) may not be wide enough to adjudicate claim for damages arising in tort. In any view, as we have already found that there is no evidence whatsoever which has been let in by petitioners which may have a direct and material bearing in support of their claim for damages. In view thereof, the above judgment may not be applicable to the facts of the present case.

31. Petitioners relied upon the judgment of the Apex Court in the case of *Punjab & Sind bank v M/s.Allied beverage company (supra)*, in Civil Appeal No.8443 of 2010 in support of their contention that Court has power to reduce contractual rate of interest. However, question here is not in relation to the power of Court to reduce contractual rate of interest instead the question is in relation to the power/ jurisdiction of Tribunals

(DRT/DRAT) to adjudicate on a claim of damages founded on tort. We thus find the above decision also not relevant/ inapplicable to the facts of the case. We must clarify that though petitioners had circulated a number of other judgments they were not cited before us and thus not dealt with.

32. We are of the view that orders dated 30.05.2019 of DRT awarding damages by way of waiver of interest and its modification vide order dated 14.11.2019 by DRAT insofar it restricts the interest to 9% p.a. simple, is in excess of its jurisdiction for the reasons stated supra. We also find that order of DRT/DRAT insofar as it awarded/modified, damages is not based on material/evidence, patently illegal as it is made on a gross misreading of the judgment of this Court and thus liable to be set aside. We must make it clear that DRT has admitted the claim made by respondent bank in O.A.No.633 of 2016. The same remains unchallenged by petitioners and thus attained finality. In view thereof, respondent bank is entitled to recover the dues along with accrued interest at the rate contractually agreed upon.

33. Accordingly, writ petitions filed by respondent bank in W.P.

Nos.3412, 3419 and 3427 of 2020 are disposed of on the above terms, while writ petitions filed by petitioners in W.P. Nos.33396, 33398, 33399 of 2019 stand dismissed.

34. In view of the above, we are inclined to impose cost on 2nd and 3rd petitioners of Rs.2,50,000/- each payable to respondent Bank. This shall be paid within 4 weeks from the date hereof.

35. W.M.P.Nos.33865, 33868 and 33869 of 2019 filed by petitioners to permit them to join together and file single writ petitions are ordered. Consequently, connected miscellaneous petitions are closed.

(K.R.SHRIRAM, C.J.) (MOHAMMED SHAFFIQ, J.)

03.04.2025

Index : Yes/No
Neutral Citation : Yes/No
mka/pam

To:
The Assistant General Manager,
Indian Overseas Bank,Cathedral Branch, No.762,
Anna Salai, Chennai-600 002.

<u>THE HON'BLE CHIEF JUSTICE</u>
AND
<u>MOHAMMED SHAFFIQ, J.</u>

(mka/pam)

<u>Pre-delivery order made</u>
<u>in</u>
<u>W.P. Nos.33396, 33398 and 33399 of 2019,</u>
<u>3412, 3419 and 3427 of 2020</u>

03.04.2025