

M/S Shiva Stainless Steel Pvt Ltd vs Canara Bank on 11 January, 2019

Author: Vibhu Bakhru

Bench: Vibhu Bakhru

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* IN THE HIGH COURT OF DELHI AT NEW DELHI
+ W.P.(C) 208/2019
M/S SHIVA STAINLESS STEEL PVT LTD. Petitioner
Through: Mr Sushil Kumar Pandey, Mr B.B.
Gupta and Ms Neha Sharma,
Advocates.

versus

CANARA BANK Respondent
Through: Mr Vijay Kumar, Advocate.

CORAM:
HON'BLE MR. JUSTICE VIBHU BAKHRU
ORDER

% 11.01.2019

1. Exemption is allowed, subject to all just exceptions.
2. The application stands disposed of.

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3. The petitioner has filed the present petition, inter alia, praying that directions be issued to respondent (Canara Bank) to grant approval/sanction credit limit in favour of the petitioner company as per the proposal submitted by it. The petitioner states that it had submitted a proposal on the advice of officers of the Canara Bank for enhancement of the credit limit for setting up of a Pollution Control Plant. The petitioner's grievance is that its proposal has not been considered.

4. The learned counsel appearing for the Canara Bank submits that the petitioner's proposal was considered on two occasions and has been rejected. He further submits that in essence the proposal submitted by the petitioner was for restructuring of its debt after Canara Bank had commenced the proceedings under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act). He has also handed over a photocopies of the letters dated 17.03.2018 and 08.05.2017 indicating that the petitioner's proposal had been rejected. He also submits that the notice under Section 13(2) of the SARFAESI Act was issued on 30.01.2017 and the symbolic possession of the mortgaged assets was taken over on 19.05.2017.

5. He further submits that the Canara Bank had also filed an application under Section 14 of the SARFAESI Act to take physical possession of the mortgaged assets.

6. The present petition is unmerited. Clearly, the relief as sought for by the petitioner cannot be granted. The question whether any credit or any financial assistance is to be provided to an entity is at the commercial discretion of the lending bank and warrants no interference by this Court. It is also seen that Canara Bank has commenced proceedings under the SARFAESI Act and it is settled law that this Court would not ordinarily interfere with such proceedings.

7. The petition is, accordingly, dismissed.

VIBHU BAKHRU, J JANUARY 11, 2019 RK