

DEBTS RECOVERY APPELLATE TRIBUNAL, DELHI

Misc. Appeal No.105/2026
Arising out of T.A. No.484/2023 (DRT-II, Delhi)

Item No.4

Arti Sharma & another
V
Punjab National Bank

09.07.2026 Hon'ble Dr. Justice Sudhir Kumar Jain

Present: Sh. Biswajit Kumar Patra, Advocate for the appellants

Sh. R.S. Chaggar, Advocate (through VC) along with Ms. Sapna Sharma, Law Officer for the respondent

This matter is taken up through Hybrid hearing.

I.A. No.1293/2025 (application for condonation of delay filed by the appellants)

1. The instant application is filed by the appellant for condonation of delay of one day in filing the present appeal. After considering all facts, the delay of one day in filing the present appeal is condoned. The application is allowed accordingly.

Misc. Appeal No.105/2026

2. The present appeal is filed by the appellants who were arrayed as defendants no.5 and 6 in the O.A. bearing T.A. no.484/2023 titled as **Punjab National Bank V. Meditreat Pharmaceuticals & others** which is stated to be pending before DRT-II, Delhi. The appellants filed I.A. bearing no.95/2020 for the deletion of their names from the array of parties. That application was dismissed by the DRT vide the impugned order dated 07.10.2025. The relevant portion of the order dated 07.10.2025 reads as under:-

6. The main contention of the Ld. Counsel for defendant no.5 & 6 is that there is privity of contract between the applicant bank and the defendant no.5 & 6. It is further submitted that they have not taken any loan from the applicant bank and therefore, they were not liable for any repayment. It is further submitted that the applicant bank in the Hon'ble High Court has categorically accepted that they have no claim against the defendant no.5 & 6. It is submitted that the partnership has been dissolved and Mr. Nagender Yadav has taken over the liability of the account. On the other hand the Ld. Counsel for

the applicant has submitted that the defendant has siphoned the amount of the loan in the accounts of the defendant no.5 & 6 and they have misused the FDRs in other funds and therefore, they are necessary party. It is submitted that the applicant has filed IA for impleadment of defendant no.5, 6 & 7 as defendants and the IA was allowed vide order dated 03.03.2017. It is submitted that when the Tribunal has come to the conclusion that defendant nos. 5, 6 & 7 are the necessary party and has allowed the impleadment application, the IA of the defendant no.5 & 6 cannot be allowed and they cannot be deleted from the array of parties. From perusal of the record it is clear that applicant bank has moved an application for impleadment of defendant no.5, 6 & 7 as a defendant and this Tribunal has allowed the application of the applicant bank and defendant no.5, 6 & 7 were impleaded as a party in the OA. The defendant no.5 & 6 has appeared but has not filed any written statement despite giving sufficient time. Now they are claiming that they are not necessary party. Once this Tribunal has already held that the defendant no.5, 6 & 7 are necessary party, then this Tribunal cannot delete the name of defendant no.5 & 6 summarily on the application moved by the defendant no.5 & 6. All the contentions raised by defendant no.5 & 6 shall be considered at the time of final disposal of the OA. The contentions of the IA have not been pleaded in the written statement and therefore, at this stage the same cannot be accepted and the defendant no.5 & 6 cannot be deleted from the array of parties.

In the light of the above, the IA no.95/2020 is liable to be dismissed.

ORDER

IA no.95/2020 is dismissed.

List the matter on 31.10.2025 before Registrar for completion of pleadings.

3. It is appearing that the respondent no.1 filed Original Application (O.A.) bearing T.A. no.484/2023 titled as **Punjab National Bank V. Meditreat Pharmaceuticals & others**. The respondent no.1 initially impleaded the respondents 1 to 4 as defendants. Subsequently, the respondent no.1 filed an application bearing I.A. no.732/2015 for amendment of the O.A. wherein in para 15A stated that the memo of parties is required to be amended and the appellants along with Kamla Deve are required to be arrayed as defendants no.5 to 7 in the O.A. The respondent no.1 Punjab National Bank also prayed that the respondent no.1 be granted permission carry out necessary amendments in its above O.A. as mentioned in para 15, 15A, 15B and 15C. The amendment application bearing no.732/2015 was allowed vide order dated 03.03.2017. The relevant portion of the order dated 03.03.2017 is reproduced as under:-

I.A. no.732 of 2015

The present application has been filed by the applicant bank praying therein to grant permission to the applicant bank to carry out necessary amendments in the O.A.

Heard the parties, perused the records and prima facie I find merit in the present application for amendment in O.A., therefore the present application is allowed and Id counsel for the applicant bank is hereby directed to file the amended O.A. before the next date with advance copy to the other side.

4. The appellants after being impleaded as defendants no.5 and 6 filed the application bearing I.A. No.95/2020 for deletion of their names which was dismissed by DRT vide the impugned order dated 07.10.2025 as stated.

5. Sh. Biswajit Kumar Patra, Advocate for the appellants stated that the respondent no.1 never filed application for impleading the appellant as defendants no.5 and 6 in the O.A., as such the appellants cannot be called to face the trial arising out of the O.A. bearing T.A. No.484/2023. Sh. Patra during the course of arguments also referred to the order dated 28.10.2014 which was passed by the High Court of Delhi in W.P (C) 7734/2011 titled as **Arti Sharma & others V Punjab National Bank**, wherein it was observed that the respondent no.1 does not have any claim against the appellants but has frozen the accounts their account on account of the claim of respondent no.1 against others, which would not be permissible. Sh. Patra also referred order dated 20.01.2015 passed by the High Court of Delhi in LPA bearing no.27/2015 titled as **Punjab National Bank V. Arti Sharma & others** which was filed to impugn the order dated 28.10.2014 passed by the Hon'ble Single Judge, which was upheld. In these submissions and arguments, the counsel for the appellants argued that the impugned order dated 07.10.2025 is liable to be set aside. Sh. Patra also referred NOC dated 14.12.2010.

6. Sh. R.S. Chaggar, Advocate for the respondent no.1 has defended the order dated 07.10.2025. He stated that the appellants are neither borrower nor guarantors but as observed by DRT-III, Delhi in the impugned order a portion of the loan amount was diverted to their account as such, they have been impleaded in the O.A. bearing T.A. no.484/2023 and they have never challenged their

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impleadment vide order dated 03.03.2017 as mentioned hereinabove. He argued that the present appeal is liable to be dismissed.

7. It is reflecting that the appellants being defendants no.5 and 6 have not taken any loan from the respondent no.1 but they have been impleaded as defendants no.5 and 6 in O.A. bearing T.A no.484/2023 vide order dated 03.03.2017 which was never challenged. It is also reflected and is contended by the counsel for the respondent no.1 that the part of the loan amount was also siphoned off to the account of the appellants. The appellants never availed the opportunity to challenge the order dated 03.03.2017 and despite opportunity did not file their written statement. DRT-II, Delhi in the impugned order dated 07.10.2025 observed that once the Tribunal has already held that they are necessary parties, subsequently they cannot be allowed to be deleted from the array of parties of the O.A. A perusal of the order dated 07.10.2025 is reflecting that DRT-II, Delhi in the impugned order has considered the rival contentions of the parties in detail and then came to the conclusion and dismissed the I.A. No.95/2020. There is no illegality or infirmity in the impugned order which warrants interference by this Tribunal

8. The appeal is dismissed as devoid of any merit. However, the appellants shall be at liberty to raise all the pleas and contentions available to them in accordance with law before DRT.



(Dr. Justice Sudhir Kumar Jain)
Chairperson

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