

Lesson 8
DEBT RECOVERY & SECURITIZATION
Case Laws

Sr. No.	Case laws	Topic	Takeaway
1.	Mardia Chemicals Ltd. v. UOI (SC)	Constitutional validity of the SARFAESI Act	SC held that though some of the provisions of the Act 2002 were a bit harsh for some of the borrowers but on those grounds the impugned provisions of the Act cannot be said to unconstitutional in the view of the fact that the objective of the Act is to achieve speedier recovery of the dues declared as NPAs and better availability of capital liquidity and resources to help in growth of economy of the country and welfare of the people in general which would sub-serve the public interest.
2.	'Pandurang Ganpati Chaugule vs Vishwasrao Patil Murgud Sahakari Bank Limited (SC)	co-operative banks	co-operative are banks under the State legislation and multi-State co-operative banks are 'banks' under section 2(1)(c) of SARFESI Act,2002 and it is permissible for the Parliament to enact the law to provide recovery procedures for bank dues that have been done by providing speedy recovery of secured interest without intervention of the court/tribunal.
3.	Canara Bank v. Sri Chandramoulisvar Spg. Mills (P) Ltd. (NCLAT)	Overriding effect of IBC	When two proceedings are initiated, one under the Insolvency and Bankruptcy Code, 2016 and the other under the SARFAESI Act, 2002, then the proceeding under the Code shall prevail.