IN THE HIGH COURT OF PUNJAB & HARYANA AT CHANDIGARH

Civil Writ Petition No.14606 of 2017.

Date of Decision: July 11, 2017

Vijaya Bank ......Petitioner

versus

Debt Recovery Appellate Tribunal and others .....Respondents

CORAM: HON'BLE MR.JUSTICE SURYA KANT.

HON'BLE MR.JUSTICE SUDHIR MITTAL.

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Present: Mr.Vikas Singh, Advocate, for the petitioner.
Mr.I.P.Singh, Advocate, for private-respondents.

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<u>Surya Kant, J</u>. (Oral)

The petitioner-Vijaya Bank is aggrieved by the order dated 24.03.2017 passed by the Debt Recovery Appellate Tribunal, Delhi, whereby the controversy re: liability of the respondent-borrowers towards interest has been determined by directing them to pay a lump-sum amount of Rs.4.0 lacs towards interest.

[2] The facts are broadly admitted.

[3] The second respondent-a partnership firm in which respondent Nos.3 to 5 are partners, availed financial assistance to the tune of Rs.73.00 lacs from the petitioner-bank consisting of term loan of Rs.48.00 lacs and CCH limit of Rs.25.00 lacs. The borrowers defaulted in payment of loan amount, hence their accounts were declared as Non Performing Accounts (NPA). Though the bank auctioned the mortgaged immovable properties, nevertheless it is an admitted fact that in the proceedings before the Debt

Recovery Tribunal-II, Chandigarh, the borrowers paid the entire principal amount on 05.05.2010. The petitioner-bank thereafter raised a demand claiming interest of Rs.41,78,309.66. The said demand letter dated 11.07.2015 was challenged by the borrowers before this Court in a writ petition wherein the bank came up with a fresh calculation and the interest amount was reduced to Rs.17,13,062/-. The borrowers however disputed the same as according to them, they were liable to pay a total sum of Rs.10,05,061/- out of which Rs.6,05,419/- already stood paid and thus they were further liable to pay Rs.3,99,642/- only. Meanwhile, the bank further reduced the interest component to Rs.15,76,818/-. This Court in the writ petition filed by the borrowers thus directed the DRAT to redetermine the interest liability of the borrowers. It is in this backdrop that the Debt Recovery Appellate Tribunal has asked the respondent-borrowers to pay a lump sum amount of Rs.4.00 lacs towards full and final interest liability. The Tribunal observed that the matter deserves to be closed and should not be allowed to remain pending for such a minor dispute. The Tribunal has further observed that the bank has not been able to point-out any discrepancy in the calculation submitted by the respondent-borrowers.

[4] We have heard learned counsel for the parties at a considerable length and gone through the records.

[5] We find that the Appellate Tribunal was guided by equitable consideration and it rightly observed that the controversy re: liability of the borrowers towards interest deserves to be settled and thus directed the respondents to pay a lump sum amount of Rs.4,00,000/-. We are informed that the respondents have already deposited the said amount. There is no apparent illegality committed by the Tribunal which may warrant

interference by this Court in exercise of its writ jurisdiction.

Dismissed.

[SURYA KANT]
JUDGE

July 11, 2017 **[SUDHIR MITTAL]**
mohinder **JUDGE**

Whether speaking/reasoned : Yes/No
Whether Reportable : Yes/No