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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

\+ EX.P. 359/2014

(33) EX.P. 360/2014

(34) EX.P. 361/2014

M/S RELIANCE CAPITAL LTD ..... Decree Holder

Through: Mr.Rajat Katyal, Adv.

versus

SAMEER SETH & ANR ..... Judgement Debtors

Through: Mr.Manav Gupta, Ms.Esha Dutta, Mr.Sahil Garg, Advs.

CORAM:

HON'BLE MR. JUSTICE NAVIN CHAWLA

ORDER

% **23.05.2018**

These Execution Petitions were disposed of by this Court vide order dated 23rd September, 2016 taking the Settlement Agreement dated 23rd September, 2016 on record. In terms of the Settlement Agreement the Judgment Debtors had agreed to pay in installments a sum of Rs.2.40 crores to the Decree Holder in full and final settlement of its claim. Admittedly, the Judgment Debtors failed to pay the instalments and out of Rs.2.40 crores, only an amount of Rs.1.35 crores was paid by the Judgment Debtors to the Decree Holder forcing the Decree Holder to file an application seeking revival of the Execution Petitions.

On revival of the petitions, the Judgment Debtors have paid the balance amount as per the Settlement Agreement on 23rd December, 2017 (Rs.20 lacs) and on 20th February, 2018 (Rs.85 lacs).

Counsel for the Decree Holder submits that once the Judgment

Debtors had defaulted in making payment of the instalments in terms of the Settlement Agreement, the entire decretal amount as per the Arbitral Award would become due and payable. On the other hand, the Judgment Debtors have filed an affidavit explaining the reasons why they could not make the payment in terms of the Settlement Agreement.

Having perused the contents of the affidavit, I find that the Judgment Debtors have not acted in any *mala fide* manner in not making the payment of the instalment on time, however, at the same time, they have defaulted in making payment of the instalments as per the agreed schedule and did not file any application seeking extension of time before this Court or even before the Decree Holder. Mere payment of the instalments at a later stage cannot absolve the Judgment Debtors of their defaults.

The loan agreement admittedly provided for payment of a floating rate of interest @ 13.5% per month. For the period in default, this interest liability would be approximately Rs.14.50 lacs. In view of the entire circumstances, it is directed that in case the Judgment Debtors make the payment of Rs.25 lacs to the Decree Holder within a period of two weeks from today, the decree shall stand discharged. In case such payment is not made within the aforementioned time, the Decree holder shall be entitled to seek execution of the Arbitral Award. It is made clear that under no circumstances would this period of two weeks granted to the Judgment Debtors, shall be extended.

In case the Judgment Debtors make the payment of Rs.25 lacs within two weeks, the Decree Holder shall release the documents of property bearing No.337, A.G.C.R. Enclave, Delhi-110092 held by it as security for the loan, within a period of four weeks thereafter.

The petitions are disposed of with the above directions.

Dasti.

NAVIN CHAWLA, J

MAY 23, 2018
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