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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
Date of decision: 24.08.2023

+ **W.P.(C) 13688/2018 & CM APPL. 53362/2018 & 10984/2019**

J P SARIA (DECEASED) THROUGH LRS AND ORS.

..... Petitioners

Through: Mr. Wasim Ashraf, Adv.

versus

SUB DIVISIONAL MAGISTRARE AND ANR.

..... Respondents

Through: Mr. Anupam Srivastava, ASC
 for GNCTD with Ms. Sarita
 Pandey, Adv. for R-1.
 Mr. Anuj Bhandari & Mr. Rajat
 Gupta, Advs. for R-2.

CORAM:
HON'BLE MR. JUSTICE NAVIN CHAWLA

NAVIN CHAWLA, J. (ORAL)

1. This petition has been filed by the petitioners challenging the order dated 05.09.2018 (hereinafter referred to as the 'Impugned Order') passed by the respondent no.1.
2. By the Impugned Order, the respondent no.1 has dismissed the objection of the petitioner herein against the Recovery Certificate issued by the respondent no. 2 - Rajasthan State Industrial Development and Investment Corporation Ltd. (in short 'RIICO'), observing as under:-

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“6. Whereas from the reply of RIICO dated 03/07/2018, it is clear that:

(a) The loan amount settled through auction was for term loan only. The present recovery in question is for IFSTL-I and II, which is in addition to term loan assistance.

(b) Sh. J.P. Saria has given guarantees towards IFSTL-I as well as IFSTL-II, as per copies of guarantee deed dated 31/03/1986 and 20/03/1987 provided by RIICO.

(c) The Loan settled vide DD No.203773 dated 29/08/2016 was for principal amount of IFSTL-I only.

Hence there is no merit in contentions made by Sh. J.P. Saria and there are nothing but delaying tactic.

7. Whereas in view of the above it is clear that out of total dues of Rs.26,00,586/- (upto 31.10.2013) described below, only Rs.1,69,100/- has been paid and remaining Rs.24,31,486/- (Principal Rs.2,83,400/- and Interest Rs.21,48,086/-) are still outstanding

	IFSTL-I Amount in Rs.	IFSTL-II Amount in Rs.	IFSTL-III Amount in Rs.
Principal	1,69,100/- (setted)	2,83,400/-	4,52,500/-
Interest (upto 31.10.2013)	8,02,743/-	13,45,343/-	21,48,086/-
Total due			26,00,586/-
Paid vide DD No. 203774			1,69,100/-
Total payable (till 31/10/2013)			24,31,486/-

8. Accordingly, Sh. J.P. Saria is directed to pay the recovery amount of (Rs.24,31,486/- till 31.10.2013) and also the interest amount payable from 31.10.2013 onwards till the date of payment. In case payment is still not made, penal interest of additional 2% to be imposed w.e.f today on outstanding loans, considering the delaying tactics of the JD. Sh. J.P. Saria.”

(Emphasis supplied)

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3. The learned counsel for the petitioner does not dispute that the loan amount has remained outstanding and is to be paid by the petitioners to the respondent no.2. He submits that, on the respondent no.2 informing the petitioners of the amount due from the petitioners and giving the breakup of the same, the petitioners are ready and willing to pay the same, if it is found reasonable.

4. The learned counsel for the petitioners, however, submits that the petitioners are aggrieved of the penal interest of additional 2% imposed by the Impugned Order on the petitioners. He submits that the respondent no. 1 has no power to levy such penal interest while executing the Recovery Certificate.

5. The above submission could not be disputed by the learned counsels for the respondents.

6. In view of the above, the present petition is disposed of by setting aside the order dated 05.09.2018 passed by the respondent no.1, to the limited extent that it imposes penal interest of additional 2% on the petitioners in case the loan outstanding remains unpaid.

7. Considering the offer of the petitioners to pay the amount of loan due to the respondent no. 2, and to bring a quietus to this dispute, the petitioners may approach the respondent no.2 for the determination of the loan amount that remains outstanding. In case, the petitioners do so, the respondent no.2, by a written



communication, shall inform the petitioners of the outstanding amount within a period of four weeks of the receipt of such a request by the petitioners.

8. The learned counsel for the petitioners submits that if there is no dispute on the demand so communicated by the respondent no.2, the petitioners shall pay the same within a period of three months of the receipt of such demand.

9. The present petition is disposed of in the above terms.

NAVIN CHAWLA, J

AUGUST 24, 2023/rv/AS

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