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

\+ W.P.(C) 14328/2024

MAHARAJI EDUCATIONAL TRUST .....Petitioner

Through: Mr. Sunil Dalal, Sr. Adv. with Mr. Rishi Kapoor, Mr. Ankur Gogia, Mr. Nikhil Beniwal, Mr. Manish Bhatt, Mr. Mahabir Singh, Ms. Shipra Bali, Mr. Akash Gupta and Ms. Kannopriya Gupta, Advs.

versus

HOUSING AND DEVELOPMENT CORPORATION LIMITED .....Respondent

Through: Mr. Sonal Singh and Mr. Anmol Adhrit, Advs.

CORAM:
HON'BLE MR. JUSTICE DHARMESH SHARMA

<u>O R D E R</u>

% 09.10.2024

<u>CM APPL. 59981/2024</u>

1. Allowed, subject to all just exceptions.

2. The application is disposed of.

<u>CM APPL. 59982/2024</u>

3. This application has been moved on behalf of the petitioner seeking permission to file synopsis and list of dates exceeding five pages.

4. For the reasons stated in the application, the same is allowed.

<u>W.P.(C) 14328/2024</u>

5. The petitioner is invoking the writ jurisdiction of this Court under Article 226 of the Constitution of India, 1950, seeking the following relief:-

> "(i) Issue a Writ of Mandamus or any other writ or order or direction

directing the respondent to file and produce on record recasted statement of account in terms of the inviolable dictum of *Central Bank of India Vs. Ravindra (2002) 1 SCC 367* and thus act on the representation dated 14.08.2018 presented by the Petitioner to the Board of Directors of the Respondent regarding payments made in excess qua the entire claims of the respondent which was presented in accordance with the detailed judgment and directions passed by Hon'ble Supreme Court vide order dated 24.04.2018 in Civil Appeals No. 6463-6465/2017;"

6. Learned counsel for the respondent is present on advance notice.

7. In a nutshell, the case of the petitioner is that the respondent sanctioned a term loan of ₹75.07 crores against the total project cost of ₹220 crores but instead of releasing the said term loan in one lump-sum amount, as stipulated under the Loan Agreement dated 20.12.1995, the respondent released the entire loan in nine tranches spreading over three years from 1995 to 1998.

8. It is stated that in the said period, the respondent had recovered a sum of ₹33.13 crores from the petitioner and thus, the petitioner utilized the sum to the extent of ₹41.94 crores for the project out of the total sanctioned amount of ₹75.07 crores. It is stated that on arising of certain disputes between the parties with regard to the payment of the loan amount, the proceedings under the SARFAESI[1] Act, 2002 were initiated and the DRT-II[2], Delhi eventually issued a recovery certificate in a sum of ₹148,08,06,453/- together with the *pendente lite* interest and future interest @9% per annum with quarterly rests from the date of filing of the original application i.e. 20.08.2002 till the date of realisation plus cost.

9. The matter was assailed in the appellate forum and the learned

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[1] Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest
[2] Debts Recovery Tribunal

DRAT[3] *vide* judgment dated 06.10.2010 modified the impugned order passed by the learned DRT to the extent of providing that the *pendente lite* interest and the future interest would be payable at the rate of 16.50% simple interest till the realisation of the entire amount.

10. It is stated that the respondent was also directed by the Presiding Officer of the learned DRAT to file a recasted statement of account with the Registrar of the Court within a month of the pronouncement but the said order was never complied with.

11. It is also pointed out that some disputes arose *inter se* between the petitioner and the UPAEVP[4] and a company called M/s SGS Construction & Developers Pvt. Ltd. *qua* land admeasuring 63.45 acres situated in village Akbarpur, Behrampur and Mirzapur, Pargana Loni tehsil and district Ghaziabad which resulted in a web of litigation and the matter went up to the Supreme Court which *vide* order dated 24.04.2018 passed in Civil Appeal Nos. 6463-6465 of 2017 affirmed the compromise entered into between the parties *qua* the sale of the aforesaid land, however, on the intervention of the respondent, it was directed as under:-

> "11. Thus, we find no substance in the application. We affirm the compromise entered into between the parties and hold it to be valid and enforceable. However, it is subject to the rider that the amount shall be deposited by SGS Construction & Development (P) Ltd. in the loan account for the outstanding liability of Maharaji Education Trust towards HUDCO. It is assured on the amount being so deposited and the amount of the property of 42.845 acres of land, which is Rs.301.15 crores, the Board of Directors of HUDCO would take a call on the final settlement and try to settle the amount finally to be paid by the Maharaji Education Trust towards its dues. Money has to be deposited within the time limit specified.

12. It is further the grievance of the learned counsel for the

[3] Debts Recovery Appellate Tribunal
[4] Uttar Pradesh Awas Evam Vikas Parishad

petitioner that despite the aforesaid direction, the respondent has miserably failed to make a final call with regard to settlement of the account. It is submitted that a sum of ₹416 crores has already been realised by the respondent as against the loan amount of ₹75.07 crores and it is yet to issue a recast certificate despite several letters, reminders and personal meetings with the concerned official of the respondent.

13. Learned counsel for the respondent has submitted that the present petition is not maintainable as the matter is already pending before the Recovery Officer of the DRT and it was vehemently urged that they have already submitted a recast certificate with the Recovery Officer. The said aspect has been denied by the learned counsel for the petitioner stating that only an incomplete ledger account has been submitted with the Recovery Officer and so far the respondent has not accounted for the exact money which has been realised along with the interest, and rather, they have been paid in excess of the sanctioned loan.

14. Having heard the learned counsel for the parties, it would be expedient to refer to the decision of the Supreme Court in the case of **Central Bank of India v. Ravindra & Ors**.[5] wherein the following observation was made:-

> "56. In view of the law having been settled with this judgment, it is expected henceforth from the banks, bound by the directives of the Reserve Bank of India, to make an averment in the plaint that interest/compound interest has been charged at such rates, and capitalised at such periodical rests, as are permitted by, and do not run counter to, the directives of the Reserve Bank of India. **A statement of account shall be filed in Court showing details and giving particulars of debit entries, and if debit entry relates to interest then setting out also the rate of, and the period for**

[5] (2002) 1 SCC 367

which, the interest has been charged. On the Court being prima facie satisfied, if a dispute is raised in that regard, of the permissibility of debits, the onus would be on the borrower to show why the amount of debit balance appearing at the foot of the account and claimed as principal sum cannot be so accepted and adjudged. This practice would narrow down the scope of controversy in suits filed by banking institutions and enable an expeditious disposal of the suits, the issues wherein are by and large capable of being determined by documentary evidence. RBI directives have not only statutory flavour, any contravention thereof or any default in compliance therewith is punishable under sub-section (4) of Section 46 of Banking Regulations Act, 1949. The Court can act on assumption that transactions or dealings have taken place and accounts maintained by banks in conformity with RBI directives."

[BOLD EMPHASIS SUPPLIED]

15. Further, in view of the directions passed by the Supreme Court contained in the order dated 24.04.2018, referred to hereinabove, it is manifest that the respondent has a statutory duty to supply a recasted certificate in the prescribed format to the petitioner. Although, it is stated that the same has been supplied, however, the recovery proceedings are still pending.

16. Therefore, without prejudice to the rights and contentions of the parties, the present petition is disposed of, thereby directing the respondent to supply/furnish a recasted statement of account in terms of the representation of the petitioner dated 14.08.2018 spelling out if any excess amount has been paid or not and thus, the same be submitted with the concerned Recovery Officer in the DRT-II, Delhi or as the case may be with a copy to the petitioner with a period of fifteen days from today.

17. Accordingly, the present petition is disposed of.

DHARMESH SHARMA, J.

OCTOBER 9, 2024/Ch