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

\+ W.P.(C) 11013/2025 & CM APPL. 45373/2025

ARUN KUMAR JAIN & ORS. .....Petitioners

Through: P-3 in-person

versus

UNION OF INDIA & ORS. .....Respondents

Through: Mr Premtosh K. Mishra, CGSC with Mr Sarthak Anand and Mr Prarabdh Tiwari, Advs. for R-2.

CORAM:
HON'BLE MR. JUSTICE ANIL KSHETARPAL
HON'BLE MR. JUSTICE HARISH VAIDYANATHAN SHANKAR

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

% 29.07.2025

1. The present Petition has been filed by the Petitioners under Article 226 of the Constitution of India *inter alia* seeking the following prayers:

> *"(i) To issue a writ / order in the nature of declaration or any other appropriate writ or order declaring that the impugned loan recovery case of respondent no. 3 [T.A. No. 256 / 2002 (O.A. No. 588/1997) & its R.C. No. 19/2003 titled as: Punjab & Sind Bank Vs. M/s Jewel House India & Ors.] filed / initiated against the petitioner no. 1 before the respondent no. 2 in which One Time Settlement (OTS) was done by the respondent no. 3 with the respondent no. 4 & 5 and Affidavit of Satisfaction dated 10.06.2022 was filed by respondent no. 3 in R.C. No. 19/2003, for closure of RC, which was closed as satisfied by Ld. R.O.-II vide Order dated 22.06.2022 passed in R.C. No. 19/2003 was illegal, fraudulent, collusive, misappropriation of Lakhs of Govt. (Public) funds by the Govt. Officers and a sheer abuse of process of law and as such the Final Order dated 04.02.2003 and Recovery Certificate dated 07.02.2003 passed/ issued in T.A. No. 256/2002 [O.A. No. 588/1997] by Ld. P.O. of respondent no. 2 against the petitioner no. 1 are no more applicable /binding on petitioners, as per law.*
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> *(ii) To issue a writ / order in the nature of mandamus or any other appropriate writ or order directing the respondent no. 1 & 3 to*

immediately pay / refund to the petitioners the entire amount of seven FDR's of Rs. One Lakh each [Total Rupees Seven Lakhs] of petitioner no. 1 along with the compound interest at the rate of 11% per annum, from the starting [date of its deposit] till the date of payment I refund.

(iii) To issue a writ / order in the nature of mandamus or any other appropriate writ or order directing the respondent no. 1 to pay to petitioners compensation of Rs. 1000,00,00,000/- (Rupees One Thousand Crores) only as and by the way of all the damages (mental harassment, etc.) / expenses (costs) caused to them for the tortious acts / illegal acts done against the petitioner no. 1 by its employees [officers of the respondent no. 2 & 3] by misusing their powers, within the course of their employment, which resulted in the violation of the petitioners fundamental and constitutional rights as guaranteed under Article 21 and Article 300(A) of the Constitution of India, being a family, living together."

2. A perusal of the record reflects that the loan recovery proceedings were closed on the basis of a settlement arrived at on 22.06.2022 before the Ld. Recovery Officer-II, Debt Recovery Tribunal-III, Delhi. In this regard, an Affidavit of Satisfaction dated 10.06.2022 was also filed by the concerned parties.

3. It is the case of the Petitioners that the aforesaid settlement has been obtained through fraudulent means and that the closure of the loan recovery proceedings on the basis thereof is liable to be set aside.

4. It is well settled that allegations of fraud must be specifically pleaded and established by leading cogent evidence. The standard of proof required to establish fraud is stringent and akin to that of beyond the reasonable doubt.

5. Furthermore, the adjudication of such allegations is likely to give rise to disputed questions of fact, which cannot be conveniently examined or adjudicated in the exercise of writ jurisdiction under Article 226 of the Constitution of India.

6. In view of the above, this Court is not inclined to entertain the present Petition.

7. The Petition is accordingly, dismissed.

8. Liberty is, however, granted to the Petitioners to take appropriate steps to avail alternative remedies in accordance with law.

ANIL KSHETARPAL, J.

HARISH VAIDYANATHAN SHANKAR, J.

JULY 29, 2025/sg/pl