(1998) 08 SC CK 0008

In the Supreme Court Of India

Case No : Civil Appeal No''s. 4142 and 4143-44 of 1998 Arising out of SLP (C) No''s. 13520, 13713 and 13786 of 1997

Orissa State Financial Corporation and Others — APPELLANT

Vs

Samaru Pasayat — RESPONDENT

Date of Decision : 21-08-1998

Acts Referred:
Constitution of India, 1950 — Article 226
State Financial Corporations Act, 1951 — Section 29

Citation : (2001) 10 SCC 524

Hon'ble Judges : S. C. Agrawal, J;B. N. Kirpal, J

Bench : Division Bench

Final Decision : Disposed Of

Judgement

1. Special leave granted.

2. These matters relate to recovery of dues by the Orissa State Financial Corporation (hereinafter referred to as "the Financial Corporation") from the respondents. The dues are in respect of loans advanced by the Financial Corporation for purchase of motor vehicles. The Financial Corporation had taken possession of the motor vehicles in exercise of its powers u/s 29 of the State Financial Corporations Act, 1951. By the impugned orders the High Court has directed the respondents to pay a part of the amount that was recoverable from them and has directed the Financial Corporation to reschedule the repayment of the balance amount and return the vehicles. In Orissa State Financial Corporation v. Umesh Chandra Dani, (2001) 10 SCC 522 the High Court had passed a similar order in exercise of its powers under Article 226 of the Constitution directing the respondent to pay a sum of Rs 50,000 and on payment of the said amount the Financial Corporation was directed to deliver back the vehicle which had been taken over for the recovery of the amount of Rs 4,52,903.10p. This Court, while allowing the appeal of the Financial Corporation and setting aside the order passed by the High Court, directed as follows;

"The setting aside of the impugned judgment will, however, not preclude the respondent from making an offer for settling the dues and if such an offer is made, the same shall be given due consideration by the Financial Corporation. No costs."

3. For the reasons given in our judgment dated 24-10-1997, we are unable to uphold the impugned orders passed by the High Court in these appeals. The appeals are accordingly allowed, the impugned orders of the High Court are set aside. The setting aside of the impugned orders will, however, not preclude the respondents from making an offer for settling the dues and if such an offer is made, the same shall be given due consideration by the Financial Corporation. No order as to costs.

