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ITEM NO.40

COURT NO.8

SECTION XVI

S U P R E M E C O U R T O F I N D I A
RECORD OF PROCEEDINGS

Petition(s) for Special Leave to Appeal (Civil) No(s).10578/2012
(From the judgment and order dated 21/02/2012 in APO No.115/2010 of the
HIGH COURT OF CALCUTTA)

CAPRICORN OILS LIMITED & ORS.

Petitioner(s)

VERSUS

RATAN MOHAN SARDA & ORS.

Respondent(s)

(With appln(s) for exemption from filing O.T. and directions and
impleadment and permission to file rejoinder affidavit and permission to
file additional documents and appln. for placing on record additional facts
and with prayer for interim relief and office report)

WITH

SLP(C) NO.10732/2012

(WITH APPLN.(S) FOR PERMISSION TO FILE ADDITIONAL DOCUMENTS AND WITH PRAYER
FOR INTERIM RELIEF AND OFFICE REPORT)

CONTEMPT PETITION (CIVIL) NO.122/2013 IN SLP(C) NO.10578/2012

(WITH OFFICE REPORT)

Date: 10/03/2014 These cases were called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE SURINDER SINGH NIJJAR

HON'BLE MR. JUSTICE A.K. SIKRI

For Parties (s) Mr. C.U. Singh, Sr. Adv.

Mr. D.N. Mitra, Adv.

Mr. Rana Mukherjee, Adv.

Ms. Kanchan Yadav, Adv.

for M/s Victor Moses & Associates

Mr. E.C. Agrawala, Adv.

Mr. Reetobroto Mitra, Adv.

Mr. Rajat Sehgal, Adv.

Mr. Vikas Mehta, Adv.

Mr. Pradeep Diwan, Sr. Adv.

Mr. Pramod B. Agarwala, Adv.

Ms. Anupam Dhingra, Adv.

Mr. Prashant Mehra, Adv.

Mr. Apoorv Garg, Adv.

UPON hearing counsel the Court made the following

O R D E R

In these matters, a number of orders have been passed by
this Court to somehow resolve the dispute between the parties.

On 7th May, 2012, this Court had permitted that Agarwal
Group will walk out of the Management and Sarada Group can take

over the interest of Agarwal Group in the Company on appropriate valuation based on relevant parameters, including return of loans. It was also directed that Sarda Group will not incur any liability on the Bank and personal Guarantees given by Agarwal Group.

Subsequently, on 27th August, 2012, it was noticed that the parties had agreed that the valuation can be done by Ernst and Young, 22, Camac Street, Kolkata-700017. The valuation was to be done within a period of two months. In the meantime, the respondents were directed to release personal/corporate bank guarantees of the

Agarwal Group within a period of thirty days from the date of the order. It was further directed that the amount of Rs.75 lacs on account of the cancelled shares shall be released to the petitioner on the share certificates being surrendered.

Thereafter, by order dated 6th December, 2013, further time was given to the parties to reach a working arrangement by negotiation with the Bank. In the order dated 6th December, 2013, statement made by the learned counsel appearing for the respondent was noted, which was to the effect that, "in terms of the valuation of Ernst and Young, the consideration for the shares will be paid over to the petitioners within six weeks". In spite of aforesaid order being passed, Sarda Group has not made the full payment to the Agarwals till date. Earlier when the time given was about to expire, an extension was sought for one month and the matter was mentioned in Court with such prayer. The prayer was allowed and one month's time was granted. However, on expiry of

the one month's period, another request was made for grant of further time. This oral prayer made on behalf of the Sarda's was not accepted by the Court. Now the Sarda Group has filed I.A. No.14 seeking further two months' time for payment of the balance amount to the Agarwal Group for purchase of their shares in Petitioner No.1 - company.

Having considered the entire matter, we are not inclined to grant two months' time to the Sarda Group. However, since the effort of the Court is to somehow aid the Company to survive, in the interests of justice, we grant two weeks' further time from today to Sarda Group to make payment. This extension in time, however, will be subject to the rider that in the event the full amount as determined by Ernst and Young is not paid to the Agarwal Group within two weeks from today, the Agarwal Group will have the option to purchase the entire shares of the Sarda

Group on the basis of the valuation given by Ernst and Young.

We also direct that full payment shall be made by the Sarda Group to the Agarwal Group by demand draft.

Put up the matters for further orders on 31st March, 2014.

| (VINOD LAKHINA)
| COURT MASTER

| | (INDU BALA KAPUR)
| | COURT MASTER

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