

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

RECORD OF PROCEEDINGS

CIVIL APPEAL NO(s). 2741 OF 2000

SINGH SEWA SANSTHAN

Appellant (s)

VERSUS

STATE OF U.P. & ORS

Respondent(s)

(With office report)

Date: 12/04/2006 This Appeal was called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE S.B. SINHA

HON'BLE MR. JUSTICE P.P. NAOLEKAR

For Appellant(s)

Mr.Saurav Agrawal, Adv.

Mrs. Nandini Gore,Adv.

For Respondent(s)

Mr. Irshad Ahmad,Adv.

Ms. Praveena Gautam, Adv.

Mr. Pramod B. Agarwala ,Adv

UPON hearing counsel the Court made the following

O R D E R

The appeal is dismissed in terms of the signed order.

(Meenu Sethi)

Court Master

(Pushap Lata Bhardwaj)

Court Master

Signed order is placed on the file

IN THE SUPREME COURT OF INDIA

CIVIL APPELLATE JURISDICTION

CIVIL APPEAL NO.2741/2000

Singh Sewa Sansthan ... Appellant

VERSUS

State of U.P. & Ors. ... Respondent
s

O R D E R

The appellant herein has filed a writ petition before the High Court of judicature at Allahabad inter alia contending that in terms of a scheme framed by the Uttar Pradesh Khadi & Gramoudyog Board, the rate of interest payable in regard to the loan advanced by the respondent No.4 -Bank of Baroda was limited to 4% and the balance of the interest was to be paid by the Board to the Bank directly. The High Court dismissed the writ petition on the premise that no such agreement was brought to its notice.

This Court issued a notice only on the basis that in Clause(6) of the Hypothecation Deed no rate of interest had

been mentioned. Before the High Court no counter

affidavit had been filed by the Board. But the Bank of

Baroda in its counter affidavit stated as under:

" I say that from the said order it appears that the main contentions of the petitioner before the Hon'ble Court was that no rate of interest was agreed to between the parties and Bank's claim is untenable. I say that the said submission is not correct. In fact, there is no dispute raised in the writ petition nor there can be any dispute that the agreed rate of interest was 14% over the Reserve Bank of India rate which was payable with the quarterly rests. In this behalf, I submit that the document annexed as Annexure-P/3 at page 30 itself disclose the agreed rate of interest as 4% over RBI rate with minimum 14% per annum with quarterly rests."

Although, the Khadi Gramoudyog Board had not filed any counter affidavit before the High Court but it has filed a counter affidavit before us, on perusal whereof, it appears that disputed questions of fact have been raised therein to the effect that the appellant herein was not entitled to the benefit of such a scheme.

In this view of the matter, we are of the opinion that no relief can be granted to the appellant in this appeal. However, having regard to the fact that some disputed questions

of fact have been raised by the Uttar Pradesh Khadi &

Gramouudyog Board, the appellant, in our opinion,
should be permitted to raise the same before an
appropriate forum , if any occasion arises therefor.

The appeal is dismissed with the aforementioned
observations.

.....J.

(S.B.SINHA)

.....J.

(P.P.NAOLEKAR)

New Delhi,

April 12, 2006.