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SLP(C)No. 10768-10769 OF 2000

ITEM No.2

Court No.5

SECTION XIV

A/N MATTER

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

Petition(s) for Special Leave to Appeal (Civil) No.10768-10769/2000

(From the judgement and order dated 07/07/2000 in FAO 266 & 265/97
of The HIGH COURT OF DELHI AT N. DELHI)

M/S. SPECTRUM TECHNOLOGIES, USA

Petitioner (s)

VERSUS

SPECTRUM POWER GENERATION CO. LTD. & ORS

Respondent (s)

(With appln. for exemption
from filing c/c of the impugned Judgment & appln. for deletion
of the name of respondent & with appln. for intervention/
impleadment and directions & modification of Ct's order
dated 24-7-2000 & directions and with prayer for interim relief &
office report)

(Alongwith the paper books of SC.1713/2000 for reference)

WITH

SLP(C) No.10306-10308/2001

(with appln. for exemption from filing better copies of annexures
and permission to place addl. documents on record and with prayer
for interim relief)

SLP(C) 19193.2001

(with appln. for exemption from filing C/C of the impugned
judgment and with prayer for interim relief)

Date : 20/03/2002 These Petitions were called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE M.B. SHAH

HON'BLE MR. JUSTICE D.M. DHARMADHIKARI

For Petitioner (s) Mr. Kapil Sibal, Sr. Adv.
Mr. Manmohan, Adv.
Ms. Vanita Bhargava, Adv.
Ms. Divya Roy, Adv.
Ms. Bina Gupta, Adv.

For Res No.1 Mr. P Chidambaram, Sr. Adv.
Mr. Ashok Desai, Sr. Adv.
Ms. Pallvi S Shroff, Adv.
Mr. Soli Cooper, Adv.
Mr. Ajoy K Roy, Adv.
Mr. Manu Nair, Adv.
M/s Suresh A. Shroff & Co., Adv.

for NTPC Mr. Prashant Bhushan, Adv.
Mr. Sanjeev Kapoor, Adv.
Mr. Narender Kumar Verma, Adv.

for Res.Nos.14, 16 & 17 Mr. Davinder Singh, Adv.
Ms. Mohna Lal, Adv. for
M/s J.B. Dadachanji & Co., Adv.

for Res.No.18 Mrs. Shiraz Contractor Patodia, Adv. (NP)

...2/-

for the intervenor Mr. Iqbal Chagla, Sr. Adv.
in IA 11-12 Ms. Indu Malhotra, Adv.
 Mr. Dheeraj Nair, Adv.
 Mr. Vikas Mehta, Adv.

UPON hearing counsel the Court made the following
O R D E R

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Heard the learned counsel for the parties.

IA Nos.11 and 12 of 2002@@
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In these applications, it is submitted that in all financial institutions and Banks have invested more than Rs.766 crores with respondent No.1 company. It is the contention of learned senior counsel Mr. Chagla, appearing on behalf of intervenors, that because of the 'status quo order' passed by this Court on 24-7-2000 the financial institutions are not in position to take appropriate action of appointing the Nominee-Directors as per the agreement between financial institutions and the company as well as to take any further action so as to protect the financial interest of lending institutions. He points out that in all financial institutions as well as the banks have invested more than Rs.766 crores as against equity investment of Rs.115 crores. He also submitted that despite the term being over in September, 2000, Managing Director Krishna Rao continues on the said post without further appointment because of status-quo order.

Learned senior counsel further submits that IDBI would consider restructuring of Scheme suggested by it and act as per the terms of the contract. He also makes it clear that financial institutions would decide whether loan amount as a whole or in part could be converted into equity share holding of the company. For this purpose, he seeks four weeks time.

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Various other contentions are raised in these applications but at present we have not dealt with them.

As against this, learned senior counsel Mr. Chidambaram submits that on the direction being issued by this Court on the terms and conditions of the IDBI, appointment letter to financial Director is issued on 4-3-2002. He clarifies that till today the said person not taken charge. He further states that company would have no objection if each of the lender financial institutions exercises its right as per the terms of the contract to appoint Nominee-Director.

IA Nos.9 and 10@@
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Respondent to file counter within three weeks. Rejoinder, if any, be filed within one week thereafter. Meantime, learned senior counsel Mr. Chidambaram states that it would be open to the petitioner to inspect the original bank statements from 1993 to 1996 by attending the office of the company after giving notice.

Stand over for 23-4-2002.

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(D.L. Chugh)
Court Master

(K.K. Chadha)
Court Master