

ITEM NO.10

COURT NO.2

SECTION XIV

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 (C) No(s). 27754-27755/2012

(Arising out of impugned final judgment and order dated 19/03/2012
in WP No. 7028/2011, 19/03/2012 in WP No. 8424/2011 passed by the
High Court Of Delhi At New Delhi)

PRINL.SEC.INDUS.DEPT.GOVT.OF U.P.& ANR

Petitioner(s)

VERSUS

M/S SUPERIOR INDUS.LTD.& ORS.

Respondent(s)

(With appln. (s) for modification of court's order)
(For Final Disposal)

Date : 26/08/2015 These petitions were called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE T.S. THAKUR
HON'BLE MR. JUSTICE N.V. RAMANA

For Petitioner(s) Ms. Reena Singh,AAG
Ms. Sakshi Mehley,Adv.
Ms. Alka Singh,Adv.
Mr. Anuvrat Sharma,Adv.

For Respondent(s) Mr. Rajeev Sharma,Adv.
Ms. Radha Lakshmi,Adv.
Mr. Sahit Bhalik,Adv.

Mr. Rakesh Kumar Singh,Adv.
Mr. W.A. Nomani,Adv.
Mr. Binay Kumar Das,Adv.

Mr. Amarjit Singh Bedi,Adv.
Mr. Md. Asfar H. Wasi,Adv.
Mr. Varun Chandiok,Adv.

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

Heard.

One of the issues that falls for determination in these
appeals is : whether the High Court of Delhi was justified in
directing execution of a sale deed in favour of respondent no.1

on payment of the principal amount excluding interest recoverable in term of agreement of sale at the rate of 14% per annum.

Ms. Reena Singh, learned Additional Advocate General of the petitioner-State, argues that the direction issued by the High Court for execution of a sale deed in favour of respondent no.1 without payment of entire sale consideration comprising the principal amount Rs.11,65,40,000/- and interest due on the same at the rate of 14% per annum is wholly unjustified and legally untenable. It is contended by learned counsel that a sum of Rs.12,38,11,183/- is outstanding against respondent no.1 as on 30th April, 2015 towards interest. She has to that effect filed a statement of calculation before us today. She submits that respondent no.1 has taken charge of the Unit in-question as early as on 10th April, 2003 and has been making beneficial use of the same without paying the sale consideration in terms of the agreement to sell executed by them. It is submitted that on account of non-payment of amount, lawfully recoverable from respondent no.1, the sale in its favour deserves to be set aside and the Unit directed to be sold afresh.

On behalf of respondent no.1 it is argued by Mr Rajeev Sharma that the question whether any interest should or should not be paid, is a matter that has been left to be decided by B.I.F.R. It is further submitted the calculation of interest in the statement filed today is not correct. He referred to page '198' of the SLP paper book to argue that the sick company had itself determined the interest recoverable from the

purchaser at Rs.8,45,50,979/-. To the same effect is the averment made at page '173' of the SLP paper book in an affidavit filed before the High Court on behalf of the sick company where interest has been shown to be Rs.8.5 crores only. Mr. Sharma argues that the respondent-purchaser had deposited a sum of Rs.2.33 crores towards 20% of the bid amount followed by another amount of Rupees two crores and finally an amount of Rs.5,82,32,000/- some time in the year 2011, pursuant to the direction issued by the High Court. The petitioner has in that process deposited the entire principal amount according to the sale agreement. He submits that even if the liability towards interest was not to be deferred till determination by B.I.F.R. or till finalisation of the proceedings before the Additional District Judge at Bareilly in a petition under Section 34 of the Arbitration Act filed to challenge the arbitral order made by the arbitrator, yet the amount of interest will have to be calculated taking into consideration the payments made by respondent no.1 from time to time. He submits that the respondent shall not only file a true and correct calculation of interest recoverable in terms of the agreement to sell but also deposit the amount so payable. He seeks three months' time to make payment of the entire amount due towards interest to avoid re-sale of the property in-question.

In the circumstances, therefore, we direct respondent no.1 to deposit in this Court the amount payable towards interest at the rate of 14% per annum within three months taking into consideration the payment made by him towards principal amount

from time to time. A copy of the calculation of interest shall be furnished to counsel opposite who shall also calculate and file a verified and accurate statement showing the true and correct position as regards liability towards interest accrued against respondent no.1. The amount deposited by respondent no.1 shall be invested by the Registry in a term deposit initially for a period of six months to enure benefit for the successful party.

Learned counsel for the petitioner-State shall keep a responsible state government official, capable of answering all relevant questions, present in the Court on the next date of hearing including question relating to the ownership of the land underlying the Unit in-question.

Post in the month of January 2016.

(MAHABIR SINGH)
COURT MASTER

(VEENA KHERA)
COURT MASTER