

IN THE SUPREME COURT OF INDIA

CIVIL APPELLATE JURISDICTION

CIVIL APPEAL NO.4339 OF 2014
(Arising out of S.L.P.(C) No.31685 of 2011)

M/s. Madura Coats Pvt. Ltd.

Appellant(s)

Versus

Kannan and Ors.

Respondent(s)

O R D E R

Leave granted.

The appellant, by way of Writ Petition No.22276 of 1993, approached the High Court praying for the following relief:

"In these circumstances it is prayed that this Hon'ble Court be pleased to issue writ of Certiorarified Mandamus or any other appropriate writ, order or direction in the nature of Writ under Article 226 of the Constitution of India calling for the records of the respondents culminated in Order F.No.52/7/91-CX.I dated 13th/21st October, 1993, and quash the said Order and consequentially direct the respondents to return the Rs.18.96 lakhs received from the petitioner company on account together with accrued 18% interest from the dates of receipt till the date of return of the above amount back to the petitioner company and pass such further or other order as this Hon'ble Court may deem fit and proper in the circumstances of the case and render justice."

By order dated 30th September, 2008, in Writ Appeal Nos.19-21 of 2001, etc., the Division Bench passed the following order:

"We accordingly set aside the impugned common order passed by learned Single Judge and the impugned show cause notice(s)/final order/letter issued by the Revenue. The Writ Appeals and the Writ Petitions are allowed. But there shall be no order as to costs. The Miscellaneous Petitions are closed."

It is clear from the above conclusion that ultimately the Division Bench accepted the appellant's case and allowed the writ petition along with other connected matters. It is not in dispute that the Department has not challenged the same by filing special leave petition before this Court.

We have already quoted the relief prayed by the appellant before the High Court, which includes direction to the respondents for refund of Rs.18.96 lakhs, received from them on account together with accrued interest @ 18% from the date of receipt till the date of return. In view of the relief granted by the High Court, it is the claim of the appellant that they are entitled the said amount with interest @ 18%, as claimed in the relief prayed in the said writ petition.

When the Department failed to comply with the said relief granted by the High Court, the appellant filed Contempt Petition No.1701 of 2010, before the High Court. By the impugned order dated 28th March, 2011, the High Court after observing that the proper course for them is to seek clarification of the order dated 30th September, 2008, dismissed the contempt petition filed by them.

With the above quoted orders, we heard Mr. Shekhar Naphade, learned senior counsel for the appellant, as well as Mr. Rakesh K. Khanna, learned Additional Solicitor General for the respondents.

We have already referred to the specific relief prayed in the writ petition, namely, Writ Petition No.22276 of 1993, as well as the ultimate relief granted by the High Court. In such circumstances, in the absence of any further appeal, the Department has no other way except to comply with the order as claimed. By a direction of this Court, the learned senior counsel appearing for the appellant, has brought to our notice that as on date the balance interest payable by Central Excise Authority, as per High Court's order dated 30th September, 2008, is Rs.69,17,613/-.

In the light of the orders referred above, there is no dispute about the said quantum, though, learned Additional Solicitor General has pointed out that the rate of interest, as claimed by the appellant, is excessive, we are not inclined to go into the said aspect at this juncture. Accordingly, we direct the respondents to pay Rs.69,17,613/- to the appellant within a period of six weeks from today. Learned Additional Solicitor General appearing for the respondents has requested us to give liberty to the Department to move the High Court for clarification with regard to payment of interest. In view of the fact that the present appeal is against the dismissal of contempt petition, we are not expressing anything on merits with regard to the claim made by the Additional Solicitor General. It is made clear that it is up to the Department to move the Court, if the same is permissible under law.

The appeal is disposed of on the above terms.

(P. SATHASIVAM)

.....CJI.

.....J.
(RANJAN GOGOI)

.....J.
(N.V. RAMANA)

New Delhi;
April 02, 2014.

ITEM NO.1 COURT NO.1 SECTION XII

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(s).31685/2011

(From the judgement and order dated 28/03/2011 in CP No.1701/2010
of The HIGH COURT OF MADRAS)

M/S MADURA COATS PVT.LTD. Petitioner(s)

VERSUS

KANNAN & ORS. Respondent(s)

(With office report)
(For final disposal)

Date: 02/04/2014 This Petition was called on for hearing today.

CORAM :

HON'BLE THE CHIEF JUSTICE
HON'BLE MR. JUSTICE RANJAN GOGOI
HON'BLE MR. JUSTICE N.V. RAMANA

For Petitioner(s) Mr. Shekhar Naphade, Sr. Adv.
Ms. Shubhangi Tuli, Adv.
Mr. Vimal Chandra S. Dave, AOR

For Respondent(s) Mr. Rakesh Kr. Khanna, ASG
Mr. D.K. Thakur, Adv.
Mr. Mohit Suri, Adv.
Mr. B.K. Prasad, Adv.
Mr. Arvind Kumar Sharma, AOR

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

Leave granted.

The appeal is disposed of in terms of the signed order.

|(Chetan Kumar)
|Court Master

|(Savita Sainani)
|Assistant Registrar

(Signed order is placed on the file)