

(2013) 08 P&H CK 0882

High Court Of Punjab And Haryana At Chandigarh

Case No: Civil Writ Petition No. 6199 of 2004

M/s. Narain Jewels International
Ltd. and Another

APPELLANT

Vs

Haryana State Industrial
Development Corporation Ltd.
and Others

RESPONDENT

Date of Decision: Aug. 5, 2013

Hon'ble Judges: Sanjay Kishan Kaul, C.J; Augustine George Masih, J

Bench: Division Bench

Advocate: J.K. Sibal and Mr. Dhawal Bhandari, for the Appellant; Kamal Sehgal, Advocate for Respondent Nos. 1 and 2, for the Respondent

Final Decision: Disposed Off

Judgement

Sanjay Kishan Kaul, C.J.

In pursuance to an order dated 2.8.2013, learned counsel for respondent Nos. 1 and 2 has obtained instructions. His say is that the respondents never actually recovered interest from the auction purchaser in instalments on account of the fact that there were certain interim orders obtained by Bank of Baroda on account of recovery due from the petitioners. These movable assets over which Bank of Baroda had first charge, were lying in the premises and the respondents had to take steps against Bank of Baroda as said Bank was not removing these movable assets, which was hindering in the process of handing over the possession to the auction purchaser. He submits that, in fact, suit proceedings had to be initiated by respondents against Bank of Baroda and since auction purchaser was not at fault, the delay in handing over the possession to him was not taken as a period for which interest should be paid by him. In our view, even if the aforesaid be the position, the petitioners should not be burdened with interest for that period. The matter stood resolved once ultimately the auction was successfully held and the auction purchaser had deposited 25% of the amount. Because Bank of Baroda did not remove its movable goods over which it had lien and there was delay on their part and consequently the

respondents did not burden the auction purchaser with interest qua delayed payment should not result in burdening the petitioners further on this count.

2. We, thus, dispose of the writ petition with a direction that the relevant date for the purposes of stoppage of interest qua the amount due from the petitioners would be the date when 25% of the amount was deposited with the respondent-Corporation by the auction purchaser or 23.7.2001 whichever was earlier. This is so as one month time was available to the auction purchaser to deposit the amount from 23.6.2000.

3. End result of the aforesaid accounting process to be now done, would be communicated to the petitioners by the respondent-Corporation so that the accounting issue is cleared. The needful be done by the respondent-Corporation within one month from today.

4. At request of learned counsel for the respondents, it is clarified that if the respondent-Corporation is of the view that they need to recover something from Bank of Baroda on account of Bank's conduct, it is for the respondent-Corporation to do so. The writ petition accordingly stands disposed of.