

IN THE SPECIAL COURT AT BOMBAY
Constituted under the Special Court [Trial of Offences
Relating to Transactions in Securities] Act, 1992

MISCELLANEOUS APPLICATION NO.51 OF 2019

IN

CUSTODIAN'S REPORT NO.14 OF 2011

AND

CUSTODIAN'S REPORT NO.9 OF 2010

CANBANK Financial Services Ltd.Applicant

V/s.

The Custodian & Anr.Respondents

Mr. Pradeep Sancheti, Sr. Advocate, with Mr. Raunak Mukherjee, i/by Mulla & Mulla, for the Applicant.

Ms. Shilpa Bhate, i/by Leena Adhvaryu & Associates, for Respondent No.1- Custodian.

Mr. Aseem Naphade, i/by Mr. Vivek Sharma, for Respondent No.2.

Mr. B.M. Chatterji, Sr. Advocate, with Ms. Kavita Singh, i/by Mr. Ranit Basu, for the Income Tax Department.

CORAM : A.K. MENON, J.
JUDGE, SPECIAL COURT

DATE : 23RD JULY, 2021.

[THROUGH VIDEO CONFERENCE]

P.C. :

1. Mr. Sancheti submits that having heard the submissions made on behalf of State Bank of India in Miscellaneous Application No.211 of 2003, he adopts all those submissions in this MA. He states that principal sum of Rs.25 crores has already been received pursuant to an order passed by the Supreme Court on 16th February 2018 in Civil Appeal No.9339 of 2010 and accordingly the application today seeks payment of interest.

2. In view thereof, Mr. Sancheti seeks payment of interest @ 7% p.a. from 22nd August 1992 till 25th April 2018, when the applicant-bank is said to have received the principal sum of Rs.25 crores. In view of the order of the Supreme Court, Mr. Sacheti does not press prayer clause (b) of the application. He submits that a computation of interest by the bank has been filed on oath in the registry i.e. an affidavit of one Rajeev Ranjan dated 12th May 2021. Annexure-2 to that affidavit is a computation of interest on the basis of quarterly compounding. Mr. Sancheti states that the applicant does not claim compound interest since prayer clause (b) in the application is not being pressed. Since the claim is restricted to simple interest, he submits that Annexure-I discloses the accurate computation of interest.

3. Mr. Chatterji appearing for the Income Tax Department is present on this

video conference hearing. He seeks to intervene only for the purposes of submitting that the contentions of the Income Tax Department in MA/211/2003 are being adopted by him in this MA and the same may be considered by the court although the Income Tax Department is not a respondent in this application.

4. On behalf of respondent no.2-the notified party, Mr. Naphade seeks some accommodation. At his request, list the MA on 30th July 2021.

[A.K. MENON, J.]