

SUPREME COURT OF INDIA

S.B.Overseas Ltd

Vs.

Konark Jute Ltd. & Ors.

C.A.No.994 of 2008

(S.H.Kapadia and B.Sudershan Reddy,JJ.)

04.02.2008

ORDER

(Arising out of S.L.P.(C) No.8250/2007)

1. Leave granted.
2. A short question which arose before the Division Bench of the High Court was: Whether after conclusion of the court's sale, was it open to the Company Judge to call for fresh bids? This question was not answered by the Division Bench on the ground that appeal under Section 483 of the Companies Act was not maintainable in law and that the said appeal was misconceived as there was no adjudication of rights. However, no detailed reasons have been given in the impugned order for coming to the conclusion that appeal under Section 483 was misconceived. We do not wish to express any opinion on the above question. We also do not wish to express any opinion on the merits of the case.
3. The impugned order is being set aside only on the ground that the High Court was required to consider various legal aspects involved while answering the above question regarding non-maintainability of Section 483 of the Companies Act. Prima facie, we may say that this is an important question because certain rights of auction purchaser flows from the conclusion of court's sale and it is in this light that the Division Bench was required to consider the question of maintainability of appeal under Section 483 of the Companies Act.
4. In case the Division Bench now comes to the conclusion that appeal was maintainable before it under Section 483, then, it may consider the contentions raised by respondent No.4 herein on merits. Accordingly, the impugned judgment is set aside. Division Bench of the High Court is requested to decided the said question within a period of eight weeks from today.
5. Status quo as of today will continue.
6. The Appeal is disposed of accordingly.

7. No order as to costs.