

SUPREME COURT OF INDIA

Pragati Builders & Promoters & Ors.

Vs.

Ram Murty Pyara Lal & Ors.

C.A.No.4270-4271 of 2016

(Anil R.Dave and Adarsh Kumar Goel,JJ.,)

12.04.2016

JUDGMENT

Anil R.Dave,J.,

SLP(Civil)No.23923-23924/2012

1. Leave granted.
2. Application for substitution is allowed.
3. Heard the learned counsel for the parties and perused the impugned judgment.
4. Looking at the facts of the case, in our opinion, the amount of interest awarded by the High Court to the appellants is on lower side. We, therefore, direct that instead of simple interest at the rate of 6 per cent per annum, the appellants should be paid simple interest at the rate of 15 per cent per annum from the date on which the appellants had paid the amount for purchase of the property in question to the respondent bank.
5. The respondent bank shall calculate the amount of interest payable to the appellants at the rate of 15 per cent per annum as on today and shall indicate the same to the appellants and other respondents. The amount of interest so calculated shall be paid to the appellants. The respondent bank has retained the amount received from the appellants, the auction purchasers and therefore, on the said amount, the bank is presumed to have earned interest. We presume that the bank has earned interest on the said amount, which is quantified at 2 per cent above the bank rate prevailing at the relevant time. So, on the said amount, interest calculated at the above rate shall be paid by the bank and the balance amount of interest shall be recovered from the respondent-borrower so as to see that the total amount of interest paid to the appellants comes to 15 per cent per annum.
6. The bank shall calculate the amount of difference payable by the respondent-borrower and convey the same to the borrower and the borrower shall pay the said amount within four

months from today along with further amount of interest at the differential rate payable by him till the date of payment of the entire amount.

7. The bank shall pay the amount of interest at the rate of 15 per cent per annum to the appellants within two months from today along with the amount of auction price paid by the appellants and the appellants shall be paid interest till the date on which they are paid the auction price and interest thereon.

8. Upon receipt of the auction price and interest thereon, the appellants shall return all documents of title to the bank and the bank shall return the same to the borrower when the borrower pays his share of interest to the bank.

9. Except the aforestated change in the rate of interest, we do not modify the impugned judgment and if the amount of interest is not paid by the borrower, the consequences which might have been stated in the impugned judgment would follow.

10. The appeals stand disposed of as allowed in above terms with no order as to costs.

11. Learned counsel submitted that in view of the disposal of the above appeals, these appeals have become infructuous and the same are dismissed as such.