

**IN THE SUPREME COURT OF INDIA
CIVIL APPELLATE JURISDICTION**

I.A.NO. 4

IN

CIVIL APPEAL NO.3975 OF 2006

SATYAWATI R. RUIA

Appellant (s)

VERSUS

NEW INDIA ASSURANCE CO. LTD.

Respondent(s)

ORDER

I.A.NO.4

This application has been filed in the appeal, inter alia, for clarification of the order passed by this Court on 7th September, 2006 to include payment of interest on all amounts which were directed to be paid by way of rent till the date of actual payment, and not for the period i.e. August, 1992 to March, 2000 mentioned in the aforesaid order.

In the order dated 7th September, 2006 we had indicated as follows:-

“...In this factual background, the respondent agrees to deposit the entire amount representing the arrears of rent at the aforesaid rate together with interest @ 15% per annum from August, 1992 to March, 2000 before the Trial Court....”

The aforesaid direction has been interpreted on behalf of the respondent to mean that even the interest accruing on the arrears of rent would be payable upto March, 2000 and not till the date of actual payment.

We are unable to accept the submission which has been made on behalf of the respondent, and we agree with the applicant that our intention in the said order was that arrears of rent for the period in question was to be deposited together with interest @ 15% per annum which was not restricted to the period of arrears but till the date of actual deposit of the arrears in the Trial court. It was not the intention of the Court that accrual of interest would cease on 5th October, 2006, no matter when the principal amount was paid. Ultimately, the amounts were deposited on 5th October, 2006, which means that interest on the amounts are still payable from the month of April, 2000 till 5th October, 2006, when the deposits were made. Mr. Ranjit Kumar, learned senior counsel appearing in support of

the application submitted that the subsequent period from 5th October, 2006 till date has also to be taken into consideration.

In all fairness, it must, however, be stated that during the pendency of the matter, the proceedings for determining standard rent had also been concluded before the Rent Controller and the standard rent was assessed @ Rs.60,175/- per month as against the sum of Rs.3,90,240/- per month which was the basis on which the deposits

had been directed to be made. In fact, in our order of 7th September, 2006, we had also indicated that the order would be subject to the ultimate result of the standard rent proceeding.

Having regard to the above, since it was not our intention to disentitle the applicant of interest payable on the arrears with effect from the month of August, 1992 to March, 2000, it must be held that the direction for payment of interest would continue to operate till actual payment of the dues. Accordingly, we clarify that our order of 7th September, 2006, will include the interest on the arrear rents from April, 2000, till the date of actual deposit in the trial court.

Having regard to the standard rent fixed and the amount already deposited, which is subject of course to the pending appeal,

it is quiet obvious that the amounts already deposited would be sufficient to cover any amounts that may be payable as interest after 5th October, 2006.

Accordingly, we make no observations regarding payment of interest for the said period, but we grant liberty to the applicant to raise the said question before the court of Small Causes, at Bombay, where the matter is pending in appeal.

The application is disposed of, with the observations made hereinabove.

.....J.
(ALTAMAS KABIR)

.....J.
(MARKANDEY KATJU)

NEW DELHI;
September 02, 2008.

JUDGMENT