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IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

COURT RECEIVER'S REPORT NO.703 OF 2015
IN
ARBITRATION PETITION NO.1121 OF 2013

The Indure Private Limited	...Petitioner
V/s.	
Ispat Energy Limited	...Respondent

Mr.Gauraj Shah with Mr.Luckyraj Indorkar i/b J. Sagar Associates for the Petitioner.

Mr.Sushil Bhatt, General Manager (Legal) of the Petitioner Company present.

Mr.Zubin Behram-Kamdin with Ms.Prakritee Yonzon and Mr.K. Sayta i/b for the Respondent.

CORAM : R.D. DHANUKA, J.
DATE : 28TH OCTOBER, 2015.

P.C. :-

1. By this court receiver's report, the Court Receiver seeks direction as to what steps to be taken in this matter whether the highest offer of Rs.6.71 crores given by Kasturi Commodities Pvt. Ltd. be accepted or not. The highest bid received by the learned Court Receiver was from Kasturi Commodities Pvt. Ltd. in the sum of Rs.6.71 crores. Pursuant to the notice issued by the Court Receiver, the representatives of Kasturi Commodities Pvt. Ltd. - Mr.Shreenath Agarwal, M/s.Sycom Communication – Mr.Gopal Goyal and Sion

Steel, Kurla - Mr.Shaikh Noorul Haque are present in Court. I have given an opportunity to all the three participants to raise their bids as the bid offered by the parties was below the reserve bid.

2. In this process of bidding, the highest offer received is Rs.8.11 crores made by Sion Steel, Kurla. Learned counsel appearing for the petitioner has no objection if the offer of said Sion Steel, Kurla of Rs.8.11 crores is accepted. He submits that the value of the scrap is going down day by day and if the same is not sold immediately, the petitioner would not be able to recover the amount even that offered by the highest bidder today.

3. Mr.Behram-Kamdin, learned counsel appearing for the respondent on the other hand submits that the valuation of the property must be much higher than the offer received by the Court from Sion Steel, Kurla and thus fresh bid shall be invited.

4. I have perused the valuation report and also the offer made by Sion Steel, Kurla. I am of the view that considering the valuation report, the highest offer made by Sion Steel, Kurla can be accepted. If this offer is not accepted, value of such scrap would be further reduced which would not be in favour of any party.

5. I therefore, pass the following order :-

a). The offer of Sion Steel, Kurla is accepted. It is made clear that the successful bidder is permitted to cut the scrap in smaller

sizes before removing of such scrap from the premises of the respondent. The successful bidder shall pay the balance amount in the office of the Court Receiver as per the terms and conditions of the sale.

b). It is made clear that the successful bidder shall remove all such scrap from the premises of the respondent within three months from the date of deposit of the balance amount without fail. It is made clear that the successful bidder will be allowed to take the delivery of the scrap only after balance payment is made in terms thereof.

c). The successful bidder shall issue an advance notice to the respondent of one week before visiting the site for the purpose of cutting the scrap and for the purpose of delivery.

d). It is made clear that the learned Court Receiver shall depute an officer from the office of the Court Receiver at the time of first visit along with the successful bidder for the purpose of taking delivery. It will be for the successful bidder to make arrangement for taking delivery at its own costs.

e). It is made clear that if the successful bidder does not pay the balance amount within a period of 15 days from today, the earnest money deposited by the successful bidder shall stand forfeited.

f). The petitioner is directed to pay the costs of Rs.3,000/- on this report within one week from today.

g). It is made clear that the Court Receiver will be permitted to deduct all costs, charges and expenses from the sale proceeds and shall deposit the remaining amount with the Prothonotary & Senior Master in compliance with the order dated 13th June, 2014 passed by this Court in Arbitration Petition No.1121 of 2013.

h). After payment of the entire consideration by the successful bidder and after the first visit of the representative of the Court Receiver to the site along with the successful bidder, the Court Receiver shall stand discharged without making any accounts however, on payment of costs, charges and expenses of the Court Receiver.

6. The Court Receiver's Report is disposed of in aforesaid terms.

(R.D. DHANUKA, J.)