

IN THE SUPREME COURT OF INDIA

CIVIL APPELLATE JURISDICTION

CIVIL APPEAL NO. 3485 OF 2011
[Arising out of SLP(C) No.32014 of 2010]

State of Tamil Nadu & anr.Appellants

Versus

M/s. Saketh India Ltd.Respondent

O R D E R

Leave granted.

2. A quarrying lease was granted for ten years in favour of the respondent. Subsequently, the respondent submitted a representation to the appellant to refund the lease amount of ` 44.55 lakhs on the ground that the lease area was forest area and the forest department was in the process of declaring it as reserved forest. As the appellant did not refund the amount, the respondent filed a writ petition seeking refund of ` 44.55 lakhs with interest at 24% per annum. A learned single Judge, by order dated 13.11.2006, allowed the writ petition and directed refund of the lease amount. He did not, however, award any interest. Feeling aggrieved, the respondent filed a writ appeal. The appellate Bench granted interest at 18% per annum on the analogy of the provision for interest under Rule 36B. The said order is challenged by the State in this appeal by special leave.



annum, was not warranted.

On the facts and circumstances, we are of the opinion that interests of justice would be served if the interest is reduced from 18% per annum to 12% per annum. We allow the appeal in part, accordingly.



.....J.
(R.V.

.....J.
(A.K. PATNAIK)