

Delhi High Court

Asea Brown Boveri Ltd. vs Goindwal Steel Ltd. on 20 January, 1992

Equivalent citations: 1992 (22) DRJ 144

Author: M Shamim

Bench: M Shamim

JUDGMENT Mohd. Shamim, J.

(1) This is a suit for the recovery of a sum of Rs. 9,73,687.79 together with pendente lite and future interest under Order 37 of the CPC.

(2) Briefly stated the case of the plaintiff is that the defendant vide their letters dated January 24, 1986 and Jan.31,1986 placed orders for the supply of one electric arc melting furnace as per the terms and conditions contained in the letter dated January7,1986 Along with a cheque of Rs. 3,42,678.88 as advance. The plaintiff accepted the said order. Subsequently, the plaintiff supplied to the defendant the above-said furnace on September 30,1986. The erection and the commissioning of the said furnace was completed on June 22,1986. The plaintiff raised their invoices to the tune of Rs. 38,99,972/22 in respect of the above- said machine. The defendant from time to time paid a sum of Rs. 30,85,294.32. The defendant subsequently made a default in making the payment for the period from March 1,1987 onwards. The defendant ultimately promised on March 26,1986 to pay all outstanding dues Along with interest within ten days of the commissioning of the furnace. A cheque dated July 21,1988 for Rs.75,000.00 issued by the defendant was dishonoured by the State Bank of India. The defendant failed and neglected to pay the outstanding dues., hence arose the necessity for the institution of the present suit.

(3) The defendants were served on June 28,1991. However, they failed to put in appearance within ten days of the said service. They have also not applied for leave to defend. Hence the plaintiff has become entitled to a judgment and,decree in terms of Order 37 Rule 2(3) of the CPC.

(4) In view of the above the suit for the recovery of Rs. 9,73,687.79 is decreed with costs. The plaintiff shall also be entitled to pendente lite and future interest at the rate of 18% p.a.