

**HIGH COURT OF TRIPURA
AGARTALA**

RFA No.03 of 2017

- 1. Sarala Tea Company Private Limited,**
Nicco House, 6th Floor, 2, Hare Street, Kolkata 700001
(To be represented by its Director)
 - 2. The Director,**
Sarala Tea Company Private Limited, Nicco House, 6th Floor, 2, Hare Street, Kolkata 700001
 - 3. The Chief Executive Officer,**
Sarala Tea Company Private Limited, Sub Division Dharmanagar, District North Tripura, Pin No.799261.
 - 4. The Manager,**
Sarala Tea Company Private Limited, P.O. Sarala, Sub Division Dharmanagar, District North Tripura, Pin No.799261.
- Appellant(s)

V E R S U S

Tripura Tea Development Corporation Ltd.,
(A Government of Tripura Undertaking), Registered Office at 3rd Floor, Tripura, ST/SC/OBC/Minority Co-Operative Development Corporation Ltd., Building, Lake Chowmuhani, P.O. Agartala, District West Tripura, Pin No.799001
(To be represented by its Managing Director)

..... Respondent(s)

For Appellant(s)	:	Mr. Sankar Deb, Senior Advocate. Mr. S. Datta, Advocate.				
For Respondent(s)	:	Mr. Bijan Saha, Advocate. Mr. Samarjit Bhattacharjee, Advocate.				
Date of hearing & delivery of judgment	:	25th April, 2024				
Whether fit for reporting	:	<table border="1"><tbody><tr><td>YES</td><td>NO</td></tr><tr><td></td><td>√</td></tr></tbody></table>	YES	NO		√
YES	NO					
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**HON'BLE MR. JUSTICE ARINDAM LODH
HON'BLE MR. JUSTICE S.D. PURKAYASTHA**

JUDGMENT & ORDER (ORAL)

Heard Mr. Sankar Deb, learned senior counsel, assisted by Mr. S. Datta, learned counsel for the defendant-appellants. Also heard Mr. Bijan Saha, learned counsel for the respondent.

[2] In pursuance of the order of this Court dated 18.04.2024, the MD namely, Sri Manik Lal Das of Tripura Tea Development Corporation Ltd. has also appeared before this Court and we have heard him.

[3] This appeal arises out of judgment dated 17.06.2016 passed in Money Suit No.15 of 2014 by learned Civil Judge (Senior Division), Court No.1, West Tripura, Agartala and the consequent decree thereof whereby the suit of the respondent was decreed on contest with cost with a direction to the appellants to pay a sum of Rs.54,10,707/- to the plaintiff (*respondent herein*) along with 15% interest per annum thereon from the date of filing of the suit till the date of realization.

[4] The background facts involved between the parties are that the respondent, a Government of Tripura undertaking, entered into an agreement with the appellants to sell green leaves of their one of the tea garden namely, Machmara Tea Estate, for the year 2013 @ Rs.14.25 per kg as they stood as the highest bidder in the Notice Inviting Tender (NIT). Accordingly, the respondent, thereafter supplied the green leaves during the yielding season of 2013 for a total value of Rs.82,43,539/- and the appellants paid certain amounts, on some occasions but ultimately failed to clear up the total dues, leaving Rs.54,10,707/- as outstanding. According to the respondent, as per the terms of NIT, they are now entitled to get 15% interest on the said amount and with such money claim of Rs.54,10,707/- along with interest @ 15% per annum thereupon, they instituted the money suit.

[5] The appellants submitted their written statement at a belated stage, for which it was not accepted by the trial court and finally, the suit proceeded *ex-parte* against them. From the side of the respondent, one witness namely, Pankaj Kumar Saha, was examined as PW-1 and several documents were proved into evidence. The trial court finally decreed the suit in the above said terms.

[6] Mr. Sankar Deb, learned senior counsel argued that earlier, at the initial stage of affairs between the parties, the appellants deposited Rs.25,00,000/- as a security deposit to the respondent which was not taken care of by the learned trial court. Learned senior counsel further contended that the total outstanding amount of Rs.54,10,707/- was already paid to the respondent, whereby the said amount of Rs.25,00,000/- of security deposit was also adjusted and therefore, now the dispute remains only with regard to the rate of interest of 15% per annum as imposed by the trial court which was, according to learned senior counsel, exorbitant and not in consonance with the lending rate of interest of the nationalized bank as was in application during the relevant period. Therefore, he has stressed upon reduction of the rate of interest.

[7] Mr. Bijan Saha, learned counsel for the respondent, however, opposes the same by submitting that 15% rate of interest was imposed by the trial court as per the contractual terms between the parties and therefore, the said judgment and decree impugned herein was proper. Mr. Saha, learned counsel also admits the fact of payment of said outstanding dues by the appellants in terms of the decree, except the interest part.

[8] We have given our thoughtful consideration into the matter and find that the appellants earlier paid Rs.25,00,000/-, as security deposit to the respondent and the said fact is also evident from the letter of the Managing Director of the respondent bearing No.F.TTDC/SALES/1(30)/2011/2294-96 dated 31.12.2013 (Exbt.7 series). In fact, the said amount was being utilized by the respondent even prior to filing the suit. Therefore, counting of any interest on the above said amount will be iniquitous, harsh and unreasonable. During the period of dispute or institution of the suit, the lending rate of interest of the nationalized banks was also not so high, like 15%.

[9] Considering all these aspects, the judgment of the trial court is required to be partly modified. It will be proper if the interest is imposed @ 9% per annum in place of 15% per annum and such interest is required to be counted not upon Rs.54,10,707/- rather upon the amount that remained outstanding after deduction of Rs.25,00,000/- from Rs.54,10,707/-. Mr. Deb, learned senior counsel fairly submits that the payment of the interest will be made within 15 days.

[10] In view of the above, the appeal partly succeeds. The impugned judgment and decree of the trial court are modified only to the extent that the defendant-appellants will now pay interest @ 9% per annum from the institution of the suit i.e. from 08.05.2014 upon Rs.29,10,707/- until payment of the same is/was made.

The appeal is, accordingly, disposed of in the aforesaid terms without imposing any cost of appeal in favour of any of the parties.

Registry is to prepare the decree accordingly and to send down the LCRs with a copy of this judgment and decree.

Pending application(s), if any, also stand disposed of.

(S.D. PURKAYASTHA, J) **(ARINDAM LODH, J)**

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