

**IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH**

**Regular Second Appeal No.2013 of 1988 (O&M)
Date of Order: 08.07.2015.**

Harinder Singh

..Appellant

Versus

Baldev Singh and another

..Respondents

CORAM: HON'BLE MR. JUSTICE RAJIVE BHALLA

**Present: Mr. Sunil Kumar, Advocate, for
Mr. Samarth Sagar, Advocate,
for the appellant.**

None for the respondents.

RAJIVE BHALLA, J (Oral)

The appellant challenges judgment and decree dated 02.09.1987, passed by the Additional District Judge, Bathinda, modifying judgment and decree dated 06.03.1986, passed by the Senior Sub Judge, Bathinda.

Counsel for the appellant submits that as the suit was decreed on the basis of a compromise, Section 96 prohibited the filing of the appeal and even otherwise as the trial court did not grant interest pendente lite, the prayer for interest would be deemed to have been declined. The first appellate court has, however, modified the decree by granting pendente lite interest @ 19½ % per annum.

No one is present on behalf of the respondent-bank.

I have heard counsel for the appellant, perused the impugned order and the paper book.

The respondent-bank filed a suit for recovery of

Rs.40558/- with future interest @ 21% per annum, till final payment of the decretal amount. The defendants, namely, Harinder Singh (the present appellant) and Baldev Singh, put in appearance. Harinder Singh and his counsel recorded a statement, which reads as follows:-

“Translation of statement made by Sh. K.K.Dutta, counsel to plaintiff and Manager of Plaintiff Branch.

It is stated that I have heard the statement of Harinder Singh, defendant and Baldev Singh counsel to defendant. There is no objection to passing the order of decree in the suit accordingly. Expenses and interest may be awarded.

Translation of statement made by Sh. Harjoginder Singh, Advocate, counsel for defendant no.2.

It is stated, if Harinder Singh, defendant does not pay the instalment as per his statement, then I shall pay the entire amount.

Translation of statement made by Harinder Singh, defendant, aged 33 years.

It is stated that I am a poor man. I shall pay the sum amounting to Rs.40,558/- in instalment and its expenses and interest may be exempted. The instalment may be reduced to small one.”

As counsel for the parties accepted the correctness of the statements, the trial court decreed the suit for Rs.40558/- with future interest at the rate of 21% per annum, payable in six equal installments of Rs.10,000/- each etc. The respondent-bank filed an appeal, asserting that as agreement was only with respect to payment of the principal amount in installments, the trial court should have also declined interest from the date of filing of the suit upto the

decree. The first appellate court, vide judgment and decree dated 02.09.1987, accepted the contention raised by the bank and modified the judgment and decree passed by the trial court by awarding interest at the rate of 19½ % per annum, from the date of filing of the suit upto realisation of the decretal amount, thereby reducing future interest from 21% to 19½% per annum, but payable from the date of filing of the suit.

A perusal of the impugned judgment and decree, in my considered opinion, does not indicate an erroneous, perverse or arbitrary exercise of jurisdiction much less does it give rise to any substantial questions of law. The statement made on behalf of the bank relates to payment in installments and does not contain any concession on the question of interest. The trial court was, therefore, required to award pendente lite interest. By failing to grant pendente lite interest the trial court committed an error, which has been rightly rectified by the first appellate court, by awarding interest at the agreed rate. The appellant's contention that a compromise decree is not appealable, though, true cannot be accepted as the compromise was with respect to payment on installments and not with respect to the award of interest.

Consequently, in the absence of any substantial question of law, the appeal is dismissed, with no order as to costs.

July 08, 2015
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(RAJIVE BHALLA)
JUDGE