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

**RSA No.2500 of 2015 (O&M)
Date of Decision: 20.08.2015**

Anil Singla

........Appellant

Vs.

Punjab and Sind Bank and others

......Respondent

CORAM: HON'BLE MR. JUSTICE AUGUSTINE GEORGE MASIH

Present: Mr. J.K. Singla, Advocate for the appellant.

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AUGUSTINE GEORGE MASIH, J. (Oral)

CM No.6513-C of 2015

Prayer in this application is for condonation of delay of 7 days in re-filing the appeal. For the reasons mentioned in the application, the delay of 7 days in re-filing the appeal stands condoned as the same is supported by the affidavit of the counsel.

RSA No.2500 of 2015

Challenge in this appeal is to the enhanced rate of interest granted in favour of the respondent-bank from 6% per annum on the principal amount from the date of filing of suit till its realisation as awarded by the trial Court to agreed rate of interest at Rs. 18.25% per annum with quarterly rests on the principal amount from the date of filing of the suit till its realisation by the Lower Appellate Court.

It is the contention of the counsel for the appellant that as per the provisions contained in Section 34 of the Civil Procedure Code interest could have been granted by the Court at such rate as the Court deems reasonable to be paid on the principal-cum-adjudged sum from the date of the suit till the date of the decree, in addition to any interest adjudged on the principle sum for any period prior to the institution of the suit which be only 6% per annum and therefore, the interest granted in excess thereof, cannot be sustained.

This contention of the counsel for the applicant cannot be accepted in the light of the language of the proviso to the said section which reads as follows:-

"Provided that where the liability in relation to the sum so adjudged had arisen out of a commercial transaction, the rate of such further interest may exceed six per cent per annum, but shall not exceed the contractual rate of interest or where there is no contractual rate, the rate at which moneys are lent or advanced by nationalized banks in relation to commercial transactions".

As per Form 15 Ex.P6, dated 21.02.1995, executed by the appellant-defendants, the agreed minimum rate was 18.25% per annum from the date of payment in full with quarterly rest. As the agreed rate of interest is 18.25% per annum from the date of payment in full with quarterly rest, the judgment passed by the learned District Judge, Bathinda dated 1.8.2014 cannot be said to be not in accordance with law. Further there is no illegality or perversity in the findings of the learned Court below and no substantial question of law arises for adjudication in this case which would require admission of this appeal.

The appeal being without any merit stands dismissed.

<u>C.M. No.6514-C of 2015</u>

Since the appeal has been dismissed, therefore, the present application has become infructuous.

Disposed of accordingly.

20.08.2015 (AUGUSTINE GEORGE MASIH)
Manoj Bhutani JUDGE