IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

RSA No.696 of 1992 (O&M)
Date of decision : 21.02.2018

Dharam Pal and others

...Appellants

Versus

Punjab National Bank

...Respondent

CORAM: HON'BLE MR. JUSTICE ANIL KSHETARPAL

Present: Mr. Ramesh Hooda, Advocate for the appellants.

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ANIL KSHETARPAL, J. (ORAL)

The defendants-appellants are in the Regular Second Appeal against the judgment passed by the learned First Appellate Court enhancing the future rate of interest on the decretal amount.

Learned trial Court had decreed the suit with future rate of interest at 6% p.a. from the date of institution till realisation whereas learned First Appellate Court has enhanced the same to 10% p.a.. The Court has noticed that the rate of interest was agreed between the parties as per the loan agreement and the mortgage deed.

Although, the First Appellate Court has not committed an error, however, taking into consideration that loan was taken for digging the tubewell which is a agricultural purpose, this Court is of the opinion that the rate of interest as awarded by the trial Court was proper and in consonance with Section 34 of the Code of Civil Procedure.

In view of the above, the judgment of the First Appellate Court is set aside. The judgment of the trial Court is restored.

Regular Second Appeal is allowed.

21.02.2018 **(ANIL KSHETARPAL)**
Pawan **JUDGE**

Whether speaking/reasoned:- **Yes/No**

Whether reportable:- **Yes/No**