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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

+ RFA 507/2018

H S OBEROI & ORS.

..... Appellants

Through: Mr. Ankit Jain and Mr. Siddharth
Nath, Advocates. (9810737362)

versus

M/S. DURA BUILD CARE PVT LTD

..... Respondent

Through: None.

CORAM:

HON'BLE MR. JUSTICE VALMIKI J. MEHTA

ORDER

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13.09.2018

1. No one appears for the respondent. No one appeared for the respondent on the last date on 10.8.2018. A limited notice was issued in this appeal on the aspect of interest in terms of the order dated 6.7.2018 that the rate of interest which was granted by the trial court is excessive as per today's time.

2. Learned counsel for the appellants has placed reliance upon the judgments of the Supreme Court in the cases of *Rajendra Construction Co. v. Maharashtra Housing & Area Development Authority and others, 2005 (6) SCC 678, McDermott International Inc. v. Burn Standard Co. Ltd. and*

others, 2006 (11) SCC 181, Rajasthan State Road Transport Corporation v. Indag Rubber Ltd., (2006) 7 SCC 700, Krishna Bhagya Jala Nigam Ltd. v. G.Harischandra, 2007 (2) SCC 720 & State of Rajasthan Vs. Ferro Concrete Construction Pvt. Ltd (2009) 3 Arb. LR 140 (SC) that the high interest rate regime now has gone and court should therefore grant rate of interest under Section 34 CPC as per the present interest rate regime. It is also argued that the interest at 18% is only provided under Section 80 of the Negotiable Instrument Act if the cause of action is on the basis of dishonoured cheque and in the present case there is no cause of action on the basis of the dishonoured cheque but the suit which was decreed was on account of supply of goods by the respondent/plaintiff to the appellants/defendants which are construction care products.

3. In view of the arguments urged on behalf of the appellants, this appeal is allowed and the impugned judgment of the trial court dated 22.7.2017 is modified that the *pendente lite* and future interest granted by the trial court at 18% per annum is reduced to 9% per annum simple, and which interest in any case will be payable *pendente lite* and future till payment of the decretal amount by the appellants to the respondent/plaintiff.

4. The appeal is accordingly allowed and disposed of as stated above, leaving the parties to bear their own costs.

VALMIKI J. MEHTA, J

SEPTEMBER 13, 2018

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