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

+ RFA 934/2017

P J NETWORKS PVT LTD

..... Appellant

Through: Mr. Jatin Dhawan, Advocate
(9810299918)

versus

VERTEX IT SOLUTIONS PVT LTD & ORS Respondents

Through: Mr. Adhiraj Chaudhary, Advocate
(9999294994)

CORAM:

HON'BLE MR. JUSTICE VALMIKI J. MEHTA

ORDER

% **23.08.2018**

1. Counsel for the respondents seeks an adjournment on the ground that respondents have not contacted their counsel in spite of repeated communications.

2. This appeal need not be adjourned as the counsel for the appellant rightly argues that there is a very limited issue in this case of enhancement of the rate of interest granted by the trial court while decreeing the subject suit filed by the appellant/plaintiff for recovery of Rs.43,71,949/. It is argued that the trial court has granted *pentende lite* and future interest at 6% per annum whereas the subject suit was based on dishonoured cheque,

therefore statutorily i.e as per Section 80 of the Negotiable Instrument Act, 1881 interest at 18% per annum has to be granted. I agree with the arguments urged on behalf of the appellant that the trial court ought not to have granted *pendente lite* and future interest at 6% per annum but should be granted at the statutorily rate of 18% per annum in view of Section 80 of the Negotiable Instrument Act. Section 80 of the Negotiable Instrument Act, 1881 reads as under:-

80. Interest when no rate specified.—When no rate of interest is specified in the instrument, interest on the amount due thereon shall, 1[notwithstanding any agreement relating to interest between any parties to the instrument], be calculated at the rate of 2[*eighteen per centum*] per annum, from the date at which the same ought to have been paid by the party charged, until tender or realization of the amount due thereon, or until such date after the institution of a suit to recover such amount as the Court directs.

Explanation.—When the party charged is the indorser of an instrument dishonoured by non-payment, he is liable to pay interest only from the time that he receives notice of the dishonour.”

3. In view of the aforesaid discussion, this appeal is allowed and the appellant/plaintiff will be entitled to *pendente lite* and future interest at 18% per annum instead of 6% per annum as granted by the trial court. Parties are left to bear their own costs.

VALMIKI J. MEHTA, J

AUGUST 23, 2018
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