

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

249

RSA-516-2021 (O&M)
Date of Decision :30.04.2024

**Chief Administrator, Haryana State
Agricultural Marketing Board and others**

...Appellants

Versus

Jarnail Joginder Singh and another

....Respondents

CORAM: HON'BLE MR. JUSTICE HARSIMRAN SINGH SETHI

Present: Mr. Padamkant Dwivedi, Advocate for the appellants.

Mr. Abhilaksh Grover, Advocate for respondent No.1.

* * *

Harsimran Singh Sethi, J. (Oral)

1. In the present regular second appeal challenge is to the judgment and decree of the trial Court dated 13.11.2017 as well as of Lower Appellate Court dated 19.01.2021 by which the suit filed by the respondent-plaintiff for the grant of arrears of DA, ACP and other dues has been allowed along with 9% interest on the said arrears.

2. Learned counsel for the appellant-Board submits that the benefit claimed in the civil suit has wrongly been extended to the respondent-plaintiff by the Courts below and that too along with interest @ 9% hence, the judgment and decree of the Courts below are liable to be set aside.

3. Learned counsel for respondent No.1 submits that the benefit granted by the Courts below has already been released by the appellant-Board during the pendency of the present appeal and now the only issue survives is with regard to interest on the arrears paid. Learned counsel for

the respondent No.1 further submits that the grant of interest on arrears @ 9% per annum by the Courts below is perfectly valid and legal and the same is liable to be upheld.

4. I have heard learned counsel for the parties and have gone through the record with their able assistance.

5. The only question which remains to be decided in the present appeal is whether interest @ 9% per annum, which has been granted by the Courts below is commensurate keeping in view the facts and circumstances of the case as well as provisions of law.

6. Learned counsel for the respondent No.1 has not been able to point out any evidence which has come on record that the bank interest rate at the relevant time was @ 9% or as to how the interest rate has been calculated before awarding the same. As per Section 34 of the CPC though, the Courts are entitled to grant the benefit of interest but the same has to be commensurate to the facts and circumstance of each case keeping in view the bank rate admissible or should be @ 6% per annum.

7. As nothing has come on record to substantiate the fact that the bank rate at the relevant time was @ 9%, the direction given by the Court below to grant interest @ 9% per annum on arrears cannot be sustained and keeping in view Section 34 of the CPC, respondent will only be entitled for interest on arrears @ 6% per annum and not @ 9% per annum. Hence, the judgment and decree of the Courts below are modified to the said extent that the plaintiff-respondent is entitled for interest @ 6% per annum on the arrears from the date the same became due till the actual payment of the same and the present appeal is disposed of accordingly.

8. Civil miscellaneous application pending, if any is also disposed of.

April 30, 2024
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(HARSIMRAN SINGH SETHI)
JUDGE

Whether speaking/reasoned : Yes/No
Whether reportable : Yes/No