

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

RSA-2653-2023 (O&M)**Date of decision: 05.03.2026****M/s Chinar Forge Ltd.**

. . . . Appellant

Vs.**Hawks International Security Services Pvt. Ltd.**

. . . . Respondent

CORAM: HON'BLE MR JUSTICE DEEPAK GUPTA

Present: - Mr. Vansh Chawla, Advocate, for
Mr. T.S. Attariwala, Advocate, for the appellant

DEEPAK GUPTA, J.**CM-8967-C-2023**

This is an application under Section 5 of the Limitation Act, 1963 for condonation of delay of 20 days in filing the appeal.

2. For the reasons mentioned in the application, the same is allowed and the delay of 20 days in filing the appeal is hereby condoned.

RSA-2653-2023 (O&M)

The defendant in the suit is before this Court in the present Regular Second Appeal assailing the concurrent findings recorded by the Courts below. The plaintiff, Hawks International Security Services (Private) Ltd. (respondent herein), had instituted a suit seeking recovery of ₹5,18,666/- along with interest @ 12% per annum from the defendant-appellant.

2. The case of the plaintiff, in brief, was that the parties had entered into an agreement, whereby the plaintiff-company agreed to provide security personnel at the premises of the defendant. In terms of the said arrangement, security services were provided and bills were raised by the plaintiff for the services rendered. However, the defendant failed to clear the outstanding amount, which constrained the plaintiff to file the present suit for recovery.

3. The suit was contested by the defendant. The principal defence raised was that the security personnel provided by the plaintiff were not punctual or regular in performing their duties. It was alleged that they used to remain absent without prior intimation and that some of them indulged in misconduct. On that basis, the defendant claimed that certain deductions had been made by preparing debit/debt notes and that after adjustment of accounts, only a sum of ₹1,99,219/- was payable to the plaintiff, which amount had already been paid.

4. Upon appreciation of the pleadings and evidence led by the parties, the learned Trial Court vide judgment dated 26.08.2019 partly decreed the suit. It was noticed that during the pendency of the proceedings the defendant had paid a sum of ₹1,99,219/- to the plaintiff. Accordingly, the suit was decreed for recovery of the remaining amount of ₹3,19,447/- along with interest @ 12% per annum from 01.08.2010 till the date of filing of the suit and thereafter future interest @ 6% per annum from the date of filing of the suit till its realization.

5. Aggrieved against the said decree, the defendant preferred an appeal before the First Appellate Court, which, after re-appreciating the entire evidence on record, dismissed the appeal vide judgment dated 28.03.2023 and affirmed the findings recorded by the Trial Court.

6. Assailing the concurrent findings recorded by the Courts below, learned counsel for the appellant contends that the Courts below have failed to properly appreciate the evidence on record. It is argued that the security personnel deployed by the plaintiff were irregular and negligent in discharge of their duties and frequently remained absent without notice. According to learned counsel, the defendant had rightly made deductions by preparing debit notes on account of such lapses, but the Courts below have failed to give due consideration to this aspect.

7. I have heard learned counsel for the appellant and have carefully gone through the record of the case.

8. The record reveals that the parties had entered into an agreement dated 12.08.2015 (Ex.P8), whereby the plaintiff-company had undertaken to provide security arrangements at the premises of the defendant. The agreement was to commence from 01.09.2015. In pursuance thereof, the plaintiff provided the agreed services and subsequently raised bills for the months of May, June and July 2016 for a total sum of ₹5,18,666/-. As the said amount was not paid, the plaintiff instituted the present suit.

9. The defence of the defendant is essentially that the security personnel supplied by the plaintiff indulged in malpractice and theft, remained absent from duty and were found sleeping during duty hours. However, both the Courts below have concurrently found that the defendant failed to produce any cogent or reliable evidence to substantiate these allegations.

10. The First Appellate Court, while re-appreciating the evidence, has recorded a categorical finding that the attendance of the security personnel was to be maintained by the defendant itself and the bills were to be raised by the plaintiff on the basis of such attendance record. The attendance record produced on the file and the bills raised by the plaintiff clearly show that the bills (Ex.P10 to Ex.P12) were prepared on the basis of the attendance supplied by the defendant. Significantly, the defendant never disputed the correctness of the attendance record or the bills raised on that basis.

11. Furthermore, although serious allegations of theft and misconduct were levelled against the security personnel, the defendant did not produce any documentary evidence to substantiate such allegations. Theft being a criminal offence, if any such incident had actually occurred, the natural course of conduct would have been to lodge a complaint with the police. Admittedly, no FIR or complaint was ever lodged by the defendant against any of the security personnel. In the absence of any such material, the allegations of theft and malpractice remain wholly unsubstantiated.

12. The alleged deductions made by the defendant on the basis of debit notes are also unsupported by any documentary proof. No material has been placed on record to show the criteria or formula adopted for calculating the alleged deductions. It is thus evident that the debit notes were prepared unilaterally by the defendant without any contractual or evidentiary basis.

13. It is well settled that in a Regular Second Appeal, the scope of interference by this Court under Section 100 of the Code of Civil Procedure is confined to substantial questions of law. Findings of fact concurrently recorded by the Courts below cannot be interfered with unless the same are shown to be perverse, based on misreading of evidence or in violation of settled legal principles.

14. In the present case, both the Courts below have carefully examined the evidence on record and have returned concurrent findings that the defendant failed to prove the alleged misconduct, theft or absence of the security personnel. These findings are based on proper appreciation of the material on record and cannot be said to be perverse or contrary to law. Learned counsel for the appellant has not been able to point out any illegality or perversity in the reasoning adopted by the Courts below so as to warrant interference by this Court in exercise of its jurisdiction under Section 100 CPC.

15. However, learned counsel for the appellant has rightly pointed out an apparent error in the award of interest. The agreement between the parties was executed on 12.08.2015 and the disputed bills relate to the months of May, June and July 2016. Therefore, the cause of action for claiming the outstanding amount could arise only thereafter. The Trial Court, however, awarded interest from 01.08.2010, which is clearly a typographical or clerical mistake. The interest on the decretal amount ought to have been awarded from 01.08.2016 instead of 01.08.2010.

16. The said contention deserves acceptance as the grant of interest from a period prior to the accrual of the cause of action would not be legally sustainable.

17. Consequently, while upholding the findings of the Courts below on merits, the present appeal is disposed of with a modification to the limited extent that the plaintiff–respondent shall be entitled to recover a sum of ₹3,19,447/- along with interest @ 12% per annum from 01.08.2016 till the date of filing of the suit and thereafter future interest @ 6% per annum from the date of filing of the suit till its actual realization.
18. Subject to the aforesaid modification regarding the period of interest, the judgments and decrees passed by the Courts below are affirmed.
19. The appeal stands disposed of accordingly.

05.03.2026

Vivek

(DEEPAK GUPTA)
JUDGE

<i>Whether Speaking/reasoned</i>	<i>Yes</i>
<i>Whether reportable</i>	<i>No</i>