



CR-1122-2024(O&M)

113 IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

CR-1122-2024(O&M)

Date of decision:05.04.2025

Pawan Kumar Garg and Co. through its partners and others

..Petitioners

Versus

United India Insurance Co. Ltd and others

..Respondents

CORAM: HON'BLE MR. JUSTICE ANIL KSHETARPAL

Present: Mr. Rishabh Gupta, Advocate for the petitioners
(through video conferencing)

Mr. Neeraj Khanna, Advocate for the respondents

ANIL KSHETARPAL, J. (Oral)

1. On 14.10.1994 a decree for recovery of Rs.8,39,359/- with costs and future interest at the rate of 6% per annum on principal amount of Rs.56,700/- and Rs.4,59,309/- in favour of the petitioners was passed in a suit filed on 12.11.1992. The interest on the amount was payable from the date of institution of suit till its recovery. The operative part of the judgment of the trial court reads as under:-

“17. In view of my findings on issue above, suit of plaintiff succeeds and the same is decreed for the recovery of Rs.8,39,389/- with costs with future interest at the rate of Rs.6% per annum on principal sum of Rs.56,700/- and Rs.4,59,309/- respectively from the date of institution till its recovery. Decree sheet be prepared and file be consigned to record room.”

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2. The Insurance Company filed the first appeal in which an interim order was passed directing the appellant to deposit the amount which shall be invested in the Fixed Deposit Receipt (hereinafter referred to as 'FDR'). Accordingly, the Insurance Company deposited Rs.9,51,000/- which was invested in the Fixed Deposit Receipt. Ultimately, the appeal filed by the Insurance Company was dismissed. Hence, the decree for recovery of the amount became final.

3. The decree-holder filed an application for release of the FDR. The Executing Court took a strange view of the matter. The Executing Court held that the decree-holder is entitled to the decretal amount alongwith interest at the rate of 6% per cent as ordered by the trial court i.e 18,03,180/- though the maturity value of the FDR came to Rs.44,03,700/-.

4. Heard the learned counsel representing the parties at length and with their able assistance perused the paperbook.

5. Learned counsel representing the decree-holder submits that the amount invested in the FDR belongs to the decree-holder and the judgment debtor has no right to receive the amount. He submits that the appellate court directed investment of the decretal amount in the FDR. The interest accrued on the aforesaid amount invested in the FDR shall belong to the decree-holder and not to the judgment debtor.

6. Learned counsel representing the respondent submits that the decree in favour of the petitioners is only for payment of 6% per annum interest. Hence, the remaining should be paid to the Insurance Company.

7. This Court has considered the submissions made by the learned counsel representing the parties.



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8. The amount of Rs.9,51,000/- as invested in the FDR in 1994 belongs to the decree-holder subject to decision of the appeal. Once the appeal was dismissed, the accrued interest alongwith the principal was payable. In other words, maturity amount shall be payable to the decree-holder and not to the judgment debtor. Hence, the impugned order is set aside. The petitioner is entitled to total amount of Rs.44,03,700/- which is the maturity amount of the FDR. At this stage, learned counsel representing the decree-holder submits that the amount of Rs.44,03,700/- is only up to 30.11.2023 and now the amount will be much higher than the said amount. Hence, it is ordered that whatever is the maturity amount of the FDR till the date of payment, the same shall be paid to the decree-holder and not to the judgment debtor.

9. All the pending miscellaneous applications, if any, are also disposed of.

(ANIL KSHETARPAL)
JUDGE

05.04.2025

rekha

Whether speaking/reasoned

Yes/No

Whether reportable

Yes/No