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

% **Order reserved on : 04 October 2024**
**Order pronounced on : 18 November 2024**

\+ FAO(OS)(COMM) NO. 46/2019

M/s BPL LIMITED ..... Appellant

Through: Mr. Gopal Subramanium, Mr. Pinaki Mishra & Mr. Ashok Panigrahi, Sr. Advs. with Ms. Aakanksha Kaul, Mr. Anmol Tayal, Mr. Dharmender Singh, Mr. Pavan Bhushan, Mr. Surajit Bhaduri, Mr. Saurabh Seth, Ms. Neelam Deol, Mr. Abhirup Rathore & Mr. Aman Sahani, Advs.

versus

M/s MORGAN SECURITIES & CREDITS PVT. LTD. ..... Respondent

Through: Mr. Simran Mehta with Mr. Amit Ranjan Singh & Mr. Girdhar Thakur, Advs.

**CORAM:**
**HON'BLE MR. JUSTICE YASHWANT VARMA**
**HON'BLE MR. JUSTICE DHARMESH SHARMA**

**O R D E R**

**DHARMESH SHARMA, J.**

**REVIEW PET. 309/2024 (O.D. 19-07-2024)**

1. The applicant/appellant M/s. BPL Limited has preferred this petition under Section 114 read with Order XLVII Rule 1 of the Code of Civil Procedure, 1908 ["**CPC**"] seeking review of the judgment

dated 19.07.2024 passed by this Court[1] whereby the appeal filed by the applicant/appellant in terms of Section 37(1)(b) of the Arbitration and Conciliation Act, 1996 ["**A&C Act**"] read with Section 13 of the Commercial Courts Act, 2015, was dismissed.

2. The factual background of the present matter has been elucidated in our judgment dated 19.07.2024 and the same are not being reproduced herein for the sake of brevity, which may be read as a part and parcel of the order on the instant application. However, in a nutshell, one M/s. BPL Display Device Limited ["**BDDL**"] had been supplying certain electronic goods to the applicant/appellant over a long period of time but since there was an issue of timely payments, both approached the respondent for extending a 'bill discounting facility' to BDDL and accordingly the respondent sanctioned 'bill discounting facility' *vide* letters dated 27.12.2002 (to the extent of ₹ 6 crores) and 11.06.2003 (to the extent of ₹ 6.5 crores). As per mutual agreement executed between the parties, the sanction letters referred the BDDL as 'drawer' and the applicant/appellant as the 'drawee' and the repayment of the amount was mutually agreed upon to be the responsibility of both i.e., the drawer BDDL and drawee viz., the applicant/appellant, jointly and severally.

3. It is pertinent to indicate that the facility was approved at a concessional rate of interest i.e. 22.5% per annum ***payable upfront*** as against the normal agreed rate of interest i.e., 36% per annum but in case of default in making payment of its dues, the concessional rate

[1] In FAO (OS)(COMM) No. 46/2019

was stipulated to be withdrawn and normal interest @ 36% per annum was stated to be payable. It was also agreed that the 'bill discounting period' was up to 150 days. It is a matter of record that a dispute arose between the parties when a sum of ₹ 25,79,91,096/- against the relevant Bills of Exchange became due and payable to the respondent/claimant by BPL and BDDL in 2004, which amount they defaulted in repaying despite repeated reminders on behalf of the respondent/claimant.

4. To cut the long story short, the respondent eventually invoked the arbitration clause as contained in both the sanction letters and after conclusion of the arbitration proceedings, as many as 9 issues were framed, and eventually an arbitral award dated 14.12.2016 was passed in favour of the respondent thereby directing the appellant to pay a sum of ₹ 7,27,05,579/- plus ₹ 20,62,28,681/- with interest as applicable in the terms of the sanction letters i.e., @ 36% per annum from the date these amounts were due till the date of the Award, and also providing for interest @10% per annum from the date of the Award till realization.

5. An application was preferred under Section 34 of the A&C Act raising certain objections against the legality of the impugned award, which came to be dismissed by the learned Single Judge of this Court *vide* order dated 18.12.2018.

6. As stated hereinbefore, an appeal was preferred before this Court under Section 37 of the A&C Act, which also came to be dismissed by us *vide* detailed judgment dated 19.07.2024, the review

of which is sought now by the applicant/appellant on the grounds spelled hereinafter.

7. The appellant/appellant alluding to the clause (4)[2] of the two sanction letters dated 27.12.2002 and 11.06.2003 submits that a bare reading leads to the following conclusion:

> (a) the respondent pays money to BDDL after deducting the entire interest payable upfront @ 22.5% per annum;
> (b) BDDL was required to only pay the amount stated in the Bill of Exchange at the end of the tenure which automatically contains the entire interest;
> (c) upon default in making payment, the default interest stands triggered at "36% per annum at monthly rests".

8. The applicant/appellant then alludes to the Statement of Adjustment filed by the respondent on 11.05.2012 before the Arbitral Tribunal and it is submitted that the said tabular chart depicts that most of the Bills of Exchange/*hundis* stood paid ***within a period of nine months*** and that the defaulted period of nine months suffered an interest of almost @ 45% and the interest amount ballooned into a sum of ₹ 27 crores as per the respondent at the time of filing of the statement of claim. Learned Senior Counsel has urged that it has not been appreciated that most of the *hundi* amount had been fully paid and as per the admission of the respondent, "*only principal amount of hundi was adjusted*", which would go to suggest that the *hundi* amount stood discharged by the debtor, and therefore, invocation of

[2] 4. The Drawee/Drawer agrees that normal agreed rate for providing Bill Discounting facility is 36% p.a., however as a special case the Discounting Company is providing the Bill Discounting facility at concessional rate of 22.5% p.a. payable upfront. in case of delay or default in making payment of amount of the Bill of Exchange or overdue bill discounting charges/interest or any part thereof on it's due date, the concessional rate will be withdrawn and the normal rate of bill discounting charges of 36% p.a. monthly rests, shall be payable by the Drawee/Drawer from its

clause (5)[3] of the sanction letter was grossly erroneous and one of the aspects of an apparent error on the face of the record.

9. It is pleaded that since the interest had been paid on the *hundi* upfront/in advance @ 22.5% per annum, there remained only the face value of the bill of exchange/*hundi* amount; and that the learned Arbitral Tribunal referred to the part payments without analyzing the statement which was filed by the applicant/appellant which showed that there were only seven payments attributable to it under the second sanction letter dated 11.06.2003 and none in respect of the bills under the first sanction letter dated 27.12.2002, which is a patent error apparent on the face of the record. It is further pleaded that there is an error manifest in the award since each bill of exchange is an independent negotiable instrument and they could not have been lumped together for the purpose of Section 19 of the Limitation Act, 1963.

10. It is further pleaded that the finding recorded by this Court in the judgement under review that none of the bills of exchange were discharged is also patently wrong since the relevant clause in the sanction letter required a positive act on behalf of the respondent to claim interest at the rate of 36% per annum with monthly rest; and that throughout the length and breadth of the proceedings right from the start of the arbitration, it was the contention of the applicant/appellant

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due date. Margin @ 3% p.m. for 3 days shall be deducted at the time of discounting, to be adjusted against delays in repayment, if any.

[3] (5). The repayment on the due date will be made to us by way of crossed cheque/Demand Draft payable at New Delhi of high value, clearing. Any amount paid under any Bill of Exchange by the Drawer and / or Drawee shall be first adjusted towards overdue charges/interest, costs & expenses and other facilities, if any, and then towards the amount of Bill of Exchange.

that the bills of exchange were standalone documents that stood discharged by the payment of money mentioned on each bill of exchange and no claim of interest at usurious rates was ever raised by the respondent.

11. Inviting reference to Section 31(7)(a) of the A&C Act[4], it is submitted that only the reasonable *pendente lite* interest can be claimed and not the contractual rate; and that the said provision does not prescribe that the contractual rate shall be the applicable rate, for which reference is invited to the decisions in **Morgan Securities and Credits Pvt. Ltd. v. Videocon Industries Ltd.**[5] and **Executive Engineer (R and B) v. Gokul Chandra Kanungo**[6].

12. In the same vein, it is pleaded that interest at the rate of 36% per annum on monthly rest is clearly ***usurious*** and *against the fundamental policy of Indian law*, pointing out that the claim which stood at Rupees 13.28 crores in 2003 became Rupees 700 crores as on 14.12.2016, out of which Rupees 672 crores was *pendente lite* interest on the date of the award and it now stands at a staggering amount of Rupees 1378 crores including Rupees 672 crores *pendente lite* interest and Rupees 678 crores towards interest post-award, for which reference is invited to the case of **Central Bank of India v. Ravindra**[7]**.**

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[4] Section 31(7)(a).- Unless otherwise agreed by the parties, where and insofar as an arbitral award is for the payment of money, the arbitral tribunal may include in the sum for which the award is made interest, at such rate as it deems reasonable, on the whole or any part of the money, for the whole or any part of the period between the date on which the cause of action arose and the date on which the award is made.

[5] (2023) 1 SSC 602

[6] 2022 SCC OnLine SC 1336

[7] (2002) 1 SCC 367

13. To cut the long story short, it is also pleaded that Section 80 of the Negotiable Instruments Act, 1881, overrides any contract between the parties in the matter of awarding of interest; and lastly, a plea is taken that the bills of exchange issued under the first sanction letter dated 27.12.2002 were barred by limitation inasmuch as the last due date under the said bills of exchange was 04.07.2003 and that the period of limitation expired on 04.07.2006 considering that the notice invoking arbitration was dated 28.06.2007.

**ANALYSIS AND DECISION:**

14. We have again given our thoughtful consideration to the submissions advanced by the learned Senior Counsel for the applicant/appellant at the Bar. We have gone through the entire relevant record of this case.

15. First things first, the proposition of law on review in terms of section 114 and Order XLVII C.P.C is available on a limited ground. The correctness or legality of an order cannot be made the subject of an appeal under the garb of a review. To put it plainly, Order XLVII Rule 1 of the CPC provides three grounds for review:

> (1) discovery of new and important matter or evidence which, after the exercise of due diligence was not within the applicant's knowledge or could not be produced by the applicant at the time when the decree was passed, or order made; or
>
> (2) mistake or error apparent on the face of the record; or
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> (3) for any other sufficient reason, which must be analogous to either of the aforesaid grounds.

16. Since it is urged before us by the learned Senior Counsel for the applicant/appellant that the judgment dated 19.07.2024 suffers from an error apparent on the face of the record, let us remind ourselves that

an *error apparent on the face of the record* must be such an error which must strike one on mere looking of the record, obviating the need for long-drawn reasonings on two possible opinions. Avoiding a long academic discussion on the law on review, we may refer to the decisions by the Supreme Court in the cases of **Delhi Administration v. Gurdip Singh Uban**[8] and **Inderchand Jain v. Motilal**[9], on combined reading of which it has been held that:

i) No application for review will be entertained in a civil proceedings except on the grounds mentioned in Order XLVII Rule 1 of the Code of Civil Procedure, 1908;
ii) There is a real distinction between a mere erroneous decision and a decision which could be characterized as vitiated by error apparent;
iii) A review by no means is an appeal in disguise;
iv) Sometimes, applications are filed for 'clarification', 'modification' or 'recall' not because any such clarification, modification is indeed necessary but because the applicant in reality wants a review and also wants a re-hearing – such applications if they are in substance review applications deserve to be rejected straightaway;
v) The limitations on exercise of power of review are well settled;
vi) A re-hearing of the matter is impermissible in law;
vii) The power of review can be exercised for correction of a mistake and not to substitute a view and such power can be exercised within the limits of statute dealing with the exercise of power.

17. Applying the above said parameters of law to the instant review application, we unhesitatingly find that the instant application is more in the nature of seeking modification or recall of the judgment delivered by us, by reagitating the same issues which have been met with rejection at all three stages of this long drawn litigation viz., firstly by the Arbitral Tribunal, then by the Single Judge in proceedings under section 34 of the A&C Act, and then before us in

[8] 2000 (7) SCC 296
[9] (2009) 14 SCC 663

proceedings under section 37 of the A&C Act.

18. Adverting to the issues raised in the instant review, the plea that as per the tabular chart submitted by the respondent before the Arbitral Tribunal, most of the bills of exchange/*hundis* stood paid within a period of nine months, is belied from the record of the Arbitral Tribunal inasmuch as while deciding Issue No.1 as to what amount is payable against the bill discounting facility/sanction letters dated 27.12.2002 up to 10.08.2007, it was categorically found that not a single bill of exchange/hundi was paid by the applicant/appellant on the respective due dates. The said statements which were marked Ex.CW-1/294 with respect to sanction letter dated 27.12.2002 and Ex.CW-1/295 with respect to sanction letter dated 11.06.2003 were not assailed in any manner before the learned Arbitral Tribunal.

19. In fact, a bare perusal of the tabular details of the bills of exchange/hundis in the instant application so as to invoke the review jurisdiction, is rather in the nature of almost placing a whole new interpretation with regard to the chart that was filed by the applicant/appellant vide Annexure “B” as well Annexure “A” relied upon by the respondent/claimant, referred to in our judgment vide paragraph (29). By all means, it amount to espousing a new assertion to the whole story that most of the bills of exchanges/hundis were discharged within nine months. It is borne out from the record that no plea was advanced to the effect that substantial payments had been made within a period of nine months. It is also a matter of record that neither the witness for the respondent/claimant was prodded about the payments done within nine months nor the Managing Director of the

applicant/appellant stepped into the witness box to prove such aspect. The evidence led by the claimant proven in accordance with statement of claim forming Annexure "A" was not shaken or controverted in any manner.

20. Likewise, the plea that only seven payments were attributable to the applicant/appellant under the sanction letter dated 11.06.2003 and none under the first sanction letter dated 27.12.2002 is also misconceived since the liability of both the drawer and the drawee i.e., BDDL as drawer, and the applicant/appellant as the drawee, was joint and several, and the desperate attempt by the applicant/appellant to wriggle out of its liability towards the bills of exchange/*hundis* deserves to be nipped in the bud, in the face of acknowledgment of its liability *vide* letter dated 02.02.2007 issued by the applicant/appellant, the contents of which letter are referred by us in paragraph (30) of the impugned judgment dated 19.07.2024.

21. In the same vein, the plea that each bill of exchange was an independent negotiable instrument and could not have been clubbed or lumped together for the purposes of Section 19 of the Limitation Act, 1963, was also decided by taking a substantive view of the matter *inter alia* upholding the observations of the Arbitral Tribunal as well as the learned Single Judge who passed the order dated 18.12.2018 under Section 34 of the A&C Act.

22. As regards the plea raking up the issue of the 'unreasonableness' of the rate of interest claimed on the bills discounted in terms of the two sanction letters, the same was ardently urged before the Arbitral Tribunal, and later before the learned Single

Judge in the application under section 34 of the A& C Act, and lastly before us in proceedings under section 37 of the A & C Act, only to be met with rejection from all the three forums. Further, the plea advanced to the effect that the stipulation of high interest @ 36% is contrary to the usage, practices or ordinary disposition in the financial world cannot be re-agitated in review proceedings once it is found that a substantive view has been taken on that aspect.

23. To sum up, we are not persuaded to take a different view on the instant review application. In upholding the findings of both the Arbitral Tribunal and the learned Single Judge, we have taken a substantive view of the matter by reaching to the conclusion that the payment of interest on the basis of the terms of the two sanction letters cannot be called unconscionable or excessive. At first blush, the interest rate and quantum worked out so far seem to be quite humungous, however, objections in the nature of arbitrariness, unconscionability and violation of public policy, cannot be invoked in cases where a business entity has entered into a commercial contract, and has acquiesced and acted upon the terms and conditions of the said contract, without ever having raised any objections of such nature, either before or immediately after entering into the contract.

24. Evidently, the applicant /appellant never took any steps to avoid the contract within the stipulated time and having reaped the benefits arising out the contract, now, at this belated stage, it does not lie in its mouth to avoid the said stipulation in the contract by alleging unfairness and unconscionability. It is on record that the applicant/appellant directly benefited from the two sanction letters. As

noted in paragraph (34) of the judgment under review, the applicant/appellant acknowledged its liability via letter dated 02.02.2007, specifically referencing outstanding dues pertaining to the BDDL account and seeking additional time for payment.

25. Notably, the author of this letter did not testify before the Arbitrator, and consequently, no objection was raised regarding the interest clause in the sanction letters. It is axiomatic that the sanctity of a contract is a fundamental principle underlying the stability and predictability of legal and commercial relationships. This legal position is precisely what we have upheld."

26. There is no gainsaying that the question as to whether the charging of a high rate of interest in the case of a purely commercial transaction is morally wrong entails a complex web of issues that would be contingent upon a variety of factors and perspectives. Although at first glance, the charging of interest @36% could be considered as exploitative, unfair and morally blameworthy, high interest rates reflect the lenders' risk of default due to highly competitive and uncertain market conditions, besides the fact that high interest rates might discourage borrowers from taking unnecessary risks. In the commercial world, justifiability or reasonability of high interest rates would depend on the transparency of the terms and conditions of the contract entered into between the lender and the borrower, as well as the informed consent of the borrower. Ultimately, morality is inherently dependent on context, shaped by a complex interplay of cultural norms, as well as individual values. The moral implications of high interest rates are not absolute, rather they must be

assessed through a nuanced lens that considers the inter-relationship between economic, social, and regulatory factors.

27. Further, the plea that interest has been granted in contravention of the Section 80 of the Negotiable Instruments Act, 1881 and the award is liable to be set aside for being against the public policy of India, since the claim is not entirely based on the bills of exchange but the two sanction letters, cannot be countenanced again in the review sought since such pleas already stand rejected in view of the categorical finding that the bills of exchange were an integral part of the two sanction letters. It is a matter of record that the claim of the respondent was not based merely on the basis of bills of exchange, rather on the basis of the two sanction letters to which the applicant/appellant was admittedly a party.

28. Likewise, the plea in the same vein that the interest claimed is hit by the Usurious Loans Act, 1918, as amended by Punjab Relief Indebtedness Act, 1934, was too rejected by us for the substantive finding that the aforesaid Act was not applicable in view of Section 31(7)(a)[10] (b)[11] as it stood prior to the amendment. The said view was supported with case law by the learned Single Judge as also by us in the impugned judgment under review.

[10]31.(7)(a) Unless otherwise agreed by the parties, where and in so far as an arbitral award for the payment of money, the arbitral tribunal may include in the sum for which the award is made interest, at such rate as it deems reasonable, on the whole or any part of the money, for the whole or any part of the period between the date on which the cause of action arose and the date on which the award is made.

[11] (b) A sum directed to be paid by an arbitral award shall, unless the award otherwise directs, carry interest at the rate of eighteen per centum per annum from the date of award to the date of payment.

**WHETHER INTEREST RATE IS AGAINST PUBLIC POLICY**

29. The expression "public policy in the context of challenge to an arbitral award has come to be discussed in plethora of cases. In a recent case, the Supreme Court in a **OPG Power Generation Private Limited v. Enexio Power Cooling Solutions India Private Limited**[12], had another occasion to consider the concept of 'public policy' in the background of challenge to an arbitral award. Referred was a decision of three Judges Bench of the Supreme Court in the case of **Gherulal Parakh v. Mahadeodas Maiya**[13], wherein the doctrine of public policy was discussed in the context of Section 23 of the Contract Act, 1872, and the position of law was summarized as under:

> "Public policy or the policy of the law is an elusive concept; it has been described as untrustworthy guide, variable quality, uncertain one, unruly horse, etc; the primary duty of a court of law is to enforce a promise which the parties have made and to uphold the sanctity of contracts which formed the basis of society, but in certain cases, the court may relieve them of their duty on a rule founded on what is called the public policy; for want of better words Lord Atkin describes that something done contrary to public policy is a harmful thing, but the doctrine is extended not only to harmful cases but also to harmful tendencies; this doctrine of public policy is only a branch of common law, and, just like any other branch of common law, it is governed by precedents; the principles have been crystallized under different heads andthough it is permissible for courts to expound and apply them to different situations, it should only be invoked in clear and incontestable cases of harm to the public; Though the heads are not closed and though theoretically it may be permissible to evolve a new head under exceptional circumstances of a changing world, it is advisable in the interest of stability of society not to make any attempt to discover new heads in these days. (Emphasis supplied)

[12] 2024 SCC OnLine SC 2600
[13] AIR 1959 SC 781

30. Another decision to which reference was made is **Central Inland Water Transport Corporation v. Brojo Nath Ganguly**[14], wherein the Supreme Court observed that the expressions 'public policy', 'opposed to public policy', or 'contrary to public policy' are incapable of a precise definition. It was observed that public policy is not the policy of a particular government, rather it connotes some matter which concerns the public good and the public interest. It was observed as under:

> "92.……what is for the public good or in the public interest or what would be injurious or harmful to the public good or the public interest has varied from time to time. As new concepts take the place of old, transactions which were once considered against public policy are now being upheld by the courts and, similarly, where there has been a well- recognized head of public policy, the courts have not shirked from extending it to new transactions and changed circumstances and have at times not even flinched from inventing a new head of public policy."
>
> (Emphasis supplied)

31. The Supreme Court in ***OPG Power Generation Private Limited (supra)*** further held as under:

> "34. In *Renusagar Power Co. Ltd. v. General Electric Co.*[15], a three-Judge Bench of the Supreme Court observed that the doctrine of public policy is somewhat open-textured and flexible. By citing earlier decisions, it was observed that there are two conflicting positions, which are referred to as the "narrow view" and the "broad view". According to the narrow view, courts cannot create new heads of public policy whereas the broad view countenances judicial law making in these areas. In the field of private international law, it was pointed out, courts refuse to apply a rule of foreign law or recognize a foreign judgment or a foreign arbitral award if it is found that the same is contrary to the public policy of the country in which it is sought to be invoked or enforced. However, it was clarified, a distinction is to be drawn while applying the rule of public policy between a matter governed by

[14] (1986) 3 SCC 156,
[15] 1994 Supp (1) SCC 644

domestic law and a matter involving conflict of laws. It was observed that the application of the doctrine of public policy in the field of conflict of laws is more limited than that in the domestic law, and the courts are slower to invoke public policy in cases involving a foreign element than when a purely municipal legal issue is involved. It was held that contravention of law alone will not attract the bar of public policy, and something more than contravention of law is required.

35. In fact, in *Renusagar (supra)*, this Court was dealing with the enforceability of a foreign award. For that end, it had to interpret the expression "contrary to public policy" in the context of Section 7(1)(b)(ii) of Foreign Awards (Recognition and Enforcement) Act, 1961. While doing so, it was held that— (a) contravention of law alone will not attract the bar of public policy, and something more than contravention of law is required; and (b) the expression 'public policy' must be construed in the sense the doctrine of public policy is applied in the field of private international law. Applying the said criteria, it was held that enforcement of a foreign award could be refused on the ground of being contrary to public policy if such enforcement would be contrary to (a) fundamental policy of Indian law or (b) the interests of India or (c) justice or morality. The Court thereafter proceeded to hold that a contravention of the provisions of the Foreign Exchange Regulation Act would be contrary to the public policy of India as that statute is enacted for the national economic interest to ensure that the nation does not lose foreign exchange which is essential for the economic survival of the nation.

36. What is clear from the above discussion is that for an award to be against public policy of India, a mere infraction of the municipal laws of India is not enough. There must be, *inter alia*, infraction of a fundamental policy of Indian law, including a law meant to serve public interest or public good.

…52. The legal position which emerges from the aforesaid discussion is that after the '2015 amendments' in Section 34 (2)(b)(ii) and Section 48(2)(b) of the 1996 Act, the phrase "in conflict with the public policy of India" must be accorded a restricted meaning in terms of *Explanation 1*. The expression "in contravention with the fundamental policy of Indian law" by use of the word 'fundamental' before the phrase 'policy of Indian law' makes the expression narrower in its application than the phrase "in contravention with the policy of Indian law", which means mere contravention of law is not enough to make an award

> vulnerable. To bring the contravention within the fold of fundamental policy of Indian law, the award must contravene all or any of such fundamental principles that provide a basis for administration of justice and enforcement of law in this country. Without intending to exhaustively enumerate instances of such contravention, by way of illustration, it could be said that (a) violation of the principles of natural justice; (b) disregarding orders of superior courts in India or the binding effect of the judgment of a superior court; and (c) violating law of India linked to public good or public interest, are considered contravention of the fundamental policy of Indian law. However, while assessing whether there has been a contravention of the fundamental policy of Indian law, the extent of judicial scrutiny must not exceed the limit as set out in *Explanation 2* to Section 34(2)(b)(ii)."

32. In the light of the aforesaid discussion, reverting back to the instant matter, on a plain and grammatical construction of clauses (ii) and (iii) of Explanation 1 to Section 34(2)[16] of the A&C Act, it is doubtful if the imposition of an exorbitant interest in the background of contemporary commercial practices, would be against the fundamental policy of Indian Law, or against the basic notions of morality or justice. It is noteworthy that the applicant/appellant has consistently and brazenly denied its liability to honour the hundis, despite being confronted with overwhelming evidence. Furthermore, it has shown no willingness to settle accounts with the respondent/claimant. Consequently, the applicant/appellant cannot now dispute its substantial financial liability. Notably, the applicant/ appellant is a sophisticated entity, unaffected by illiteracy, ignorance, or economic disadvantage.

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[16] [*Explanation* 1.--For the avoidance of any doubt, it is clarified that an award is in conflict with the public policy of India, only if,--
…(ii) it is in contravention with the fundamental policy of Indian law; or
(iii) it is in conflict with the most basic notions of morality or justice.

33. While exorbitant interest rates may be deemed unjust or immoral in certain circumstances, particularly where beneficiaries lack equal bargaining power or suffer from illiteracy, poverty, or ignorance, the present case does not warrant such consideration.

34. Considering the foregoing discussions, we are unconvinced that any error apparent on the face of the record warrants a review of our judgment dated 19.07.2024. The review sought essentially constitutes an appeal to recall our judgment, which is inherently not maintainable. To reiterate, the pleas raised in this application have already been addressed through a substantive examination of the matter, in accordance with the law.

35. Accordingly, the present review petition is dismissed.

**YASHWANT VARMA, J.**

**DHARMESH SHARMA, J.**

**NOVEMBER 18, 2024**
*Sadiq*