IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

CP-26-2014(O & M)
Date of Decision:16.05.2019

Indiabulls Housing Finance Limited ....petitioner

Versus

M/s Sundesh Springs Private Limited .....respondent

CORAM: HON'BLE MR.JUSTICE RAJIV NARAIN RAINA

Present: Mr.Rohit Nagpal, Advocate
for the petitioner

Mr.Viren Jain, Advocate
for the respondent

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RAJIV NARAIN RAINA, J. (ORAL):

The dispute regarding interest is before the arbitrator along with other claims between the parties. Without prejudice to those arbitral proceedings, this petition has been rendered infructuous because of the admitted position that the petitioner-Indiabulls Housing Financial Limited (for short, "IHFL") has assigned the loan account to India Bulls Asset Reconstruction Company Limited, until the award attains finality. The liability, if any, for repayment will be that of the assignee. It may be noticed that the dispute arose on account of unilateral increase of interest rates by IHFL not once but several times during the tenure of the loan. As per the agreement, 120 EMIs were scheduled for payment. The IHFL have, inter alia, communicated a letter dated 01.08.2011 increasing EMIs to 324 with the rate of interest @ 24% per annum.

Learned counsel for the respondent-Company submits that the Company never defaulted in payment of EMIs till the interest rates were enhanced and refused to be moderated as per the norms of the Reserve Bank of India and the National Housing Bank.

The petition is closed. The parties will have an opportunity to project their views before the Arbitrator. The Court is informed that the assignee has applied for substitution before the arbitrator. Accordingly, the law will take its course as the assignees are contesting the claims. This order will not foreclose any of the rights of the parties in future.

16.05.2019 **(RAJIV NARAIN RAINA)**
neenu **JUDGE**