

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

RSA-257-2021

Date of decision: 30.11.2021

Surinder Kumar Sharma

...Appellant

Versus

Arun Sareen

...Respondent

CORAM: HON'BLE MR. JUSTICE ARUN MONGA

Present: Mr. Arvind Seth, Advocate,
for the appellant.
(Presence marked through Video Conference)

ARUN MONGA, J. (ORAL)

Matter was taken up for hearing on an earlier occasion when speaking for this Court my learned sister Lisa Gill, J. made following observations: -

“This matter is being taken up for hearing through video conferencing due to outbreak of the pandemic, COVID-19.

Prima-facie, I do not find any ground whatsoever to interfere in the concurrent findings returned by the learned Courts below. However, learned counsel for the appellant submits that rate of interest imposed by the Courts is excessive and moreover, there is no evidence on record to justify the mesne profits as assessed.

Learned counsel for the appellant prays for short adjournment to seek specific instructions from the appellant.

At request, adjourned to 13.10.2021.

It is made clear that no further adjournment shall be afforded.”

On resumed hearing before this Court today, learned counsel for the appellant submits that despite efforts on his part, he is not able to contact his client and, therefore, was unable to seek any instructions from the appellant.

Ordinarily, on this ground alone, this Court should dismiss the appeal for non-prosecution. However, having perused the impugned judgments passed by the Courts below, I am of the view that the interest component of 18% on arrears of rent is rather on the higher side.

Reliance may be had to a dictum passed by *Hon'ble the Supreme Court in case titled as M/S.Style (Dress Land) vs Union Territory Chandigarh &Anr* decided on *18 August, 1999 bearing Civil Appeal No.4540 of 1999 (arising out of SLP C No. 13471 of 1998) wherein it was observed as under:*

“We, however, feel that awarding of interest @ 18% per annum from the aforesaid period was on the excessive side. The respondent-authority could not be equated with private commercial institutions and conferred with an amount of compensation in the form of interest which, in the judicial parlance, may amount to penalty, despite the fact that the persons found to have jeopardised the process of law wererightly held liable to compensate the respondent- authority by way of interest.”

Being so, the decree shall stand modified to the extent that instead of 18% interest, 9% interest shall be payable on the dues to be calculated as per the decree.

No notice is being issued to avoid any needless litigation.

Disposed of accordingly.

Pending application, if any, including application for leading additional evidence shall also stand disposed of.

30.11.2021

vandana

**(ARUN MONGA)
JUDGE**

Whether speaking/reasoned:

Yes/No

Whether reportable:

Yes/No