

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

**LPA-519-2022 (O&M)
DECIDED ON: 04.07.2022**

DR. ALKA SINGH

....APPELLANT

VS

**CHAIRMAN CHANDIGARH HOUSING
BOARD AND OTHERS**

....RESPONDENTS

**CORAM: HON'BLE MR. JUSTICE AUGUSTINE GEORGE MASIH
HON'BLE MR. JUSTICE SANDEEP MOUDGIL**

Present: Mr. Harjot Singh Bedi, Advocate
for the appellant.

Mr. Gagandeep Singh Wasu, Sr. Standing Counsel with
Mr. Arjun Sharma, Advocate and
Mr. Ashish Rawal, Advocate
for respondent-Chandigarh Housing Board.

AUGUSTINE GEORGE MASIH, J. (ORAL)

Challenge in this appeal is to the judgment passed by the learned Single Judge dated 04.04.2022, whereby writ petition preferred by respondent No.1 has been allowed to the extent of reducing the interest component on 4% of the amount to be refunded, which was charged in excess by respondent No.1 along with interest at the rate of 20% in favour of the appellant, reducing it to 6%.

Learned counsel for the appellant has contended that the appellant has a grievance with regard to reduction of the interest, which was granted to the appellant at the rate of 20% on the 4% amount, which was charged over and above the 20%, which was provided for under the terms

and conditions of the contract, which was entered into between the appellant and respondent No.1. He contends that the reduction of the said amount is unjustified for the reason that the respondents have also charged interest from the appellant at the rate of 20%. It was in these circumstances that the Permanent Lok Adalat had granted the same interest, which has been charged by respondent No.1. The equitable interest, therefore, as granted to the appellant was fully justified and did not call for any interference by the learned Single Judge.

Learned counsel for respondent No.1 on the other hand has supported the judgment passed by learned Single Judge by contending that the interest, which has been granted at the rate of 20% has neither been provided under the statutory provisions nor in the contractual terms which have been entered into between the parties. Referring to Section 34 of the Code of Civil Procedure, learned counsel for respondent No.1 has contended that 6% interest, which has been granted by the learned Single Judge fulfills the mandate of the statute and, therefore, cannot be said to be wrongly granted.

We have considered the submissions made by the counsel for the parties and keeping in view the fact that there is no provision under the Legal Services Authorities Act, 1987, which would entitle the said authority to grant interest at the rate, which has been so granted, the same has been rightly reduced from 20% to 6%. The reasoning which has been sought to be projected by the counsel for the appellant that the interest as charged by the respondents has been granted to the appellant on the principle of *tit for tat* cannot be accepted, unless the same is supported by some statutory provisions.

In the present case, as far as the charging of interest, on the part of respondent No.1 from the appellant, is concerned, the same was based upon the terms and conditions of the allotment letter, which has been accepted by the appellant and, therefore, binding between the parties. Since, there is no provision for grant of interest at the rate of 20%, the order as has been passed by the Permanent Lok Adalat is not sustainable in law. The reasoning assigned by the learned Single Judge, in any case, is based upon proper appreciation of the facts and circumstances of the case as well as the legal position requiring no interference by this Court in the present appeal.

In the light of the above, we do not find any merit in the appeal and the same, therefore, stands dismissed.

(AUGUSTINE GEORGE MASIH)
JUDGE

(SANDEEP MOUDGIL)
JUDGE

04.07.2022

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