

IN THE HIGH COURT OF JUDICATURE AT PATNA

Letters Patent Appeal No.1482 of 2019

In

Civil Writ Jurisdiction Case No.23358 of 2013

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1. The Bihar State Housing Board Bihar, Patna, through its Managing Director, Bihar, Patna.
 2. Managing Director Bihar State Housing Board Bihar, Patna.
 3. Account Bihar State Housing Board, Bihar, Patna.
 4. Executive Engineer Bihar State Housing Board, Bhagalpur.

... .. Appellant/s

Versus

1. Sheela Devi Wife of Late Anil Kumar Singh Resident of Mohalla-Priyadarshini Nagar, Hawaii Adda, Police Station-Jilkamanghi, District-Bhagalpur.
2. The State of Bihar Bihar

... .. Respondent/s

Appearance :

For the Appellant/s : Mrs. Binita Singh, Advocate

For the Respondent/s : Mr. Neeraj Kumar Singh, Advocate

CORAM: HONOURABLE THE CHIEF JUSTICE

and

HONOURABLE MR. JUSTICE RAJIV ROY

ORAL JUDGMENT

(Per: HONOURABLE THE CHIEF JUSTICE)

Date : 02-12-2023

The appellant is the Bihar State Housing Board (for brevity “Board”) which is aggrieved with the impugned judgment which directed allotment of the flat to the writ petitioner and set aside the demand of Rs. 9,15,135.97/- as made by Annexure-A produced along with the counter



affidavit in the writ petition.

2. The contention of the Board itself is that the allotment was made in 1991 and a hire purchase agreement was entered into 05.10.2001 wherein the total sale consideration of Rs. 2,52,200/- was to be paid in 120 equated monthly installments. Admittedly, the writ petitioner paid Rs. 2,28,860/- as on 24.07.2002. When he sought for registration of the flat in his name assuring the remaining part of the payment, the petitioner was issued with Annexure-A dated 04.02.2013 in which an amount of Rs. 9,15,135.97/- was demanded. In fact, the demand raised which was challenged in the writ petition was Rs.7,56,385/- which was demanded as on 09.09.2009.

3. We are surprised how the demand came to that extent. We are told by the learned counsel for the Housing Board that even when lump sum payments are made, the adjustments are made on equated monthly installments and hence the total demand as per the working of the equated monthly installments along with interest came to Rs.7,56,385/- as on 09.09.2009 and Rs. 9,15,135.97/- as on 04.02.2013.



4. We are not inclined to interfere with the judgment of the learned Single Judge on the basis of the submission made before us. We see that the respondent had paid substantial portion of the consideration before expiry of one year from the date of hire purchase agreement. A demand could have been made for the balance amount, which was not done by the Board. The Board had waited till the 10 year period was over for making a demand which was as per the hire purchase agreement, which we find to be flawed. When lump sum payment has been made within one year and the same has been accepted by the Board, they cannot charge interest on that component based on the equated monthly installment working.

5. The respondent shall pay the balance sale consideration of Rs. 24,000 and another Rs. 26,000 as compensation for late payment to the Board within a period of three months from today. On payment of Rs. 50,000/- as directed herein, the Board will ensure that the allotment made is registered and conveyed properly to the respondent. In the context of the orders passed, especially since we have made a reasonable compensation, we are of the opinion



that the cost ordered on the officer need not be paid.

6. The appeal would stand partly allowed with the above observations.

(K. Vinod Chandran, CJ)

(Rajiv Roy, J)

Anushka/-

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