

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

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2023:PHHC:154901

**RSA-879-2009 (O&M)
Date of decision: 05.12.2023**

HUDA AND ORS.

..Appellants

Versus

G.L NAGPAL (DECEASED) THROUGH LRS.

..Respondent

CORAM: HON'BLE MR. JUSTICE ANIL KSHETARPAL

Present: Mr. Pravindra Singh Chauhan, Advocate
for the appellants.

Mr. Joginder Pal Sharma, Advocate
for respondent.

ANIL KSHETARPAL, J(Oral)

1. In this regular second appeal, the defendant assails the correctness of the judgment and decree passed by the First Appellate Court.

2. In view of the subsequent developments, only two following issues require adjudication:-

i) Whether Haryana Urban Development Authority is entitled to charge compound interest at the rate of 18% per annum from the allottees for the delayed payment of installments?

ii) Whether the penal interest at the rate of 3% over and above the normal rate is required to be charged from the respondent?

3. It is not in dispute that the order of resumption passed by the Estate Officer was set aside by the Appellate Authority i.e. the Administrator on exercising the powers of Chief Administrator vide order dated 02.07.2002. The respondent has already deposited the entire balance amount

along with the simple interest.

4. This Bench has heard the learned counsel representing the parties and with the able assistance perused the paperbook.

5. It may be noted that issue of liability of the allottees to pay compound interest, the matter is covered against the appellants. Various judicial precedents including a Division Bench in **Haryana Urban Development Authority and another Vs. Vinod Mittal and others, LPA-933-2009, decided on 16.10.2012**. The Division bench has held that it is permissible to charge 18% interest is chargeable, however, it cannot be compounded. Similarly, in **Haryana Urban Development Authority and another Vs. Daljit Singh and others, RSA-2935-2010, decided on 03.08.2012**, the same view was followed.

6. Though, the learned counsel representing the appellant made a sincere attempt, however, failed to persuade the Court to take a different view particularly when the Division Bench has taken a view that is binding and has been upheld by the Supreme Court.

7. The second issue also has no substance because the First Appellate Court has recorded a finding of fact that the respondent within a period of 30 days from 02.07.2002, the order passed by the Administrator, deposited the amount and there was no intentional delay on the part of the allottee (respondent) after the order was passed by the Administrator on 02.07.2002.

8. In view of the aforesaid facts and discussion, no ground to interfere is made out.

9. Dismissed accordingly.

10. All the pending miscellaneous applications, if any, are also disposed of.

December 05th, 2023

(ANIL KSHETARPAL)
JUDGE

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Whether speaking/reasoned : Yes/No
Whether reportable : Yes/No