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

COCP No.610 of 2019

Date of Decision: 06.11.2019

M/s Sundaram Finance Ltd., Chennai through Deputy Manager (Legal),
M/s Sundaram Finance Ltd., SAS Nagar

Petitioner

Versus

Madan Lal @ Madan Lal Sharma

Respondent

CORAM: HON'BLE MR. JUSTICE AVNEESH JHINGAN

Present: Mr. Alok Jain, Advocate
for the petitioner.

Mr. Sidharth Gupta, Advocate
for the respondent.

AVNEESH JHINGAN, J (Oral):

The core issue in the contempt petition is with regard to non-payment of vehicular loan. There was default in repayment and physical possession of the mortgaged vehicles was taken over by the petitioner.

A writ was filed by borrower, during the pendency of the writ petition, under interim directions, physical possession of the vehicles was given back by the Finance Company. The writ petition was disposed of on 19.09.2018 on the undertaking given by the respondent (petitioner in the writ petition) to repay the entire principal amount plus interest @18.5% and ₹5 lakhs over and above the amount of loan agreement dated 01.06.2012.

It was ordered that petitioner shall repay the entire amount within three months but the amount was not paid. During pendency of

the contempt petition, it was offered that physical possession of the vehicles be taken over by the Finance Company. The offer was resisted on the ground that worth of the vehicles is no longer enough to clear the balance. Moreover by giving an undertaking before the Writ Court, the petitioner enjoyed the usage of the vehicle for over an year. It was further argued that he has not paid road tax and vehicles have been black listed, meaning thereby, encumbrances are created on the vehicles.

At this stage, the respondent who is present in the Court, as verified by his counsel, states that he shall pay ₹5 lakhs within one month from today by selling the said vehicles. Further, for payment of the balance amount, he will, within two weeks from today mortgage with the petitioner, his share in the property situated at Barnala Road, Baldev Nagar, Ambala City which is jointly held by him with his brother.

At this juncture, prayer is made that negotiations are going on between the parties for One Time Settlement.

On the basis of undertaking given by the respondent, the contempt petition is disposed of.

It is clarified that arrangement made in the contempt proceedings shall not affect the negotiations between the parties with regard to final settlement, which the petitioner may consider sympathetically in the facts of the case.

[AVNEESH JHINGAN]
JUDGE

November 06, 2019

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| 1. Whether speaking/ reasoned | : | Yes / No |
| 2. Whether reportable | : | Yes / No |