



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

(213)

CWP-8603-2019 (O&M)

Date of decision:- 02.12.2025

STATE BANK OF INDIA CHANDIGARH

... Petitioner

Versus

**PERMANENT LOK ADALAT (PUBLIC UTILITY SERVICES) AND
ANOTHER**

... Respondents

CORAM: HON'BLE MR. JUSTICE SUVIR SEHGAL

Present:- Mr. Rakesh Gupta and Ms. Manvi Arora, Advocates
for the petitioner.

Mr. Ankit Chowdhri, Advocate
for respondent No.2.

SUVIR SEHGAL, J. (ORAL)

1. Counsel for the petitioner contends that a residential house was purchased by respondent No.2 in an auction conducted by the petitioner-Bank under the provisions of the Securitisation and Reconstruction of Financial Assets Enforcement of Security Interest Act, 2002 (for brevity hereinafter referred as "SARFAESI Act"). Counsel asserts that as a dispute had arisen between the parties regarding the purchased property, remedy available to the petitioner was to approach the Debts Recovery Tribunal. Counsel points out that jurisdiction of civil Court is specifically barred by virtue of Section 34 of SARFAESI Act in respect of any action taken in pursuance of any power conferred under the said Act or under the Recovery of Debts Due to Banks and



Financial Institutions Act, 1993. It has been urged that Section 35 of the SARFAESI Act gives an overriding effect to the provisions of the statute over all other laws. An argument has been raised that as the Permanent Lok Adalat did not have the jurisdiction to decide the dispute, an objection regarding jurisdiction was taken and after hearing arguments, Permanent Lok Adalat on 16.03.2018 observed that the main objection of the State Bank of India is that the forum has no jurisdiction to entertain the petition. Counsel argues that despite this observation, while passing the impugned award, Permanent Lok Adalat did not decide the question of jurisdiction.

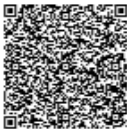
2. At this stage, he has invited attention of the Court to interim order dated 01.04.2019 passed by this Court, which is reproduced hereunder:-

“The State Bank of India has filed the instant writ petition assailing the order dated 17.04.2018 (Annexure P-9) and in terms of which 12% interest on an amount of Rs.1,76,50,000/- for the period 21.07.2016 to 05.05.2017 has been awarded in favour of respondent No.2 herein.

Counsel would inter alia contend that the application under Section 22 (C) of the Legal Services Authority Act 1987 had been moved by respondent No.2 pertaining to residential premise situated in Sector 15, Urban Estate, Panchkula, Haryana,. The petitioner Bank had even raised an objection as regards Permanent Lok Adalat (Public Utility Services), UT Chandigarh, having no jurisdiction in the matter and which had been specifically noticed in the proceedings conducted on 16.03.2018 and inspite thereof such issue has not been dealt with in the impugned order.

Notice of motion returnable for 28.05.2019.

Notice Re:stay as well.”



3. Upon notice, respondent No.2 has contested the petition and has filed a response. Although, it has been stressed that jurisdiction vests with Permanent Lok Adalat, but when specifically asked as to whether the question of jurisdiction had been adjudicated by Permanent Lok Adalat, counsel for respondent No.2 could not dispute that the same had not been dealt with. In view of the above, this Court is left with no other option except to set aside the impugned award and remit the matter to the Permanent Lok Adalat for adjudicating it afresh.
4. For the reasons recorded above, impugned award, Annexure P-9, is set aside. Matter is remitted to the Permanent Lok Adalat to decide it again while complying with the procedure laid down under the Legal Services Authority Act, 1987. Liberty is also given to the parties to produce any other material or document they intend to reply upon before Permanent Lok Adalat.
5. Writ petition is disposed of.
6. Parties are directed to appear before the Permanent Lok Adalat (Public Utility Services), Union Territory, Chandigarh on 12.12.2025, at 10:00 A.M., for further proceedings in accordance with law.

(SUVIR SEHGAL)
JUDGE

02.12.2025
parul verma

Whether Speaking/Reasoned	Yes/No
Whether Reportable	Yes/No