



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

171

CWP-18134-2026

Date of Decision: 29.05.2026

LASHKAR SINGH

...Petitioner

Vs.

PERMANENT LOK ADALAT AND ORS.

...Respondents

CORAM:- HON'BLE MR. JUSTICE JAGMOHAN BANSAL

Present:- Mr. Amandeep Singh, Advocate for the petitioner

JAGMOHAN BANSAL, J. (ORAL)

1. The petitioner through instant petition under Article 226/227 of the Constitution of India is seeking setting aside of order dated 10.12.2025 whereby Ld. Permanent Lok Adalat (for short 'PLA') has dismissed his claim for charging the interest as per housing loan agreement. He is also seeking setting aside of penalty and recovery charges on account of dishonour of cheque. He is also seeking direction to restructure the loan account by waiving penal interest and reschedule EMIs.

2. As per petition, the petitioner on 31.03.2019 availed a housing loan of ₹15,00,000/- from respondents-Cholamandlam Investment & Finance. He started paying EMI of ₹20,066/- per month. He got rescheduled EMI. From September' 2023, reduced EMI of ₹7,936/- became payable. The respondent instead of reducing the EMI amount as per re-schedule issued statement of account showing ₹12,32,976/- as overdue. He filed an application under Section 22C of Legal Services Authorities Act, 1987 (for short '1987 Act') before PLA which sought response of the respondent. Matter was tried to be

reconciled, however, was finally adjudicated on merits. PLA has concluded that there was no clause for imposing penalty and recovery of charges for dishonour of cheque, thus, a sum of ₹56,340/- has been wrongly charged. PLA has further held him liable to pay rest of the arrears of the loan amount.

3. Learned counsel for petitioner submits that PLA has not considered question of re-scheduling of EMI.

4. Heard the arguments and perused the record.

5. The findings recorded by PLA read as:-

“8. We have heard the Ld. Counsel for the parties and have also gone through the pleadings, documents and evidence on record.

9. It is conceded by Ld. counsel for the respondents that as per loan agreement Ex-R5, there is no clause of imposing penalty and recovery of cheque bounce charges which on calculations from statement of account Ex-P3 comes to Rs. 56,340/- but the Ld. counsel for the petitioner has failed to satisfy us as to how the remaining part of the statement of account Ex-P3 and loan agreement Ex-R5 are wrong and thus except amount of Rs.56,340/-, the petitioner is liable to pay the remaining arrears shown in such statement of account Ex-P3. With such observations, the present petition is disposed of.”

6. Section 22E of 1987 Act provides that award passed by PLA shall be final and binding on all the parties. The award cannot be called in question in any original suit, application or execution proceedings. Section 22E reads as:

“22E. Award of Permanent Lok Adalat to be final. —(1) Every award of the Permanent Lok Adalat under this Act made either on merit or in terms of a settlement agreement shall be final and binding on all the parties thereto and on persons claiming under them.

(2) Every award of the Permanent Lok Adalat under this Act shall be deemed to be a decree of a civil court.

(3) The award made by the Permanent Lok Adalat under this Act shall be by a majority of the persons constituting the Permanent Lok Adalat.

(4) Every award made by the Permanent Lok Adalat under this Act shall be final and shall not be called in question in any original suit, application or execution proceeding.

(5) The Permanent Lok Adalat may transmit any award made by it to a civil court having local jurisdiction and such civil court shall execute the order as if it were a decree made by that court.”

7. It is factually and legally correct that award passed by PLA can be examined in writ jurisdiction, however, mandate of Section 22E cannot be ignored. The award can be examined in writ jurisdiction if there is manifest procedural or fundamental error or PLA has passed award beyond its jurisdiction. There is no such argument or allegation in the present case. PLA has passed impugned order after following prescribed procedure and granting opportunity of hearing.

8. In the wake of above discussion and findings, this Court does not find it appropriate to interfere with the impugned award.

9. Dismissed.

10. Pending application(s), if any, stands disposed of.

(JAGMOHAN BANSAL)
JUDGE

May 29, 2026
Deepak DPA

Whether Speaking/reasoned	Yes/No
Whether Reportable	Yes/No