



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

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**LPA-1446-2017 (O&M)
Decided on : 23.03.2026**

INDUSIND BANK LTD. AND ORS

...Appellants

Versus

KULDEEP SINGH AND ANR

... Respondents

**CORAM: HON'BLE MR. JUSTICE HARSIMRAN SINGH SETHI
HON'BLE MR. JUSTICE VIKAS SURI**

PRESENT: Mr. Nitesh Kant Goyal, Advocate for
Mr. A. S. Virk, Advocate for the appellant.

Mr. Sumer Brar, Advocate for
Mr. Hakikat Singh Grewal, Advocate for respondent No. 1.

HARSIMRAN SINGH SETHI , J. (Oral)

1. In the present appeal, the challenge is to the impugned order dated 17.05.2017 passed in CWP-10586-2017 by the learned Single Judge, by which, the award dated 15.02.2017 passed by the Permanent Lok Adalat, (PUS), SBS Nagar, directing the petitioners/appellant herein to pay a compensation of Rs.1,00,000/- to respondent No. 1 within a period of 45 days failing, interest @ 8% per annum had to be paid from the date of institution till payment, was upheld.

2. Learned counsel for the appellants submits that respondent No. 1 had taken a loan of Rs. 9,52,500/- from the appellant Bank to purchase a

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truck (Tata LP Truck bearing registration No. PB-32-P-0462). The said loan was not repaid in full by respondent No. 1, and ultimately, the truck was repossessed by the appellant-Bank and subsequently resold and that too as per the permission granted by the Court. It is contended that no act beyond the jurisdiction of the appellants was performed so as to invite the payment of compensation as ordered by respondent No. 2-Permanent Lok Adalat vide order dated 15.02.2017, especially when the Permanent Lok Adalat (PUS), SBS Nagar, vide order dated 23.02.2016, had permitted to impound and sell the said vehicle. ,

3. On the other hand, learned counsel for the respondents submits that no liability remains to be discharged by respondent No. 1. However, despite this, the appellant-Bank was demanding an outstanding sum of Rs. 1,71,561/- upto 15.12.2016, , which was unjustified by the appellant-Bank. Learned counsel for the respondents further submits that, in order to compensate for the physical and mental harassment caused, the Permanent Lok Adalat (PUS), SBS Nagar, awarded a sum of Rs.1,00,000/- vide award dated 15.02.2017, which has rightly been upheld by the learned Single Judge while passing the impugned order dated 17.05.2017.

4. We have heard learned counsel for the parties and have gone through the case file with their able assistance.

5. It may be noted that neither the Permanent Lok Adalat (PUS), SBS Nagar nor the learned Single Judge has recorded any finding as to how much amount was taken as a loan by respondent No. 1 for purchasing the truck and how the same was repaid by respondent No. 1.

6. Furthermore, nothing has been brought on record to show that,

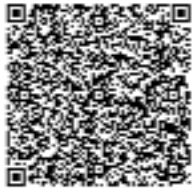
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even after the sale of the vehicle in question, all dues payable to the appellant stood fully adjusted. Rather, as per the order dated 23.02.2016, the Permanent Lok Adalat recorded a finding that an amount of Rs. 8,31,938/- was outstanding against respondent No. 1, which he had undertaken to pay, but the said order was not complied with. Consequently, the vehicle in question was permitted to be sold by the Permanent Lok Adalat (PUS), SBS Nagar vide order dated 23.02.2016, and the same was sold for Rs. 6,60,000/- after getting the valuation report. Hence, the outstanding amount was more as compared the amount realized by the sale of the vehicle in question.

7. Further, it may be noticed that a mere demand of an amount which a person is liable to pay, does not amount to any kind of harassment unless and until a finding is recorded to the effect that such demand is incorrect or beyond jurisdiction and no such finding has been recorded either by the Permanent Lok Adalat or by the learned Single Judge in the present case. Therefore, imposing a compensation of Rs. 1,00,000/- for harassment without giving a clear finding to the same effect, is not justified.

8. Accordingly, the orders dated 17.05.2017 passed by the learned Single Judge and dated 15.02.2017 passed by the Permanent Lok Adalat cannot be sustained, as no findings have been recorded by the courts below regarding the complete discharge of liability fastened upon the respondent No. 1.

9. Keeping in view the above, the orders dated 17.05.2017 passed by the learned Single Judge and dated 15.02.2017 passed by the Permanent Lok Adalat, directing the compensation of Rs. 1,00,000/- to be paid to the respondent cannot be sustained in the eyes of law and accordingly, the same



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are hereby set-aside.

- 10. The present appeal is allowed.
- 11. Pending civil miscellaneous application(s), if any, stand disposed of.

(HARSIMRAN SINGH SETHI)
JUDGE

(VIKAS SURI)
JUDGE

23.03.2026

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Whether speaking/reasoned: Yes/~~No~~
Whether Reportable: ~~Yes~~/No