



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

RSA-5525-2015 (O&M)

Date of decision : 17.09.2025

The Sangrur District Cooperative Milk
Producers Union

..... Appellant

Versus

Amar Nath, deceased thr LRs

..... Respondent

CORAM : HON'BLE MR.JUSTICE PANKAJ JAIN

Present :- Mr. Arun Gosain, Advocate
for the appellant.

Mr. Gaurav, Advocate for
Mr. P.S.Sekhon, Advocate
for the respondent.

PANKAJ JAIN, J. (ORAL)

1 Defendant is in second appeal. For convenience parties hereinafter are referred to by their original position in the suit i.e. the appellant as defendant and the respondent as plaintiff.

2 Plaintiff filed suit seeking recovery of amount of Rs.70,000/-, including Rs.10,000/- deposited by the plaintiff with defendant as security amount. Rs.35,000/- as carriage charges for milk from the period 21.12.2005 to 26.01.2006 and Rs.25,000/- on account of damages suffered by the plaintiff.

3 Plaintiff claimed that he was hired by way of agreement for carrying milk of BMC Jhaneri. Vide agreement dated 29.08.2005 the parties agreed to certain conditions as per which the plaintiff deposited Rs.10,000/-



as security with the defendant. The agreement was for the period commencing from 21.08.2005 till 30.06.2006. Defendant without assigning any reason, cancelled the agreement and stopped the plaintiff from carrying milk w.e.f. 26.01.2006. No prior notice was given to the plaintiff before terminating the agreement. Plaintiff claims to have suffered a loss of Rs.5,000/- per month. He also claimed arrears of Rs.35,000/- on account of carriage charges of milk from the period 21.12.2005 till 26.01.2006 @5.30 paise per kilometer as agreed.

4 Suit was contested by the defendant. Execution of agreement stands admitted. Deposit of security amount of Rs.10,000/- is also admitted. However, the defendant claims that the agreement with the plaintiff was terminated vide order dated 24.01.2006, keeping in view the interest of the Co-operative societies. There were numerous complaints received against the work of plaintiff. Reliance was placed upon Clause 24-a of the agreement, authorizing General Manager to cancel the agreement.

5 Both the Courts below have decreed the suit filed by the plaintiff holding him entitled to recover an amount of Rs.55,000/- along with interest @ 12% per annum from the date of his entitlement, i.e. 30.06.2006, till the date of decree and @ 6% per annum from the date of decree till actual realization.

6 Counsel for the defendant is not in a position to dispute that Rs.35,000/- are the arrears for the period the plaintiff has admittedly performed his job as per the agreement. Security amount of Rs.10,000/- has been rightly refunded. Rs.10,000/- has been awarded on account of



damages. He admits that there is no dispute with respect to amount of Rs.35,000/- which is the arrear payable to the plaintiff for having worked for the period 21.12.2005 to 26.01.2006 and Rs.10,000/- is the amount of refundable security. The disputed amount is Rs.10,000/- only which has been awarded as damages.

7 Keeping in view the meager disputed amount involved, this Court finds no reason to interfere in the concurrent findings recorded by the Courts below.

8 Finding no merits in the present appeal, the same is ordered to be dismissed.

9 Pending miscellaneous application, if any, also stands disposed off.

17.09.2025
Pooja Sharma-I

(PANKAJ JAIN)
JUDGE

Whether speaking/reasoned:

Yes/No

Whether reportable:

Yes/No