

IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH

CWP No.14724 of 2016

Date of decision: 30.09.2016

Premium Acres Infrastructure Private Limited and another

... Petitioners

Vs.

Permanent Lok Adalat (Public Utility Service), Mohali and others

... Respondents

CORAM: HON'BLE MR. JUSTICE RAMESHWAR SINGH MALIK

Present: Mr. M.S. Saini, Advocate
for the petitioners.

RAMESHWAR SINGH MALIK, J. (ORAL)

Present writ petition is directed against the award dated 18.01.2016 (Annexure P-8) passed by the learned Permanent Lok Adalat (Public Utility Services), SAS Nagar (Mohali), whereby application moved by respondents No.2 and 3 under Section 22-C of the Legal Services Authority Act, 1987 (for short 'the Act') was allowed on merits, directing the petitioners to refund the amount of respondents No.2 and 3 along with interest and also to pay compensation.

Heard learned counsel for the petitioners.

It has gone undisputed before this Court that petitioners were intending to raise construction of residential flats. Respondents No.2 and 3, hereinafter called as the applicants, paid an amount of Rs.18.90 lacs to the petitioners from time to time, as per the terms of agreement between the parties, towards the cost of flat on the ground floor. Its plot number was 2101 measuring

192 square yards in Sector 110, Mohali. The total sale consideration was Rs.35,81,800/-. As per the terms and conditions of agreement, petitioners were to deliver the possession of the constructed flat to the applicants on or before 03.08.2013. In case, the petitioners would fail to hand over the possession upto the agreed date i.e. 03.08.2013, they would pay an amount of Rs.7,000/- per month, on account of default on their part. It is also a matter of record that petitioners did not hand over the possession to the applicants upto the agreed date, despite the fact that the applicants, respondents No.1 and 2 herein, had already made the payment of Rs.18.90 lacs to the petitioners, out of the total sale consideration.

Under the abovesaid circumstances, applicants were left with no other option except to move the application under Section 22-C of the Act, before the learned Permanent Lok Adalat (Public Utility Services)-respondent No.1. During the course of proceedings, learned Permanent Lok Adalat, after framing the appropriate terms for possible settlement, supplied the same to both the parties for their consideration under Section 22-C (7) of the Act.

Relevant para 8 of the impugned award, in this regard, reads as under:-

“After the close of the evidence by both the parties and going through the application, reply filed by the respondents and the evidence adduced by the parties, there existed an element of settlement in these proceedings which may be acceptable to the parties and following terms of settlement were framed on 10.4.2015: -

1. Whether the respondents have completed the construction

within the agreed period?

2. Whether the applicants are entitled to Rs.18,90,000/- from the respondents with interest @18% p.a. and Rs.1,00,000/- as compensation on account of harassment and mental agony with Rs.25,000/- as cost of litigation?

3. Whether the applicant was given opportunities for taking possession by respondents No.1 & 2?

4. Whether the conduct of respondent No.4 has any adverse effect on the rights of the applicants?

A copy of terms of possible settlement was supplied to the parties for their consideration. The parties were told that if they reach an agreement they shall sign the settlement agreement on the basis of which award would be passed. During the course of proceedings efforts were made to persuade the parties for settlement but parties failed to reach a settlement and this Adalat was left with no alternative but to decide the case on merits as envisaged under sub section (8) of Section 22-C of the Act. Even otherwise compliance of sub sections (2) to (7) of section 22-C is fully made out in this case.”

The primary contention raised by learned counsel for the petitioners before this Court was that the learned Permanent Lok Adalat did not follow the procedure provided under Section 22-C (7) of the Act, which requires formulation of terms of a possible settlement. He submits that in such a situation, learned Permanent Lok Adalat would not have any jurisdiction to decide the case on merits. However, a bare reading of the abovesaid para 8 of the impugned

order would show that the contention raised by learned counsel for the petitioners was factually incorrect and contrary to the record, which has not been found worth acceptance and the impugned award deserves to be upheld.

The abovesaid view taken by this Court also finds support from the judgment of the Hon'ble Supreme Court in **Inter Globe Aviation Ltd. Vs. N. Satchidanand, 2011 (7) SCC 463** and the judgment of this Court in **Punjab State Power Corporation Limited Vs. Mahinder Singh and others, MANU/PH/3047/2015**. The observations made by this Court in para Nos.6 to 15 of its judgment in **Mahinder Singh's** case (supra), which can be gainfully followed in the present case, read as under: -

“The concept of Lok Adalat (People's Court) is ancient innovative Indian contribution towards “jurisprudence”. The word “Lok” stands for people and “Adalat” stands for Court. India has a long tradition and history of settling the disputes in the society at grassroot level. Disputes settling process was known as “Panchayat”. The justice in Panchayat was dispensed summarily without too much emphasis on legal technicalities. Ancient concept of settlement of disputes by way of mediation, negotiation and settlement has been conceptualized and institutionalized in the philosophy of Lok Adalat as a result of this evolution of the Lok Adalat as an alternative disputes resolution system has now become a part of the strategy which gives respite to the overburdened judicial Courts keeping in view the gigantic pendency of cases. Lok Adalat not only gives speedy justice to the parties but enmity of the parties is also shunned away by amicable resolution of their

disputes.

Article 39-A was inserted in the Constitution of India directing the Government to enact free legal aid scheme. With a purpose to accelerate legal aid movement, the Legal Services Authority Act, 1987 (hereinafter referred to as 'the Act') was enacted by the Government. A perusal of the Act reveals that Chapter VI of the Act deals with holding of Lok Adalats. According to Sections 19, 20 and 21 of the Act pending disputes yet to arrive at the Courts can be settled in Lok Adalat. Section 21 of the Act provides to refund the court fee to the parties. Chapter VIA of the Act provides mechanism for pre-litigation, conciliation and settlement. This Chapter has been added by amendment to the Act in the year 2002.

It would be appropriate to refer to the statement of objects and reasons of 2002 Amendment Act, which inter alia reads as under: -

"(1) The Legal Services Authorities Act, 1987 was enacted to constitute legal services authorities for providing free and competent legal services to the weaker sections of the society to ensure that opportunities for securing justice were not denied to any citizen by reason of economic or other disabilities and to organise Lok Adalats to ensure that the operation of the legal system promoted justice on a basis of equal opportunity. The system of Lok Adalat, which is an innovative mechanism for alternate dispute resolution, has

proved effective for resolving disputes in a spirit of conciliation outside the courts.

(2) However, the major drawback in the existing scheme of organisation of the Lok Adalats under Chapter VI of the said Act is that the system of Lok Adalats is mainly based on compromise or settlement between the parties. If the parties do not arrive at any compromise or settlement, the case is either returned to the court of law or the parties are advised to seek remedy in a court of law. This causes unnecessary delay in the dispensation of justice. If Lok Adalats are given power to decide the cases on merits in case parties fail to arrive at any compromise or settlement, this problem can be tackled to a great extent. Further, the cases which arise in relation to public utility services such as Mahanagar Telephone Nigam Limited, Delhi Vidyut Board, etc. need to be settled urgently so that people get justice without delay even at pre-litigation stage and thus most of the petty cases which ought not to go in the regular courts would be settled at the pre-litigation stage itself which would result in reducing the workload of the regular courts to a great extent. It is, therefore, proposed to amend the Legal Services Authorities Act, 1987 to set up Permanent Lok Adalats for providing compulsory pre-litigative mechanism for conciliation and settlement of cases relating to public utility services.

(3) The salient features of proposed legislation are as

follows:

(i) to provide for the establishment of Permanent Lok Adalats which shall consist of a Chairman who is or has been a District Judge or Additional District Judge or has held judicial officer higher in rank than that of the District Judge and two other persons having adequate experience in public utility services;

(ii) the Permanent Lok Adalat shall exercise jurisdiction in respect of one or more public utility services such as transport services of passengers or goods by air, road and water, postal, telegraph or telephone services, supply of power, light or water to the public by any establishment, public conservancy or sanitation, services in hospitals or dispensaries, and insurance services;

(iii) the pecuniary jurisdiction of the Permanent Lok Adalat shall be up to rupees ten lakhs. However, the Central Government may increase the said pecuniary jurisdiction from time to time. It shall have no jurisdiction in respect of any matter relating to an offence not compoundable under any law;

(iv) it also provides that before the dispute is brought before any court, any party to the dispute may make an application to the Permanent Lok Adalat for settlement of the dispute;

(v) where it appears to the Permanent Lok Adalat that

there exist elements of a settlement, which may be acceptable to the parties, it shall formulate the terms of a possible settlement and submit them to the parties for their observations and in case the parties reach an agreement, the Permanent Lok Adalat shall pass an award in terms thereof. In case parties to the dispute fail to reach an agreement, the Permanent Lok Adalat shall decide the dispute on merits; and

(vi) every award made by the Permanent Lok Adalat shall be final and binding on all the parties thereto and shall be by a majority of the persons constituting the Permanent Lok Adalat."

From the perusal of statement of objects and reasons mentioned above, it is crystal clear that Chapter VI-A has been introduced in the Act for establishment of PLAPUS to eradicate the drawbacks in the scheme of organization of Lok Adalat under Chapter VI. Reading of Chapter VI makes it clear that Lok Adalat established under Section 19 of the Act is to decide the cases on the basis of compromise and settlement between the parties. If the parties do not arrive at any compromise or settlement, the case is to be returned to the Court of law or the parties were advised to take recourse in accordance with law. This caused delay in dispensation of justice, therefore, it was felt necessary to give power to the Lok Adalat to decide the cases on merits in the event of parties failing to arrive at any compromise or settlement. It was further considered

necessary that cases which arise in relation to public utility services should be decided by Lok Adalat.

Sections 22A to 22E contained in Chapter VI-A of the Act at the relevant time, which were added for the purpose of disposal of cases at pre-litigation stage on conciliation and mutual settlement, read as under: -

“22A. Definitions. - In this Chapter and for the purposes of sections 22 and 23, unless the context otherwise requires, -

(a) "Permanent Lok Adalat" means a Permanent Lok Adalat established under sub-section (1) of section 22B;

(b) "public utility service" means any -

(i) transport service for the carriage of passengers or goods by air, road or water; or

(ii) postal, telegraph or telephone service; or

(iii) supply of power, light or water to the public by any establishment; or

(iv) system of public conservancy or sanitation; or

(v) service in hospital or dispensary; or

(vi) insurance service, and includes any service which the Central Government or the State Government, as the case may be, may, in the public interest, by notification, declare to be a public utility service for the purposes of this Chapter.

22B. Establishment of permanent Lok Adalats. – (1)

Notwithstanding anything contained in section 19, the Central Authority, or as the case may be, every State Authority shall, by notification, establish Permanent Lok Adalats at such places and for exercising such jurisdiction in respect of one or more public utility services and for such areas as may be specified in the notification.

(2) Every Permanent Lok Adalat established for an area notified under subsection

(1) shall consist of -

(a) a person who is, or has been district judge or additional district judge or has held judicial office higher in rank than that of a district judge, shall be the Chairman of the Permanent Lok Adalat; and

(b) two other persons having adequate experience in public utility service to be nominated by the Central Government or, as the case may be, the State Government on the recommendation of the Central Authority or, as the case may be, the State Authority, appointed by the Central Authority or, as the case may be, the State Authority, establishing such Permanent Lok Adalat and the other terms and conditions of the appointment of the Chairman and other persons referred to in clause (b) shall be such as may be prescribed by the Central Government.

22C. Cognizance of cases by Permanent Lok Adalat. - (1) Any party to a dispute may, before the dispute is brought before any court,

make an application to the Permanent Lok Adalat for the settlement of dispute:

Provided that the Permanent Lok Adalat shall not have jurisdiction in respect of any matter relating to an offence not compoundable under any law:

Provided further that the Permanent Lok Adalat shall also not have jurisdiction in the matter where the value of the property in dispute exceeds twenty five lakh rupees.

Provided also that the Central Government, may, by notification, increase the limit of twenty five lakh rupees specified in the second proviso in consultation with the Central Authority.

(2) After an application is made under sub-section (1) to the Permanent Lok Adalat, no party to that application shall invoke jurisdiction of any court in the same dispute.

(3) Where an application is made to a Permanent Lok Adalat under sub-section (1) it:

(a) Shall direct each party to the application to file before it a written statement, stating therein the facts and nature of dispute under the application, points or issues in such dispute and grounds relied in support of, or in opposition to, such points or issues, as the case may be, and such party may supplement such statement with any document and other evidence which such party deems appropriate in proof of such facts and grounds and shall send a copy of such

statement together with a copy of such document and other evidence, if any, to each of the parties to the application;

(b) may require any party to the application to file additional statement before it at any stage of the conciliation proceedings;

(c) shall communicate any document or statement received by it from any party to the application to the other party, to enable such other party to present reply thereto.

(4) When statement, additional statement and reply, if any, have been filed under sub-section (3), to the satisfaction of the Permanent Lok Adalat, it shall conduct conciliation proceedings between the parties to the application in such manner as it thinks appropriate taking into account the circumstances of the dispute.

(5) The Permanent Lok Adalat shall, during conduct of conciliation proceedings under sub-section (4), assist the parties in their attempt to reach an amicable settlement of the dispute in an independent and impartial manner.

(6) It shall be the duty of every party to the application to cooperate in good faith with the Permanent Lok Adalat in conciliation of the dispute relating to the application and to comply with the direction of the Permanent Lok Adalat to produce evidence and other related documents before it.

(7) When a Permanent Lok Adalat, in the aforesaid conciliation proceedings, is of opinion that there exist elements of settlement in such proceedings which may be acceptable to the parties, it may

formulate the terms of a possible settlement of the dispute and give to the parties concerned for their observations and in case the parties reach at an agreement on the settlement of the dispute, they shall sign the settlement agreement and the Permanent Lok Adalat shall pass an award in terms thereof and furnish a copy of the same to each of the parties concerned.

(8) Where the parties fail to reach at an agreement under subsection (7), the Permanent Lok Adalat shall, if the dispute does not relate to any offence, decide the dispute.

22D. Procedure of Permanent Lok Adalat. - The Permanent Lok Adalat shall, while conducting conciliation proceedings or deciding a dispute on merit under this Act, be guided by the principles of natural justice, objectivity, fair play, equity and other principles of justice, and shall not be bound by the Code of Civil Procedure, 1908 and the Indian Evidence Act, 1872.

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.”

The paramount consideration for Lok Adalat and PLAPUS is to settle the dispute between the parties amicably in order to avoid prolonged litigation amongst the parties in a traditional way. So far PLAPUS is concerned, the settlement of dispute between the parties in the matter of public utility services is the essence of Permanent Lok Adalat (PLA). Therefore, Section 22-C of the Act postulates that any party to a dispute may, before the dispute is brought before any Court, make an application to the PLA for settlement of the dispute. "Settlement" means determination of legal proceeding by mutual consent. "Compromise" means settlement of differences by mutual concessions. In cases relating to public utility services, where parties fail to reach any settlement, PLAPUS is empowered under Section 22-C (8) of the Act to pass appropriate order while deciding the dispute between the parties after giving reasonable opportunity of hearing to the parties and following principles of fair play and natural justice.

It would be appropriate to refer to the decision of the Hon'ble Supreme Court in Interglobe Aviation Limited v. N. Satchidanand, (2011) 7 SCC 463 wherein it has been held as under: -

"26.....Each and every provision of Chapter VI-A of the LSA Act

emphasises that the Permanent Lok Adalat is a Special Tribunal which is not a "court". As noted above, Section 22-C of the LSA Act provides for an application to the Permanent Lok Adalat in regard to a dispute before the dispute is brought before any court and that after an application is made to the Permanent Lok Adalat, no party to the application shall invoke the jurisdiction of any court in the same dispute, thereby making it clear that Permanent Lok Adalat is distinct and different from a court.

27. The nature of proceedings before the Permanent Lok Adalat is initially a conciliation which is non- adjudicatory in nature. Only if the parties fail to reach an agreement by conciliation, the Permanent Lok Adalat mutates into an adjudicatory body, by deciding the dispute. In short, the procedure adopted by the Permanent Lok Adalats is what is popularly known as "CON-ARB" (that is, "conciliation-cumarbitration") in the United States, where the parties can approach a neutral third party or authority for conciliation and if the conciliation fails, authorise such neutral third party or authority to decide the dispute itself, such decision being final and binding. The concept of "CON-ARB" before a Permanent Lok Adalat is completely different from the concept of judicial adjudication by the courts governed by the Code of Civil Procedure. The Permanent Lok Adalat not being a "court", the provision in the contract relating to exclusivity of jurisdiction of courts at Delhi will not apply.

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32. We may also at this juncture refer to the confusion caused on account of the term Permanent Lok Adalat being used to describe two different types of Lok Adalats. The LSA Act refers to two types of Lok Adalats. The first is a Lok Adalat constituted under Section 19 of the Act which has no adjudicatory functions or powers and which discharges purely conciliatory functions. The second is a Permanent Lok Adalat established under Section 22-B(1) of the LSA Act to exercise jurisdiction in respect of public utility services, having both conciliatory and adjudicatory functions. The expression "Permanent Lok Adalat" should refer only to Permanent Lok Adalats established under Section 22-B(1) of the LSA Act and not to the Lok Adalats constituted under Section 19. However, in many States, when Lok Adalats are constituted under Section 19 of the LSA Act for regular or continuous sittings (as contrasted from periodical sittings), they are also called as Permanent Lok Adalats even though they do not have adjudicatory functions.

33. In **LIC v. Suresh Kumar** this Court observed:

"It is needless to state that Permanent Lok Adalat has no jurisdiction or authority vested in it to decide any lis, as such, between the parties even where the attempt to arrive at an agreed settlement between the parties has failed."

The said decision refers to such a "Permanent Lok Adalat" organised under Section 19 of the Act and should not be confused with Permanent Lok Adalats constituted under Section 22-B(1) of the Act. To avoid confusion, the State Legal Services Authorities and

the High Courts may ensure that Lok Adalats other than the Permanent Lok Adalats established under Section 22- B(1) of the Act in regard to public utility services, are not described as Permanent Lok Adalats. One way of avoiding the confusion is to refer to the Lok Adalats constituted under Section 19 of the Act on a regular or permanent basis as "Continuous Lok Adalats". Be that as it may."

Section 22D of the Act prescribes that PLA while conducting conciliation proceedings or deciding a dispute on merit shall be guided by the principles of natural justice, objectivity, fairplay and equity and other principles of natural justice and shall not be bound by the provisions of the Code of Civil Procedure and the Indian Evidence Act. Section 22E provides that award of PLA made either on merit or in terms of settlement, agreement, shall be final and binding on all the parties and the award shall be deemed to be a decree of Civil Court. Every award by the PLA shall be final and shall not be called in question in any original suit, application or execution proceeding. PLA may transfer any award made by it to a Civil Court having legal jurisdiction and such Civil Court shall execute the order as if a decree or order made by that Court.

From the above, it is amply clear that the PLAPUS has been set up to provide compulsory pre-litigative mechanism for conciliation and settlement in cases relating to public utility services urgently so that people get justice without delay and even at pre-litigation stage.

As per sub-section (4) of Section 22E, every award made by Permanent Lok Adalat under the Act shall be final and shall not be called in question in any original suit, application or execution proceeding.”

It is not in dispute that the applicants made the payment of an amount of Rs.18.90 lacs to the petitioners. It is also not in dispute that the petitioners did not hand over the possession of constructed flat to the applicants upto the agreed date i.e. 03.08.2013. As per the agreement Ex.A2 dated 03.08.2011, executed between the parties, petitioners were under legal obligation to deliver the possession of the constructed flat to the applicants on or before 03.08.2013. As per the statement of account Ex.A3 issued by Union Bank of India, Fatehgarh Sahib Branch, applicants paid an amount of Rs.2.00 lacs on 09.04.2011, Rs.4.30 lacs on 21.05.2011, Rs.3.15 lacs on 29.07.2011, 21.11.2011, 05.03.2012 and 17.08.2012 each, thus, the total amount being Rs.18.90 lacs.

These material facts have gone undisputed on record. A careful reading of the impugned award passed by learned Permanent Lok Adalat-respondent No.1 would make it crystal clear that each and every relevant aspect of the matter was duly considered and appreciated in the correct perspective, before recording cogent findings on all the issues involved between the parties. Since the learned Permanent Lok Adalat has not exceeded its jurisdiction and the impugned award passed by it has been found factually correct and legally justified, the same deserves to be upheld, for this reason also.

The relevant observations made by learned Permanent Lok Adalat in operative part of its award contained in para Nos.17 to 20, which deserve to be noticed here, read as under: -

“Another important aspect of this agreement Ex.A2 is that the respondent agreed with the applicants that in case they committed default in handing over the possession of the flat as per the agreed date i.e. 03.08.2013, the respondents shall indemnify the applicants by making payment of Rs.7,000/- P.M. and this condition is incorporated in clause 9 of the Buyers Agreement Ex.A2 on page No.7 and no such evidence has been produced on record by the respondents they never paid Rs.7,000/- P.M. as delayed charges to the applicants and it proves one fact that in fact it was default of the respondents in violating the terms and conditions of the agreement Ex.A2 and certainly the respondents cannot derive any benefit from their own wrong. During the course of arguments the learned counsel for the respondent have taken up the plea that the jurisdiction of this Adalat is barred in view clause 36 of the agreement Ex.A2 but we wonder how this can take away the jurisdiction because this agreement Ex.A2 was executed at Mohali, the flats were to be built were alleged to be situated in Section 110 in Mohali and the payment was received by the respondents at Mohali from the applicants. Then how it can be said to be a legal agreement to take away the jurisdiction of this Adalat, in fact this clause has simply been incorporated just to play fraud with the applicants, which cannot be accepted being illegal one in fact this Adalat has got every jurisdiction to adjudicate this matter arising out of in connection with this agreement Ex.A2 and this argument of the learned counsel for the respondent is rejected out rightly.

In view of our above discussion it is fully proved on record that the respondents No.1 to 3 practiced unfair trade practice on the applicants by cheating and through misrepresentative and received Rs.18,90,000/- for the construction of flat as agreed vide agreement Ex.A2 in Mohali when the respondents very well knew that no such project under the name of "Courtyard" was to be build by them and they will not deliver possession of the flat to the applicants on the agreed date i.e. 03.08.2013 and still they went on to mislead the applicants to pay sum of Rs.18,90,000/- under the so called construction linked plan and they never paid any compensation to the tune of Rs.7000/- to the applicants after the expiry of date when the possession was to be delivered and as such the application filed by the applicant against respondents No.1 to 3 is liable to succeed.

As far as respondent No.4 is concerned. We have gone through this agreement Ex.A2 we could not lay out hands on any clause of this agreement Ex.A2 from which it could be inferred that respondent no.4 had any part to play in this transaction and simply that if the project courtyard was to be constructed in TDI city, Sector 110, Mohali it cannot be held that TDI is also a party to this transaction and certainly the application of Rohit Gogia Authorized Signatory of respondent No.4 who deposed on oath through affidavit Ex.R1 has to be accepted and certainly the respondent no.4 cannot be held liable for any illegal acts of respondents No.1 to 3 and certainly the application of the applicants against respondent No.4 is dismissed.

In view of our above discussion the applicants have been able to substantiate their case against respondents No.1 to 3 only and as such the application is hereby allowed and respondents No.1 to 3 are directed to refund the amount of Rs.18,90,000/- along with interest @9% P.A. from the date of deposit till realization to the applicants. The respondents No.1 to 3 are further directed to pay Rs.7000/- P.M. to the applicants from 3.9.2013 onwards for each month of delay till realization. The respondents No.1 to 3 are further directed to pay compensation of Rs.1 lac for non-delivery of possession of the flat to the applicants apart from Rs.15000/- as litigation expenses. These amount shall be paid within 45 days failing which the applicants shall also be entitled to recover interest @9% P.A. from the date of receipt of the copy of award till realization. Copy of award be supplied free of costs to the parties. File be consigned to record.”

When confronted with the abovesaid findings recorded and observations made by learned Permanent Lok Adalat, learned counsel for the petitioners had no answer and rightly so, it being a matter of record. Further, no prejudice, of any kind whatsoever, has been pointed out by learned counsel for the petitioners, which might have been caused to the petitioners, by passing the impugned award. Having said that, this Court feels no hesitation to conclude that the impugned award deserves to be upheld, for this reason as well.

It is the settled proposition of law that in case the parties are unable to arrive at an amicable settlement, learned Permanent Lok Adalat would be proceeding on the principles of natural justice, equity and fairplay, while

deciding the lis between the parties on merits. In the present case, it is not even the pleaded or argued case on behalf of the petitioners that they were not granted due opportunity to defend themselves, by producing the relevant material on record. Learned Permanent Lok Adalat has proceeded on a legally justified and factually correct approach, while discussing and appreciating all the relevant factors in the correct perspective, with a view to do complete and substantial justice between the parties. Once the award passed by the learned Permanent Lok Adalat has been found based on such a judicious approach, there would be hardly any scope to interfere at the hands of this Court, while exercising its writ jurisdiction under Articles 226/227 of the Constitution of India, particularly when no prejudice has been shown to have been caused to the petitioners.

No other argument was raised.

Considering the peculiar facts and circumstances of the case noted above, coupled with the reasons aforementioned, this Court is of the considered view that the preset writ petition is wholly misconceived, bereft of merit and without any substance, thus, it must fail. No case for interference has been made out.

Resultantly, with the abovesaid observations made, instant writ petition stands dismissed, however, with no order as to costs.

[RAMESHWAR SINGH MALIK]
JUDGE

30.09.2016
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Whether speaking/reasoned Yes/No

Whether reportable Yes/No