IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

CWP No.13096 of 2021 (O&M)
Date of Decision:19.07.2021

State Bank of India

......Petitioner

Versus

Presiding Officer, National Lok Adalat, Dera Bassi and another

...... Respondents

CORAM:- HON'BLE MRS.JUSTICE LISA GILL

Present: Mr. Mahesh Dheer, Advocate
for the petitioner.

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LISA GILL, J(Oral).

This matter is being taken up for hearing through video conferencing due to outbreak of the pandemic, COVID-19.

Prayer in this writ petition is for quashing order dated 12.12.2020, Annexure P-3, passed by the learned Presiding Officer, National Lok Adalat, Dera Bassi, as well as order dated 02.04.2021, Annexure P-5, passed by the learned Civil Judge (Jr. Division), Dera Bassi.

Brief facts necessary for the adjudication of the matter are that the petitioner-Bank had forwarded a number of cases for settlement before the National Lok Adalat to be conducted on 12.12.2020. Case of respondent no.2, it is submitted was sent along with other cases before the National Lok Adalat, to be considered under One Time Settlement (OTS) Scheme namely 'RINN SAMADHAN 20-21'. Account of respondent no.2, who had obtained Kissan Credit Card (KCC) loan for a sum of Rs.6,00,000/- on 21.06.2018, had been declared Non Performing Asset (NPA) on 19.12.2019.

The matter was settled before the National Lok Adalat on the basis of a compromise arrived at between the parties. Statements of the parties with regard to the settlement were recorded separately and it is specifically noted that both the parties had voluntarily accorded their consent for passing of award in terms of the settlement. Account was settled with respondent no.2, who was bound to pay a sum of Rs. 1,30,000/-. Rs. 1000/- was paid as token money on 12.12.2020 with an undertaking by respondent no.2 that remaining amount would be deposited within one month i.e., by January 2021. Amount in question, was duly deposited by respondent no.2. However, an application under Section 114 CPC, was thereafter moved by the Bank seeking review of award dated 12.12.2020 on the ground that respondent no.2 was in-fact not covered under the scheme in question i.e., 'RINN Samadhan 20-21' and it is only loans up to Rs.3,00,000/- in the agriculture segment which are covered. File of respondent no.2, it is however stated was sent before the Notional Lok Adalat, due to an inadvertent mistake. Deputy Manager of the petitioner-Bank, was not competent to settle the matter with respondent no.2. Therefore, it was prayed that order dated 12.12.2020, Annexure P-3 be set aside.

Application for review of award dated 12.12.2020 was dismissed by the learned Civil Judge (Jr. Division), Dera Bassi, vide impugned order dated 02.04.2021 while observing as under:-

> "Moreover, it is not pleaded by applicant that respondent or any other person on this behalf has committed any fraud with the bank or with the court in order to bring his case for settlement in Lok Adalat. Nothing is pointed out as to under which provision, the case of respondent could not be covered for OTS (one Time Settlement) Scheme. There is nothing pleaded in the application as to how the Award passed in the National Lok Adalat on 12.12.2020 suffers from any patent illegality or was

> passed without any jurisdiction. In such circumstances, in view of the basis nature of the finality of the Award passed in National Lok Adalat as per provision of Section 21 of the Legal Services Authorities Act, 1987 as well as in view of the aforesaid reasons that there is nothing on record to show the patent illegality of the Award or the Award being passed within any jurisdiction, this court is of considered view that no grounds are made out to review the Award dated 12.12.2020 passed in National Lok Adalat. Accordingly, present application under Section 114 CPC for review of Award dated 12.12.2020 is dismissed."

Learned counsel for the petitioner is unable to deny that there is no misleading or concealment of any kind on the part of respondent no.2. The amount as agreed upon, admittedly stands deposited by respondent no.2. Application for review was moved thereafter.

Learned counsel for the petitioner has however urged that, in case, order dated 12.12.2020, is not set aside, it would lead to unnecessary difficulties for the Bank as it would be pressed in service by other loanees/ similarly situated persons to enter into a compromise/settlement, whereas the scheme in question does not permit such a settlement. Needless to say, such apprehension is unfounded as firstly no such instance has been brought to my notice and moreover it is clear that the petitioner-Bank is not bound to further enter into any compromise *de hors* the scheme, if at all. It is clarified that impugned order dated 12.12.2020 shall not be treated as a precedent for any matter not falling within the purview or parameters of the applicable scheme.

However, in the factual matrix, I do not find it just and expedient to call upon respondent no.2 at this stage, for setting aside of Award dated 12.12.2020, Annexure P-3, passed by the National Lok Adalat, Dera Bassi and order dated 02.04.2021, Annexure P-5, passed by the learned

Civil Judge (Jr. Division), Dera Bassi.

Writ petition is accordingly disposed of.

[LISA GILL]
Judge

19.07.2021
s.khan

Whether speaking/reasoned : Yes/No.
Whether reportable : Yes/No.