

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

**101**

**CWP No.22480 of 2020  
Decided on : 22.02.2021**

Haryana Urban Development Authority

... Petitioner

Versus

Jitender Maggu and others

... Respondents

**CORAM : HON'BLE MR.JUSTICE G.S. SANDHAWALIA**

Present: Mr. Anil Chawla, Advocate for the petitioner.

(The proceedings are being conducted through  
video conferencing, as per instructions.)

**G.S. Sandhawalia, J. (Oral)**

**CM-1133-CWP-2021**

Application for placing on record letter dated 11.05.2017 and 11.07.2017 as Annexures P-8 and P-9, is allowed, subject to just exceptions. The same are taken on record. Office to append the same at the appropriate place.

CM stands disposed off.

**Main case**

Challenge in the present writ petition filed under Articles 226/227 of the Constitution of India, is to the order dated 08.05.2019 (Annexure P-7) passed by the Permanent Lok Adalat for Public Utilities Services, Rohtak.

Vide the said order, the complaint filed by the respondent No.1 has been allowed and the petitioner has been directed to refund the sum of Rs.10,55,330/-, which is after deducting 10% of the earnest money. The

needful was to be done within 45 days from the date of the Award, failing which the complainant/respondent No.1 was held entitled for 9% of the interest on the awarded amount from the date of the award till realization of payment.

Counsel for the petitioner has vehemently submitted that as per Clause 4 of the allotment letter dated 09.08.2016 (Annexure P-4), the refusal to accept the allotment letter had to be done within 30 days from the date of allotment letter, failing which the same would stand cancelled without any notice and earnest money deposited by the applicant would be forfeited to the authority. It is, thus, submitted that the application was filed on 24/26.09.2016 (Annexure P-5) beyond the prescribed period and, therefore, it is beyond the period of 30 days. Reference is also made to the application dated 03.10.2016 (Annexure P-6), whereby respondent No.1 wished to retain his allotment.

Resultantly, it is argued that as per Section 22C of the Legal Services Authorities Act, 1987, Permanent Lok Adalat shall not have jurisdiction to entertain the complaint, since the pecuniary jurisdiction is beyond Rs.10 lakhs and, therefore, the complaint should not have been entertained by the Lok Adalat.

The authority in its impugned order while examining the record has come to the conclusion that on 11.05.2017 (Ex.P4), the petitioner/respondent No.1 had been asked to submit the details of his bank account like IFSC Code, crossed Cheque for the necessary refund.

The said action was sought to be recalled on 11.07.2017 (Ex.P5), wherein

it was mentioned that the applicant should appear in person before the said Officer on 20.07.2017 and that he had filed the application after 30 days from the date of allotment letter dated 09.08.2016 (Annexure P-4). It is to be noticed that the said communication also mentioned the fact that the allotment letter had been received back un-delivered and the respondent No.1 had collected the allotment letter personally on 20.09.2016 and thereafter given a request on 24.09.2016. Exs.P4 and P5 have now been taken on record as Annexures P-8 and P-9, in pursuance of the earlier order dated 08.01.2021.

Clause 4 of the allotment letter dated 09.08.2016 (Annexure P-4) reads as under:-

“4. In case you refuse to accept this allotment, you shall communicate your refusal by a registered letter within 30 days from the date of allotment letter, failing which this allotment shall stand cancelled without any notice and earnest money deposited by you, shall be forfeited to the authority and you shall have no claim for the damages.”

It is in pursuance of the allotment letter dated 09.08.2016 (Annexure P-4) the dispute has arisen. It is not disputed that on 24.09.2016 (Annexure P-5), the petitioner had represented that he wanted to surrender his allotment letter due to his family's economic circumstances and prayed for refund of earnest money.

A perusal of letter dated 11.07.2017 (Annexure P-9) would go on to show that allotment letter was received back un-delivered and only was collected on 20.09.2016 in person. It was, thereafter, within 4

days, respondent No.1 had applied that he wanted to surrender the said allotment. It is, thus, apparent that he applied within 30 days. The petitioner-authority initially granted necessary approval to refund the earnest money, which would be clear from communication dated 11.05.2017 (Annexure P-8) and the petitioner was asked to submit details of the bank account and cheque, to refund the amount through online. The change in mind of the authority had come thereafter, for the reasons best known to the authority. Thus, within prescribed period of 30 days the cancellation was sought for. The subsequent action of the respondent No.1 to retain his allotment was never acted upon as such by the petitioner-authority and, therefore, the Lok Adalat was well justified to direct the refund as it was done at the earliest and within the prescribed period of 30 days of receipt, since he got the copy of the allotment letter on 20.09.2016. In such circumstances no fault can be found in the order passed by the Lok Adalat.

The argument raised that the sum of Rs.10 lakhs is the pecuniary jurisdiction is without any basis. As per second proviso of Section 22C of the Act, the Central Government can increase the limit of Ten lakh rupees specified in the second proviso in consultation with the Central Authority. Vide notification dated 20.03.2015 the limit now has been increased to Rs.1 crore and thus no such objection was taken before the authority qua maintainability of the petition regarding pecuniary jurisdiction of the authority in its written statement (Annexure P-9).

Therefore, the argument as such raised by the counsel is mis-conceived

and against the notification which has come about. The same read as under:-

**Section 22C. Cognizance of cases by Permanent LokAdalat**

(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 ten lakh rupees;

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

XXXXXXXXXXXXXX

**“S.O. 803(E).—**In exercise of the powers conferred by the third proviso to sub-section (1) of section 22C of the Legal Services Authorities Act, 1987 (39 of 1987) and in supersession of the Government of India, Ministry of Law and Justice (Department of Legal Affairs) notification number S.O. 2083 (E), dated the 15th September, 2011, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (ii), dated the 15th September, 2011, the Central Government, in consultation with the Central Authority, hereby increases the limit of the value of the property in dispute for the purpose of determining the jurisdiction of Permanent Lok Adalat to "one crore rupees" with effect from the date of publication of this notification in the Official Gazette.”

Thus, no fault as such can be found in the action of the respondent No.3 in directing the refund of the earnest money after

deducting a 10%, on account of the fact that the letter dated 11.05.2017 (Annexure P-8) had not been challenged. Accordingly, there is no merit in the present writ petition and the same is dismissed in limine.

**FEBRUARY 22, 2021**  
*Naveen*

**(G.S. SANDHAWALIA)**  
**JUDGE**

|                            |        |
|----------------------------|--------|
| Whether speaking/reasoned: | Yes/No |
| Whether Reportable:        | Yes/No |