

IN THE HIGH COURT OF ORISSA AT CUTTACK

W.P.(C) No.13317 Of 2022
(Through hybrid mode)

The General Manager, Axis Bank Petitioner
Ltd.

Mr. S.K. Singh, Advocate

-versus-

Amit Kumar Basa Opposite Party

Mr. A.K. Biswal, Advocate

CORAM: JUSTICE ARINDAM SINHA

ORDER
13.07.2022

Order

No.

2.

1. Mr. Singh, learned advocate appears on behalf of petitioner-bank. He submits on reliance of **judgment dated 19th May, 2022 in Civil Appeal no.3872 of 2022 (Canara Bank v. G S Jayarama)** that impugned award dated 14th February, 2022 is liable to and should be set aside as it was made ex-parte against his client.

2. Mr. Biswal, learned advocate appears on behalf of opposite party and submits, ex-parte because inspite of notice petitioner did not cooperate with the Permanent Lok Adalat (PLA) in choosing not to appear before it. He submits, appropriate direction be made for restoration of the matter to the PLA.

3. In paragraph-26 of **Canara Bank** (supra) (Live Law print) the Supreme Court said, inter alia, the PLA based on material before it shall propose terms of settlement and communicate them to both parties, regardless whether they participated in the proceedings. If the party present before the Permanent Lok Adalat does not agree or if the absent party does not respond in a sufficient period of time, only then can the Permanent Lok Adalat adjudicate the dispute on its merits under section 22-C(8) in Legal Services Act, 1987. The Supreme Court went on to say, keeping in mind the principles enshrined in section 22-D, the PLA shall once again notify the absent party of its decision to adjudicate the dispute on its merits, in case it wishes to join the proceedings at that stage.

4. Impugned award is set aside and quashed. The matter is restored to the PLA for attempt at settlement, failing which adjudication. The purpose of notice regarding terms of possible settlement formulated by the PLA stands satisfied since petitioner has impugned the award, in which the terms had been stated. Petitioner is hereby put on notice that it may either still respond to those terms, for settlement or join in the restored proceeding before the PLA for adjudication of the dispute.

5. The dispute appears to be regarding a credit card issued by petitioner to opposite party. Opposite party says the card was never activated. Petitioner in the writ petition has not asserted it was. As such there does not appear to be dispute, atleast on that the card was not activated. This finding is prima facie and petitioner will be entitled to adduce evidence regarding activation of the card, before the PLA.

6. Parties or either of them will produce this order before the PLA, for resuming the proceeding from stage of attempting settlement between the parties and thereafter adjudication, if it fails, in light of directions made above.

7. The writ petition is disposed of.

(Arindam Sinha)
Judge

Sks