

IN THE HIGH COURT OF PUNJAB & HARYANA
AT CHANDIGARH.

Reserved on : 11.10.2022.
Date of Decision: 02.11.2022.

237 CWP-10661-2021 (O&M)

UTTAR HARYANA BIJLI VITRAN NIGAM LTD. AND ORS

... Petitioners

VERSUS

SHYAM LAL AND ANR.

... Respondents

238-1 CWP-10662-2021 (O&M)

UTTAR HARYANA BIJLI VITRAN NIGAM AND ANR

... Petitioners

VERSUS

TARA CHAND AND ANR

... Respondents

238(2) CWP-15864-2021 (O&M)

UTTAR HARYANA BIJLI VITRAN NIGAM AND ANR.

... Petitioners

VERSUS

TILAK RAJ AND ANOTHER

... Respondents

239	CWP-10663-2021 (O&M) UTTAR HARYANA BIJLI VITRAN NIGAM LTD. AND ORS ... Petitioners VERSUS MOHAN SINGH AND ANOTHER ... Respondents
240	CWP-10666-2021 (O&M) UTTAR HARYANA BIJLI VITRAN NIGAM AND ANR ... Petitioners VERSUS TARA CHAND AND ANR ... Respondents
241	CWP-10675-2021 (O&M) UTTAR HARYANA BIJLI VITRAN NIGAM LTD. AND ORS. ... Petitioners VERSUS BALKAR SINGH AND ANOTHER ... Respondents
242	CWP-10697-2021 (O&M) UTTAR HARYANA BIJLI VITRAN NIGAM LTD. AND ORS ... Petitioners VERSUS SURENDER KUMAR AND ANOTHER ... Respondents

243	CWP-11124-2021 (O&M) UTTAR HARYANA BIJLI VITRAN NIGAM LTD. AND ANOTHER ... Petitioners VERSUS JARNAIL SINGH AND ANOTHER ... Respondents
244	CWP-11125-2021 (O&M) UTTAR HARYANA BIJLI VITRAN NIGAM LTD. AND OTHERS ... Petitioners VERSUS SHREE PAL AND ANR ... Respondents
245	CWP-11128-2021 (O&M) UTTAR HARYANA BIJLI VITRAN NIGAM LTD. AND OTHERS ... Petitioners VERSUS AJMER SINGH AND ANOTHER ... Respondents
246	CWP-11132-2021 (O&M) UTTAR HARYANA BIJLI VITRAN NIGAM LTD. AND OTHERS ... Petitioners VERSUS SHYAM LAL AND ANR ... Respondents

252 CWP-19148-2021 (O&M)

UTTAR HARYANA BIJLI VITRAN NIGAM AND ANR

... Petitioners

VERSUS

VISHAL AND ANR

... Respondents

Argued By: Mr. R.S. Longia, Advocate
for the petitioners in all petitions.

Mr. D.K. Sharma, Advocate
for respondent No.1 in CWP-10661-2021 &
CWP-11132-2021,

Mr. Jitender Singh Chahal, Advocate
for respondent No.1 in CWP-10662-2021,
CWP-15864-2021 and CWP-10666-2021.

Mr. Digvijay Singh, Advocate for
Mr. Sanjay Verma, Advocate
for the respondent No.1 in CWP-10697-2021 and
CWP-11125-2021

None for respondents in CWP-10663-2021, CWP-10675-2021
CWP-11124-2021, CWP-11128-2021 & CWP-19148-2021.

VINOD S. BHARDWAJ. J.

The question which arises in the present batch of petitions is as to whether the Permanent Lok Adalat (Public Utility Services) is vested with the power to grant interim order in an application submitted under Section 22-C of the Legal Services Authorities Act, 1987 (hereinafter referred to as 'the Act of 1987')

Learned counsel appearing on behalf of the parties are *ad idem* that as a common question of law arises for determination in the instant batch of petitions, hence, all the cases can be decided by a common order.

For the facility of reference, the facts have been extracted from CWP No.10661 of 2021 titled as 'UTTAR HARYANA BIJLI VITRAN NIGAM LTD. AND ORS. VS. SHYAM LAL AND ANR.'

Briefly summarized, the facts of the instant case are that the Uttar Haryana Bijli Vitran Nigam Limited (hereinafter to be referred as 'UHBVNL') has filed the instant writ petition raising a challenge to the order dated 22.12.2020 (Annexure P-4) passed by the Permanent Lok Adalat (Public Utility Services), Yamuna Nagar, whereby the Permanent Lok Adalat (Public Utility Services) has directed as under:-

“Power of attorney filed. But written statement not filed by respondents. Prayed for adjournment. Allowed. Be filed on 21.01.2021.

In the meanwhile, interim stay is granted till further orders and respondents are directed to restore the electricity connection to the petitioner bearing Account No.Y45BG440190X subject to depositing the 25% of the disputed amount and to pay the routine electricity bill regularly, till further orders.”

As per the case set up in the petition, respondent No.1-applicant Shyam Lal is alleged to not paying the electricity bills and also not allowing the disconnection of the supply of electricity and instead has been resorting to obstructing and threatening the officials of the petitioner - distribution licensee with the help of the members of the Kissan Union. The electricity meter had been declared dead w.e.f. June 2018 and minimum charges were being ascertained and that even the said minimum charges were not being paid. On account of the huge arrears accumulated towards the consumption

charges and accumulated charges thereupon, a bill for a sum of Rs.1,06,689/- was issued to him in the month of October, 2020 for the amount till then. The same was not deposited despite expiry of the last date prescribed therein. Accordingly, a demand notice dated 07.12.2020 (Annexure P-1/B) was served upon him for an amount of Rs.1,09,875/-. The connection was disconnected on 18.12.2020 for failure of respondent No.1 to deposit the outstanding arrears.

That instead of clearing the arrears of bill, respondent No.1-applicant moved an application (Annexure P-2) before the Permanent Lok Adalat (Public Utility Services), Yamuna Nagar, for settlement with the petitioners and also submitted an application for grant of interim injunction alleging that the meter was defective and that he had made an application for settlement under One Time Settlement Scheme as per which he was required to deposit an amount of Rs.18,713/- and had deposited a sum of Rs.4,500/- on 31.01.2019. The balance amount could not be deposited on account of outbreak of Covid – 19 pandemic, however, he was still served with the energy consumption bill in the month of October 2020 and his request for correction of the same was not accepted.

Notice was issued by the Permanent Lok Adalat (Public Utility Services), Yamuna Nagar, to the petitioner distribution licensee on 15.12.2020 requiring them to appear on 21.12.2020. The said summon was delivered on 17.12.2020. The case in question had been adjourned to 22.12.2020. The petitioner distribution licensee appeared before the Permanent Lok Adalat (Public Utility Services), Yamuna Nagar, on 22.12.2020 and sought time to file reply however, while adjourning the case, the petitioner distribution licensee was directed to restore supply of electricity

to the consumer subject to his depositing 25% of the billed amount. It is alleged that the aforesaid interim order had been passed by the Permanent Lok Adalat (Public Utility Services), Yamuna Nagar, without following and complying with the procedure prescribed under Section 22 C (1) and (4) to (7) of the Legal Services Authorities Act, 1987. Respondent No.1-applicant deposited 25% of the billed amount i.e. Rs.27,469/- on 07.01.2021 whereupon the electricity connection was restored on 18.01.2021.

The said order granting interim directions to the petitioner distribution licensee to restore the electricity connection against payment of 25% of the billed amount is impugned in the present petition.

Written statement on behalf of respondent No.1-applicant was filed wherein it was reiterated that the respondent No.1-applicant was regularly paying the electricity bills, however, due to financial crisis, he could not pay the pending bills and requested the petitioner distribution licensee that he is ready to pay the genuine amount in installments. A waiver scheme was launched through Sale Circular No.U-15/2018 dated 20.09.2018 (Annexure R-1) and respondent No.1-applicant being eligible under the said scheme approached the SDO concerned by moving an application for recalculating the defaulted amount. The calculation was carried out and it was found that respondent No.1-applicant was to pay only a sum of Rs.18,713/- and hence amount of Rs.4,500/- was deposited on 31.01.2019. As per the policy, the recalculated amount was to be paid in 12 monthly/6 bi-monthly installments.

That thereafter, respondent No.1-applicant had approached the office of the petitioner - distribution licensee for deposit of the remaining amount of the electricity bill, however, they refused to accept the same and

claimed that now they would be recovering the entire amount without any waiver. He was thus compelled to approach the Permanent Lok Adalat (Public Utility Services), Yamuna Nagar, wherein interim directions were correctly issued.

He contends that he is still ready and willing to repay the recalculated amount and that he has already deposited the amount as directed by the Permanent Lok Adalat (Public Utility Services), Yamuna Nagar.

Learned counsel appearing on behalf of the petitioner has argued the that Permanent Lok Adalat (Public Utility Services), Yamuna Nagar, could not have exercised any power of granting interim injunction as the same is required to be vested in it as per Statute and in the absence of any specific provision, such a jurisdiction cannot be exercised. Reliance is placed on the judgment of **All India Indian Overseas Bank Scheduled Castes and Scheduled Tribes Employees Welfare Association and others Vs. Union of India and others, reported as 1996 (6) SCC 606**, wherein it was held that the National Commission for Scheduled Castes and Scheduled Tribes, is a Civil Court for limited purpose and has not been conferred power to grant injunction. The relevant extract of the said judgment relied upon by the learned counsel appearing on behalf of the petitioner is extracted as under:-

“10. Interestingly, here, in clause 8 of Article 138, the words used are "the Commission shall... have all the powers of the Civil Court trying a suit." But the words "all the powers of a Civil Court" have to be exercised "while investigating any matter referred to in sub-clause (a) or inquiring into any complaint referred to in sub-clause (b) of clause 5". All the procedural powers of a Civil Court are given to the Commission for the purpose of investigating and inquiring into these matters

and that too for that limited purpose only. The powers of a Civil Court of granting injunctions, temporary or permanent, do not inhere in the Commission nor can such a power be inferred or derived from a reading of clause 8 of Article 338 of the Constitution.

11. The Commission having not been specifically granted any power to issue interim injunctions, lacks the authority to issue an order of the type found in the letter dated March 4, 1993. The order itself being bad for want of jurisdiction, all other questions and considerations raised in the appeal are redundant. The High Court was justified in taking the view it did. The appeal is dismissed. No costs.”

He has also placed reliance on the judgment of this Court in **CWP No.17232-2016 titled as “Dalvinder Singh Vs. Permanent Lok Adalat and others,” decided on 09.11.2016.** The relevant extract of the said judgment reads thus:-

“It is needless to mention that the object to enact the Act flows from Article 39 of the Constitution of India which provides that the State shall secure that the operation of the legal system promotes justice on the basis of equal opportunity and shall, in particular, provide free legal aid, by suitable legislation or schemes. The Act was thus enacted to constitute Legal Services Authority to provide free and competent legal service to the weaker sections of the Society and to ensure that opportunities for securing justice are not denied to any citizen by reason of economic or other disabilities and to organise Lok Adalats to secure that the operation of the legal system promotes justice on a basis of equal opportunity. The Act provides for constitution of Lok Adalats and Permanent Lok Adalats. Lok Adalats have been given jurisdiction to decide issues/ disputes between the parties

only on the basis of compromise whereas Chapter VI-A of the Act which deals with the Permanent Lok Adalat which is defined under Section 22-A of the Act and jurisdiction is vested with it to deal with the public utility service which is also defined under Section 22-A(b) of the Act. The constitution of Permanent Lok Adalat is provided under Section 22-B of the Act and the power to have cognizance of the matter presented before it is provided under Section 22-C which is already reproduced hereinabove for ready reference. Section 22-C(1) provides that 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 the dispute which means that no application is maintainable before the Permanent Lok Adalat if any such dispute is already pending before any other Court. It further provides that it would not have any jurisdiction in respect of any matter relating to an offence not compoundable. The pecuniary jurisdiction of the Permanent Lok Adalat is also fixed under the Act and also by way of further notifications issued from time to time. Section 22-C(3) lays down the procedure in respect of the entertainment of an application which is preferred before the Permanent Lok Adalat in which it is specifically provided that the Permanent Lok Adalat would act as a conciliator before the matter is not taken for adjudication on merits i.e. the Permanent Lok Adalat has to make an effort at the pre-stage to decide the dispute between the parties by referring to them various terms of a possible settlement of dispute and if the parties reaches to an agreement on the settlement of the dispute, then their signatures are put on the settlement of the agreement and then the Permanent Lok Adalat would pass an award in terms thereof and provide a copy of the same to each of the party concerned. Once these proceedings are over, the dispute between the parties is stated to be not decided on merits rather it shall be deemed to have been decided by mutual consent with the help of the Permanent Lok Adalat who had formulated the terms of the

possible settlement of the dispute between the parties on the basis of their pleadings but in case where the parties fail to reach to any agreement in terms of Section 22-C(7) then the Permanent Lok Adalat after recording any evidence can decide the dispute and at that time it would convert itself into a Court much less Tribunal and shall deal with the matter after taking evidence from both the parties and after appreciation of the evidence may take a decision one way or the other. Hence, in my considered opinion, the Permanent Lok Adalat does not enjoy any kind of power or jurisdiction to pass a restrained order when it is dealing with the application under Section 22C(3) till 22C(7). Hence, the impugned order passed by the Permanent Lok Adalat is patently devoid of jurisdiction and such an order cannot be allowed to survive and hence the same is hereby set aside. The Registry is directed to send a copy of this order to all the Permanent Lok Adalats functioning in the State of Haryana, UT, Chandigarh for their information and necessary action.

The aforesaid judgment was followed in CWP-15928-2020, titled as “**Avtar Singh and Others Vs. The Managing Director, UHBVNL and others,**” decided on 22.12.2020.

While placing reliance on the aforesaid judgments, it is contended that the adjudicating process can be initiated by the Permanent Lok Adalat (Public Utility Services) only after reconciliation efforts have failed to yield any result and that passing of an interim order would amount to exercising an adjudicatory power. He contends that in the absence of having taken recourse to the process of reconciliation, the impugned order could not have been passed. The Permanent Lok Adalat (Public Utility Services) gets power of adjudication only after the efforts for settlement amongst the parties have failed and not at any point prior thereto. A further

plea has been raised that claim of the respondent No.1-applicant was not based upon any cogent; undisputed and *per se* admissible evidence and there was no possibility for any settlement amongst the parties.

It is further submitted that the Haryana Regulatory Commission (Electricity Supply Code) Regulations, 2014 imposes a complete bar on restoration of electricity connection once a disconnection has been carried out due to non-payment of bill after the due date and as such, Permanent Lok Adalat (Public Utility Services), Yamuna Nagar, ought to have taken into consideration the statutory provisions and ought not to have passed any order that was in derogation of the statutory requirement.

Per contra, learned counsel appearing on behalf of the respondent No.1-applicant has argued that as per the judgment of the Hon'ble Supreme Court in the matter of **C.E. Officer & Vice Chairman, Gujarat Maritime Board Vs. Shri Haji Daud Haji Harun Abu and Two others, reported in 1996 (11) SCC 23**, it has been held that where the substantive power has been conferred upon a Court or Tribunal, all incidental and ancillary powers necessary for what is an effective exercise of the substantive power have to be inferred.

The aforesaid view has been reiterated by the Hon'ble Supreme Court in the matter of **Mardia Chemicals Ltd. etc. Vs. Union of India and others etc. reported in 2004 (4) SCC 311**. The relevant extract of the said judgment reads thus:-

"80. Under the Act in consideration, we find that before taking action a notice of 60 days is required to be given and after the measures under Section 13(4) of the Act have been taken, a mechanism has been provided under Section 17 of the Act to

approach the Debt Recovery Tribunal. The above noted provisions are for the purposes of giving some reasonable protection to the borrower. Viewing the matter in the above perspective, we find what emerges from different provisions of the Act, is as follows :-

1. Under sub-section (2) of Section 13 it is incumbent upon the secured creditor to serve 60 days notice before proceeding to take any of the measures as provided under sub-section (4) of Section 13 of the Act. After service of notice, if the borrower raises any objection or places facts for consideration of the secured creditor, such reply to the notice must be considered with due application of mind and the reasons for not accepting the objections, howsoever brief they may be, must be communicated to the borrower. In connection with this conclusion we have already held a discussion in the earlier part of the judgment. The reasons so communicated shall only be for the purposes of the information/knowledge of the borrower without giving rise to any right to approach the Debt Recovery Tribunal under Section 17 of the Act, at that stage.

2. As already discussed earlier, on measures having been taken under sub-section (4) of Section 13 and before the date of sale/auction of the property it would be open for the borrower to file an appeal (petition) under Section 17 of the Act before the Debt Recovery Tribunal.

3. That the Tribunal in exercise of its ancillary powers shall have jurisdiction to pass any stay/interim order subject to the condition at it may deem fit and proper to impose.

4. In view of the discussion already held on this behalf, we find that the requirement of deposit of 75% of amount claimed before entertaining an appeal (petition) under Section 17 of the Act is an oppressive, onerous and arbitrary condition against all the canons of reasonableness. Such a condition is invalid and it is liable to be struck down.

5. As discussed earlier in this judgment, we find that it will be open to maintain a civil suit in civil court, within the narrow scope and on the limited grounds on which they are permissible, in the matters relating to an English mortgage enforceable without intervention of the court.”

Needless to mention, the aforesaid case dealt with the validity of various provisions of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (for short ‘the SARFAESI Act’) and the main contention challenging the provisions of the Act was that in case Financial Institution had been vested with the arbitrary powers without any guidelines for its exercise and also without providing any appropriate and adequate mechanism to decide the disputes regarding the grievances of the appellant, its validity and the actual amount sought to be recovered from the borrowers.

While examining various aspects of the SARFAESI Act and the provisions enshrined under Section 39 (7) of the SARFAESI Act, the Hon’ble Supreme Court held that the Tribunal shall have all ancillary powers to pass any such interim order subject to conditions as it may deem fit. A further reference is also made to the judgment of the Hon’ble Supreme Court in the matter of **Mangilal Vs. State of Madhya Pradesh, 2004 (2) SCC 447**. The relevant extract of the same reads thus:-

“Even if a statute is silent and there are no positive words in the Act or Rules made thereunder there could be nothing wrong in spelling out the need to hear the parties whose rights and interest are likely to be affected, by the orders that may be passed, and making it a requirement to follow a fair procedure before taking a decision, unless the statute provides otherwise.

The principles of natural justice must be read into unoccupied interstices of the statute, unless there is clear mandate to the contrary. No form or procedure should ever be permitted to exclude the presentation of a litigant's defence or stand. Even in the absence of a provision in procedural laws, power inheres in every Tribunal/Court of a judicial or quasi-judicial character, to adopt modalities necessary to achieve requirements of natural justice and fair play to ensure better and proper discharge of their duties. Procedure is mainly grounded on principles of natural justice irrespective of the extent of its application by express provision in that regard in given situation. It has always been a cherished principle. Where the statute is silent about the observance of the principles of natural justice, such statutory silence is taken to imply compliance with the principles of natural justice where substantial rights of parties are considerably affected. The application of natural justice becomes presumptive, unless found excluded by express words of statute or necessary intendment. (See Swadesi Cotton Mills etc. etc. v. Union of India etc. etc., AIR 1961 SC 818). Its aim is to secure justice or to prevent miscarriage of justice. Principles of natural justice do not supplant the law, but supplement it. These rules operate only in areas not covered by any law validly made. They are means to an end and not an end in themselves. The principles of natural justice have many facets. Two of them are: notice of the case to be met, and opportunity to explain.”

Furthermore, in the matter of **C.E. Officer & Vice Chairman, Gujarat Maritime Board Vs. Shri Haji Daud Haji Harun Abu and Two others, reported in 1996 (11) SCC 23**, the Hon’ble Supreme Court observed as under:-

“12. The jurisdiction of the Commission to entertain and decide complaints necessarily means that where plurality of person claim the same relief, simultaneously disputing each

other's right to claim the said relief, the Commission has the necessary power to adjudicate the rival claims and decide the said dispute also. This power flows from an is incidental and ancillary to the substantive power conferred by Section 21 (a) (i) read with Section 22 which applies sub-sections (4), (5) and (6) of Section 13 to the National Commission as well. It is well-settled that where a substantive power is conferred upon a court or tribunal, all incidental and ancillary powers necessary for an effective exercise of the substantive power have to be inferred. See Khyerbari Tea Company Limited & Another v. State of Assam & others [A.I.R. (1964) S.C. 925 at 935]. The rule as quoted in Craies is "one of the first principles of law with regard to the effect of an enabling act is that a legislature enables something to be done, it gives power at the same time by necessary implication to do everything which is indispensable for the purpose of carrying out the purpose in view."

I have heard the learned counsel appearing on behalf of the respective parties and have gone through the pleadings on the record as well as the judgments relied upon by the learned counsel appearing on behalf of the respective parties.

Before proceeding further, it would be relevant to make a reference to certain provisions of the Legal Services Authorities Act, 1987. The same are extracted hereinafter below:-

“22. Powers of Lok Adalat or Permanent Lok Adalat.—

(1) The Lok Adalat or Permanent Lok Adalat shall, for the purposes of holding any determination under this Act, have the same powers as are vested in a Civil Court under the Code of Civil Procedure, 1908 (5 of 1908), while trying a suit in respect of the following matters, namely:—

- a) the summoning and enforcing the attendance of any witness and examining him on oath;*
- (b) the discovery and production of any document;*
- (c) the reception of evidence on affidavits;*
- (d) the requisitioning of any public record or document or copy of such record or document from any court or office;*
- and*
- (e) such other matters as may be prescribed.*

(2) Without prejudice to the generality of the powers contained in sub-section (1), every 2 Lok Adalat or Permanent Lok Adalat shall have the requisite powers to specify its own procedure for the determination of any dispute coming before it.

(3) All proceedings before a Lok Adalat or Permanent Lok Adalat shall be deemed to be judicial proceedings within the meaning of sections 193, 219 and 228 of the Indian Penal Code (45 of 1860) and every Lok Adalat or Permanent Lok Adalat shall be deemed to be a Civil Court for the purpose of Section 195 and Chapter XXVI of the Code of Criminal Procedure, 1973 (2 of 1974).

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

xxx xxx xxx

(b) “public utility service” means any—

- (i) transport service*
- (ii) Postal, telegraph*
- (iii) supply of power, light or water to the public by any establishment;*
- (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, in the public interest, by notification, declare to be a public utility service for the purposes of this Chapter.

22 C. 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 ten lakh rupees:

Provided also that the Central Government, may by notification, increase the limit often 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 the 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.

22 D. 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 (5 of 1908) and the Indian Evidence Act, 1872 (1 of 1872).*

22 E. 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 legal Services Authorities Act, 1987, vests the same powers as are vested in the Civil Court under the Code of Civil Procedure, 1908 while adjudicating an application and all proceedings before the Permanent Lok Adalat (Public Utility Services) are deemed to be judicial proceedings within the meaning of Indian Penal Code and the Permanent Lok Adalat is deemed to be a Civil Court for the purpose of Section 195 and Chapter XXVI of the Code of Civil Procedure, 1908. Section 22 (2) also empowers the Permanent Lok Adalat to specify its own procedure for determination of any dispute coming before it.

Section 22 D of the Act of 1987, uses certain phrases which are culled out and extracted as under:-

- (i) ***While conducting conciliation proceedings or deciding a dispute on merit***
- (ii) ***be guided by the principles of natural justice,***
- (iii) ***objectivity,***
- (iv) ***fair play,***
- (v) ***equity and***
- (vi) ***other principles of justice.***

The use of the aforesaid language and expressions thus need to be understood in the context of law.

The Legislature has in the aforesaid statutory provision laid down the guiding principles to be followed by the Permanent Lok Adalat (Public Utility Services) while conducting the conciliation proceedings or deciding a dispute and not at the time of conciliation proceedings or at the time of deciding a dispute.

It would also be essential to consider, at this juncture, to assign meaning to the guiding principles that have been prescribed by the Statute. The aforesaid expressions have not been defined in the Act and as such, reference is made to the ordinary meaning.

PRINCIPLES OF NATURAL JUSTICE

The **Black's Law Dictionary**, 10th Edition, defines the words 'Principles of Natural Justice' as under:-

“The principles of natural justice in a simple terms are the minimum standards or guidelines which the authorities should follow in deciding the matters.”

As per the meaning shown in the **Wharton's Law Lexicon**, 15th Edition, the word '*natural justice*' has been explained thus:-

“Natural justice - the aim of the rules of natural justice is to secure justice or to put it negatively to prevent miscarriage of justice. These rules can operate only in areas not covered by any law validly made. In other words they supplant the rules of natural justice which are not embodied rules. What particular rule of natural justice should apply to a certain given case must depend to a great extent on the facts and circumstances of that case, the framework of the law under which the enquiry is held

and the constitution of the Tribunal pointed for the purpose,
A.K. Kraipak Vs. Union of India, AIR 1970 SC 150.”

It would also be essential to consider, at this juncture, to assign meaning to the guiding principles that have been prescribed by the Statute. The aforesaid expressions have not been defined in the Act and as such, reference is made to the ordinary meaning.

The aforesaid principles construe the following aspects:-

- (i) No party should be contemned unheard (*Audi alteram partem*) and
- (ii) No one should be a judge of his or her own cause (*Nemo judex in causa sua*).

The aforesaid principles imply fairness, equity and equality. It also inherently prescribes rule against Bias i.e. to strike out all those acts that may improperly influence a judge in arriving at a decision in a particular case. Hence, if a person, for whatever reason, cannot take an objective decision upon assessment on evaluation of the record, such a decision may be termed as suffering from bias. The said principle has been instrumental in guiding that a person ought not to be a judge of his own cause since justice should not only be done but should manifestly and undoubtedly be also seem to be done. It is, however, not necessary, at this juncture, and for adjudication of the present *lis* to examine as to what necessarily may constitute a bias.

In so far as the principles of *Audi Alteram Partem* are concerned,

a corollary deduced from this rule is *qui aliquid statuerit parte inaudita*

altera, aequum licet dixerit, haud equum fecerit i.e. he who shall decide anything without the other side being heard, although he may have decided right, has not done justice

Thus the necessity of justice not only being done is also equally emphasized by the same being manifestly and undoubtedly be seen to be done.

Furthermore, the Hon'ble Supreme Court has in the matter of **D.K. Yadav Vs. J.M.A Industries Limited, (1993) 3 SCC 259**, held that the principles of natural justice are an integral part of the guarantee and equality assured by Article 14.

It would also be essential to refer to the extract of the judgment of the Hon'ble Supreme Court in the matter of **Automotive Tyre Manufacturers Association Vs. Designated Authority and others, reported as (2011) 2 SCC 258**. The relevant extract is reproduced hereinbelow:-

“77. It is trite that rules of "natural justice" are not embodied rules. The phrase "natural justice" is also not capable of a precise definition. The underlying principle of natural justice, evolved under the common law, is to check arbitrary exercise of power by the State or its functionaries. Therefore, the principle implies a duty to act fairly i.e. fair play in action. In A.K. Kraipak (supra), it was observed that the aim of rules of natural justice is to secure justice or to put it negatively to prevent miscarriage of justice.

78. In Mohinder Singh Gill, (1978) 1 SCC 405, upon consideration of several cases, Krishna Iyer, J. in his inimitable style observed thus:

"48. Once we understand the soul of the rule as fairplay in action -- and it is so -- we must hold that it extends to both the fields. After all, administrative power in a democratic set-up is not allergic to fairness in action and discretionary executive justice cannot degenerate into unilateral injustice. Nor is there ground to be frightened of delay, inconvenience and expense, if natural justice gains access. For fairness itself is a flexible, pragmatic and relative concept, not a rigid, ritualistic or sophisticated abstraction. It is not a bull in a china shop, nor a bee in one's bonnet. Its essence is good conscience in a given situation: nothing more -- but nothing less. The 'exceptions' to the rules of natural justice are a misnomer or rather are but a shorthand form of expressing the idea that in those exclusionary cases nothing unfair can be inferred by not affording an opportunity to present or meet a case. Text-book excerpts and ratios from rulings can be heaped, but they all converge to the same point that audi alteram partem is the justice of the law, without, of course, making law lifeless, absurd, stultifying, self- defeating or plainly contrary to the common sense of the situation."

79. In *Swadeshi Cotton Mills Vs. Union of India*, (1981) 1 SCC 664, R.S. Sarkaria, J., speaking for the majority in a three-Judge Bench, lucidly explained the meaning and scope of the concept of "natural justice". Referring to several decisions, His Lordship observed thus:

"Rules of natural justice are not embodied rules. Being means to an end and not an end in themselves, it is not possible to make an exhaustive catalogue of such rules. But there are two fundamental maxims of natural justice viz. (i) audi alteram partem and (ii) nemo iudex in re sua. The audi alteram partem rule has many facets, two of them being (a) notice of the case to be met; and (b) opportunity

to explain. This rule cannot be sacrificed at the altar of administrative convenience or celerity. The general principle -- as distinguished from an absolute rule of uniform application--seems to be that where a statute does not, in terms, exclude this rule of prior hearing but contemplates a post-decisional hearing amounting to a full review of the original order on merits, then such a statute would be construed as excluding the audi alteram partem rule at the pre-decisional stage. Conversely if the statute conferring the power is silent with regard to the giving of a pre-decisional hearing to the person affected and the administrative decision taken by the authority involves civil consequences of a grave nature, and no full review or appeal on merits against that decision is provided, courts will be extremely reluctant to construe such a statute as excluding the duty of affording even a minimal hearing, shorn of all its formal trappings and dilatory features at the pre-decisional stage, unless, viewed pragmatically, it would paralyse the administrative process or frustrate the need for utmost promptitude. In short, this rule of fair play must not be jettisoned save in very exceptional circumstances where compulsive necessity so demands. The court must make every effort to salvage this cardinal rule to the maximum extent possible, with situational modifications. But, the core of it must, however, remain, namely, that the person affected must have reasonable opportunity of being heard and the hearing must be a genuine hearing and not an empty public relations exercise."

(Emphasis supplied by us)

80. *It is thus, well settled that unless a statutory provision, either specifically or by necessary implication excludes the application of principles of natural justice, because in that event*

the Court would not ignore the legislative mandate, the requirement of giving reasonable opportunity of being heard before an order is made, is generally read into the provisions of a statute, particularly when the order has adverse civil consequences which obviously cover infraction of property, personal rights and material deprivations for the party affected. The principle holds good irrespective of whether the power conferred on a statutory body or Tribunal is administrative or quasi-judicial. It is equally trite that the concept of natural justice can neither be put in a strait-jacket nor is it a general rule of universal application.

81. Undoubtedly, there can be exceptions to the said doctrine. As stated above, the question whether the principle has to be applied or not is to be considered bearing in mind the express language and the basic scheme of the provision conferring the power; the nature of the power conferred and the purpose for which the power is conferred and the final effect of the exercise of that power. It is only upon a consideration of these matters that the question of application of the said principle can be properly determined.”

Also in the matter of **Sahara India (Firm), Lucknow Vs. Commissioner of Income Tax, Central –I and another, reported as (2008) 14 Supreme Court Cases 151**, the Hon’ble Supreme Court dealt with the issue of principles of natural justice and observed as under:-

“14 Before dealing with the rival submissions to determine whether the principles of natural justice demand that an opportunity of hearing should be afforded to an assessee before an order under Section 142 (2A) of the Act is made, we may appreciate the concept of "natural justice" and the principles governing its application.

15 *Rules of "natural justice" are not embodied rules. The phrase "natural justice" is also not capable of a precise definition. The underlying principle of natural justice, evolved under the common law, is to check arbitrary exercise of power by the State or its functionaries. Therefore, the principle implies a duty to act fairly, i.e. fair play in action. As observed by this Court in **A.K. Kraipak & Ors. Vs. Union of India, (1969) 2 SCC 262**, the aim of rules of natural justice is to secure justice or to put it negatively to prevent miscarriage of justice. These rules can operate only in areas not covered by any law validly made. They do not supplant the law but supplement it.*

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17 *Initially, it was the general view that the rules of natural justice would apply only to judicial or quasi-judicial proceedings and not to an administrative action. However, in **State of Orissa Vs. Binapani Dei. AIR 1967 SC 1269**, the distinction between quasi-judicial and administrative decisions was perceptively mitigated and it was held that even an administrative order or decision in matters involving civil consequences, has to be made consistently with the rules of natural justice. Since then the concept of natural justice has made great strides and is invariably read into administrative actions involving civil consequences, unless the statute, conferring power, excludes its application by express language.*

18 *Recently, in **Canara Bank Vs. V.K. Awasthy, (2005) 6 SCC 321**, the concept, scope, history of development and significance of principles of natural justice have been discussed in extenso, with reference to earlier cases on the subject. Inter alia, observing that the principles of natural justice are those rules which have been laid down by the Courts as being the minimum protection of the rights of the individual against the arbitrary procedure that may be adopted by a judicial, quasi-*

judicial and administrative authority while making an order affecting those rights, the Court said:-

“14 Concept of natural justice has undergone a great deal of change in recent years. Rules of natural justice are not rules embodied always expressly in a statute or in rules framed thereunder. They may be implied from the nature of the duty to be performed under a statute. What particular rule of natural justice should be implied and what its context should be in a given case must depend to a great extent on the fact and circumstances of that case, the frame- work of the statute under which the enquiry is held. The old distinction between a judicial act and an administrative act has withered away. Even an administrative order which involves civil consequences must be consistent with the rules of natural justice. The expression 'civil consequences' encompasses infraction of not merely property or personal rights but of civil 'liberties, material deprivations, and non- pecuniary damages. In its wide umbrella comes everything that affects a citizen in his civil life.”

19. Thus, it is trite that unless a statutory provision either specifically or by necessary implication excludes the application of principles of natural justice, because in that event the Court would not ignore the legislative mandate, the requirement of giving reasonable opportunity of being heard before an order is made, is generally read into the provisions of a statute, particularly when the order has adverse civil consequences for the party affected. The principle will hold good irrespective of whether the power conferred on a statutory body or tribunal is administrative or quasi-judicial.

20. We may, however, hasten to add that no general rule of universal application can be laid down as to the applicability of

the principle audi alteram partem, in addition to the language of the provision. Undoubtedly, there can be exceptions to the said doctrine. Therefore, we refrain from giving an exhaustive catalogue of the cases where the said principle should be applied. The question whether the principle has to be applied or not is to be considered bearing in mind the express language and the basic scheme of the provision conferring the power; the nature of the power conferred and the purpose for which the power is conferred and the final effect of the exercise of that power. It is only upon a consideration of all these matters that the question of application of the said principle can be properly determined.”

It is thus evident that the principles of natural justice cannot be embodied in a process of straight jacket definition. The principle has been evolved under the common law to check arbitrary exercise of power by the State or its functionaries and must necessarily reflect fairness in action. There are certain exceptions to the said doctrine, however, the said exceptions need not be explored for adjudication of the controversy in hand.

OBJECTIVITY

The word objectivity has not been defined under the Legal Services Authorities Act, 1987 or the rules framed thereunder.

The Black's Law Dictionary, 10th Edition, defines 'objectivity' as under:-

“Objective - of, relating to, or based on externally verifiable phenomena, as opposed to an individual's perceptions, feelings, or intentions. 2. **Without bias or prejudice; disinterested.**”

As per the meaning shown in the **Chambers 21st Century Dictionary**, the word 'objectivity' has been explained thus:-

“the fact or quality of being objective, especially of considering things without being dependent on, or influenced by, personal opinions or prejudices.”

Objectivity, thus, essentially means that the authority should be impartial and should not allow prejudice, bias, conflict of interests or the influence of any external aid to override its judgment and that the same should be passed on the consideration and evaluation of the evidence free of any such bias or prejudice. It thus necessitates getting rid of bias and requires dispassionate assessment based upon logical reasoning and rational consideration of entire material.

FAIR PLAY

As per the meaning shown in the **Oxford Advanced Learner's Dictionary**, New 7th Edition, the word 'fair play' has been explained thus:-

*“Fair play - the fact of playing a game or **acting honestly, fairly and according to the rules**; used to express approval when sb has done sth that you think is right or reasonable.”*

As per the meaning shown in the **Chambers 21st Century Dictionary**, the word 'fair play' has been explained thus:-

“just treatment.”

Fair play thus requires a standard of fairness which a Court must meet in its assertion of jurisdiction over a defendant together with due process.

The following principles can broadly be said to be basic to determination of fair play:-

- (a) Respect for the Rules
- (b) Respect of the opponent
- (c) Allow participation by all concerned
- (d) To observe self-control; and
- (e) Due respect to the view of the respective parties free of any prejudice or bias.

In the matter of **D.K.Yadav (supra)**, the Hon'ble Supreme Court also considered the aspect of fair play in action. The relevant extract thereof reads thus:-

“12. Therefore, fair play in action requires that the procedure adopted must be just, fair and reasonable. The manner of exercise of the power and its impact on the rights of the person affected would be in conformity with the principles of natural justice. Article 21 clubs life with liberty, dignity of person with means of livelihood without which the glorious content of dignity of person would be reduced to animal existence. When it is interpreted that the colour and content of procedure established by law must be in conformity with the minimum fairness and processual justice, it would relieve legislative callousness despising opportunity of being heard and fair opportunities of defence. Article 14 has a pervasive processual potency and versatile quality, equalitarian in its soul and allergic to discriminatory dictates. Equality is the antithesis of arbitrariness. It is, thereby, conclusively held by this Court that the principles of natural justice are part of Article 14 and the procedure prescribed by law must be just, fair and reasonable.”

From a perusal of the above, for an active fair play, not only should it embody in the assessment and in the evaluation as well as grant of an opportunity to the parties but also in providing a level playing, just and reasonable opportunity to all persons.

EQUITY

Equity again is a phrase that is not legally defined. As per the meaning shown in the **Black's Law Dictionary**, 10th Edition, the word 'equity' has been explained thus:-

*“Equity, - **Fairness; impartiality; evenhanded dealing.** 2. The body of principles constituting what is fair and right.”*

As per the meaning shown in the **Oxford Advanced Learner's Dictionary**, New 7th Edition, the word 'equity' has been explained thus:-

*“Equity - **a system of natural justice allowing a fair judgement in a situation which is not covered by the existing laws.**”*

As per the meaning shown in the **Chambers 21st Century Dictionary**, the word 'equity' has been explained thus:-

*“Equity - **“fair or just conditions or treatment.** 2 law the concept of natural justice, as opposed to common law or statute law, often invoked to support an interpretation, or the complete waiving, of a law.*

While adverting to the doctrine of equity, it may in a technical sense be defined as a portion of natural justice, however, while exercising equity, the Courts have exercised a latitude in stretching it to cover cases not expressly dealt with by law. 'Equity' is loosely used to denote a system of

justice which is administered by a particular Court in a particular case. Equity thus empowers a Court to exercise its judicial discretion in furtherance to interests of justice and to do substantial justice amongst the contesting parties by taking stock of the totality of circumstances. Equity does not suffer a wrong merely for want of a remedy but is to be exercised where a person comes to the Court/Authority with clean hands. It aims to do what ought to be done with an object to fulfilling obligations. Thus, the aforesaid principle cannot be summarized and has to be exercised, only as it cannot remain confined to the strict confines of statutory or proclaimed limitations. The principle answers are accountable to sound judicial conscience and fine judicial discretion.

OTHER PRINCIPLES OF JUSTICE

The phrase 'justice' has been defined in **Black's Law Dictionary**, 10th Edition, as under:-

"Justice -

- 1. The fair treatment of people.*
- 2. The quality of being fair or reasonable.*
- 3. The legal system by which people and their causes are judged; esp., the system used to punish people who have committed crimes.*
- 4. The fair and proper administration of laws."*

Justice would require that those who have caused harm should remedy the consequences of their fault. There can be numerous dimensions of justice. The phrase used being 'other principles of justices,' it would ordinarily also include preventive justice.

The Black's Law Dictionary, 10th Edition, defines "preventive justice" as thus:-

"Preventive justice. Justice intended to protect against probable future misbehavior. Specific types of preventive justice include appointing a receiver or administrator, issuing a restraining order or injunction, and binding over to keep the peace."

It also entails "substantial justice" which is defined as

"Substantial justice. Justice fairly administered according to rules of substantive law, regardless of any procedural errors not affecting the litigant's substantive rights; a fair trial on the merits."

As per the meaning shown in the **Oxford Advanced Learner's Dictionary**, New 7th Edition, the word '**justice**' has been explained thus:-

"the fair treatment of people; the quality of being fair or reasonable."

It is evident that Legislature has consciously used the aforesaid guiding principles for the Permanent Lok Adalat (Public Utility Services), while conducting conciliation proceedings or deciding a dispute on merits.

It is thus to be seen as to what would amount to the stage when such principles have to be kept in mind and as to whether it is to be exercised at any specific stage in the proceedings or would also apply pre and post the stage i.e. conciliation and/or adjudication. The use of the word "while conducting the proceedings" or "deciding a dispute" has to be seen as a continuous process. There is an element of continuity in grammatical form so used in the language of the Statute. Conducting of conciliation proceedings can again be examined from one perspective 'to commence' after the broad conciliation terms have been put to the respective parties and alternatively

may also refer to a stage even prior to reducing the terms of conciliation and offering such terms to the respective parties as even pre-conciliation stage is a part of conducting proceedings of conciliation.

“Proceeding” has been distinguished from procedure and defined in **Black’s Law Dictionary**, 10th Edition, as under:-

“Proceeding -

- 1. The regular and orderly progression of a lawsuit, including all acts and events between the time of commencement and the entry of judgment.*
- 2. Any procedural means for seeking redress from a tribunal or agency.*
- 3. An act or step that is part of a larger action.*
- 4. The business conducted by a court or other official body; a hearing.”*

Ordinarily no such proceeding denotes a regular and orderly prohibition in the business done in the Courts. It is more comprehensive than the word “action” and includes in its general sense all the steps taken or measures adopted in the prosecution or defence of an action including the pleadings and the judgment. As applied to action, the term proceeding may include the following as per Edwin E Bryant, The law of Pleadings under the Code of Civil Procedure, 2nd Edition -

"Proceeding' is a word much used to express the business done in courts. A proceeding in court is an act done by the authority or on direction of the court, express or implied. It is more comprehensive than the word 'action,' but it may include in its general sense all the steps taken or measures adopted in the prosecution or defense of an action, including the pleadings and judgment. As applied to actions, the term 'proceeding' may include

- (1) the institution of the action;*
- (2) the appearance of the defendant;*
- (3) all ancillary or provisional steps, such as arrest, attachment of property, garnishment, injunction, writ of ne exeat;*
- (4) the pleadings;*
- (5) the taking of testimony before trial;*
- (6) all motions made in the action;*
- (7) the trial;*
- (8) the judgment;*
- (9) the execution;*
- (10) proceedings supplementary to execution, in code practice;*
- (11) the taking of the appeal or writ of error;*
- (12) the remittitur, or sending back of the record to the lower court from the appellate or reviewing court;*
- (13) the enforcement of the judgment, or a new trial, as may be directed by the court of last resort."*

As per the meaning shown in the **Oxford Advanced Learner's Dictionary**, New 7th Edition, the word 'proceeding' has been explained thus:-

"the process of using a court to settle a disagreement or to deal with a complaint."

As per the meaning shown in the **Chambers 21st Century Dictionary**, the word 'proceeding' has been explained thus:-

"proceedings - legal action."

It is thus evident that proceedings may include all steps commencing from institution of an action and till its culmination.

Having examined the aforesaid expressions used by the Legislature in Section 22 D of the Act of 1987, the question which comes up for consideration as to whether the Permanent Lok Adalat (Public Utility

Services) would have any power to pass an order which is perceived by the such Lok Adalat to be in furtherance of natural justice, objectivity, equity, fair play and/or other principles of justice can be attempted to be answered.

Once the Legislature has chosen to use the expression “proceedings” instead of defining the stage when such principles are to be the guiding factors for the Permanent Lok Adalat (Public Utility Services), the legislative intent has to be understood and given effect to with the above stated object. In the event the legislative intent would have been restrictive, there was no reason why the Legislature would not have used an appropriate phrase defining the particular stage i.e. “at the stage of conciliation” or “at the stage of adjudication.” It has rather, chosen to vest such wide principles to be exercised judicially and in satisfaction of judicial discretion by the Permanent Lok Adalat (Public Utility Services). The enabling power, which is not confined to be exercise at a stage, would be rendered non-existent in case the interpretation as suggested by the petitioner is accepted. The same would also tend to defeat the object behind the enunciation of the Legal Services Authorities Act, 1987 which is aimed to provide free and competent legal services to the weaker sections of the Society and to ensure that opportunities for securing justice are not denied to any citizen for reasons of economic or other disabilities. The object of the Act being to promote justice on the basis of equal opportunity, such equality of opportunity cannot be made unavailable by construction of Section 22 C of the Act of 1987 in a manner as would not take into consideration the objective of Section 22 D of the Act of 1987.

The judgments of the Coordinate Bench of this Court in the

No.17232 of 2016, decided on 09.11.2016 and Avtar Singh and others Vs. The Managing Director, UHBVNL and others, CWP No.15928 of 2020, decided on 22.12.2020, have not taken into consideration the provisions of Section 22 D of the Act of 1987. Having not taken into consideration the meaning and import of Section 22 D of the Act of 1987, the interpretation of Section 22-C, in my view, would be *per incuriam*. The said precedent would thus not be binding.

Furthermore, the Single Bench of the Hon'ble Rajasthan High Court in CWP-7644 of 2009, titled as Jodhpur Vidhyut Vitran Nigam Ltd. And another Vs. Vijay Kumar and another, decided on 19.08.2009, had upheld the interim order passed by the Permanent Lok Adalat. The relevant part of the said judgment reads thus:-

“The learned counsel for the petitioners has attempted to argue that the Permanent Lok Adalat has no jurisdiction to grant interim relief but such an argument does not merit acceptance particularly when examined in the light of the provisions of Section 22-C and 22-D of the Act. Per Section 22-D the Permanent Lok Adalat, while conducting conciliation proceedings and deciding the dispute on merits, is to be guided by the principles of natural justice, objectivity, fair play, equity, and other principles of justice. Viewed in the light of these provisions and the provisions of Section 22-C of the Act whereby the Permanent Lok Adalat has the power to decide the matter finally, if the said Adalat has found the case, in the given circumstances, fit for grant of interim relief, hardly a case is made out for interference in the writ jurisdiction.”

Considering the aforesaid circumstances, the precedent judgments of various Courts as also the fact that the Hon'ble Supreme Court

has repeatedly held that the Courts/Tribunals would have the ancillary power to grant interim relief including the relief which is in the nature of preventive justice as well as substantive justice, I am of the view that an interpretation as would deny and deprive the power to the Permanent Lok Adalat (Public Utility Services) to grant an interim relief would be based on an incorrect reading and interpretation of Section 22-C of the Act of 1987 when read in harmony with Section 22-D of the legal Services Authorities Act, 1987.

The same now leads to the question as to whether the interim order passed by the Permanent Lok Adalat (Public Utility Services) in the present case was appropriate and ought to have been granted under the given circumstances.

Apparently, the case pleaded by the respondent/applicant No.1 before the Permanent Lok Adalat (Public Utility Services) was on the strength of Sales circular No.U-15/2018 providing for waiver scheme for the One Time Settlement. The claim raised by the respondent/applicant No.1 is that the waiver scheme settled the bill at Rs.18,713/- (Annexure R-2) and that an amount of Rs.4,500/- towards the acceptance of the said claim had been deposited by the respondent/applicant No.1 immediately thereafter. It is also submitted that a sum of Rs.27,469/- has also been deposited by the respondent/applicant No.1 pursuant to the interim order passed by the Permanent Lok Adalat (Public Utility Services), Yamuna Nagar and as such, the total amount deposited exceeds the amount payable under the One Time Settlement (OTS) Scheme.

The exercise of discretion by the Permanent Lok Adalat (Public Utility Services) thus is seemingly based upon the principles of natural justice, objectivity, fair play, equity and other principles of justice. It cannot

be said to be misconceived, in the facts and circumstances of the present case. It would also not be appropriate for this Court to substitute its judicial discretion for the judicial discretion exercised by the Permanent Lok Adalat (Public Utility Services). The present petitions are accordingly dismissed, at this stage. However, taking into consideration the fact that the order in question was passed in the year 2020 and the matter has remained pending with the Permanent Lok Adalat (Public Utility Services) for nearly two years, it would be appropriate to direct Permanent Lok Adalat (Public Utility Services), Yamuna Nagar, to decide the pending applications within a period of six months of the receipt of the certified copy of this order.

November 02, 2022
raj arora

(VINOD S. BHARDWAJ)
JUDGE

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