IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 16.02.2023

CORAM:

THE HONOURABLE MR.JUSTICE **G.K.ILANTHIRAIYAN**

CRP.No.547 of 2019
and CMP.Nos.3627 & 3630 of 2019

N.Rajagopal ... Petitioner

Vs.

The Branch Manager,
HDFC Bank Limited,
No.6, Rajbhavan,
2nd Floor, Brindavan Road,
Fairlands, Salem-10 ... Respondent

PRAYER: Civil Revision petition is filed under Article 227 of the Constitution of India to set aside the Lok Adalat Award dated 23.02.2018 passed by the District Legal Service Authority, Salem in Lok Adalat Case No.1165 of 2018.

For Petitioner : Mr.S.I.Sharu Kumar
for Mr.T.T.Ravichandran

For Respondent : Mr.G.Ashokapathy
for M/s.Pars Associates

ORDER

This civil revision petition has been filed to set aside the Lok Adalat Award dated 23.02.2018 passed by the District Legal Service Authority, Salem in Lok Adalat Case No.1165 of 2018

2. The learned counsel for the petitioner would submit that the petitioner availed loan facility in the HDFC Bank, Krishnagiri Branch for the purpose of buying a tractor in the year 2012 for a sum of Rs.5,00,000/-. It was purchased by means of an agricultural loan availed from the said bank. The bank failed to furnish the copy of the hypothication agreement in respect of the loan account No.80471587 for purchasing the tractor bearing registration No.TN/70J/1204. So far, the petitioner had paid a sum of Rs.6,22,000/- as on 08.10.2016. Thereafter, the petitioner could not repay the loan amount. Therefore, the respondent approached District Legal Service Authority, Salem. The respondent had misrepresented before the District Legal Service Authority, Salem and had submitted that as if settlement between the petitioner and the respondent and the settled amount at Rs.1,70,000/- and a sum of Rs.20,000/- was paid immediately and further directed to pay further sum of Rs.1,50,000/- in six instalments of Rs.25,000/- each from 23.03.2018 to 30.09.2018. There was further direction that if the petitioner failed to pay, the respondent is at liberty to proceed as against the hypothecate property. His signature was obtained in the award by the respondent, for which the petitioner was not informed anything about the award. Since he is poor illiterate, he has not known anything about the Lok Adalat award. Therefore, the petitioner is not liable to pay a sum of Rs.1,70,000/-. While being so, again on 09.06.2018, the

petitioner received a legal notice dated 09.06.2018 as if the petitioner in arrear of Rs.2,20,387/-, if not paid legal action will be taken against the petitioner. It is also followed by another notice dated 14.07.2018. All the notices were promptly replied by the petitioner through his counsel dated 25.07.2018 stating that the said legal notices were issued without even whispering about the Lok Adalat award and that too from various branches. The petitioner availed loan from Krishnagiri Branch and no loan was availed from the respondent branch. Therefore, the award itself is liable to be set aside since it is a clear abuse of process of law.

2.1 In support of his contention, he also relied upon the judgment of the Hon'ble Supreme Court of India in the case of ***State of Punjab and another Vs. Jalour Singh and others*** reported in ***(2008) 2 SCC 660,*** in which the Hon'ble Supreme Court of India held that where an award is made by the Lok Adalat in terms of a settlement arrived at between the parties, it becomes final and binding on the parties to the settlement and becomes executable as if it is a decree of a civil court, and no appeal lies against it to any court. If any party wants to challenge such an award based on settlement, it can be done only by filing a petition under Article 226 and / or 227 of Constitution of India, that too on very limited grounds.

3. Heard, the learned counsel appearing on either side.

4. The above judgment is not applicable to the case on hand since it is settled law challenging the award under Article 226 or 227 of the Constitution of India since no appeal remedy is available. In the case on hand, admittedly the petitioner availed loan from the respondent bank at Krishnagiri branch. He had committed default of repayment of the loan amount. Therefore, the respondent initiated proceedings before the Lok Adalat, Salem since the respondent is situated at Salem within the jurisdiction of District Legal Service Authority, Salem. The petitioner was issued notice and he had appeared before the Lok Adalat. He agreed for a sum of Rs.1,70,000/-. On the date of award, he had paid Rs.20,000/- and remaining amount of Rs.1,50,000/- to be paid by six months. Admittedly, he did not pay any single instalment thereafter. While being so, insofar as the other loan accounts, notices were issued to the petitioner. Those notices are not connected with the present loan account. Even assuming that the said notices are pertaining to the present loan account, even as per the Lok Adalat award, if the petitioner failed to pay amount as per settlement arrived at before the Lok Adalat, the respondent is at liberty to take

appropriate action as against the petitioner. Therefore, this Court finds no infirmity or irregularity in the award passed by the Lok Adalat and award dated 23.02.2018 becomes final and it is hereby confirmed.

5. In view of the above, this civil revision petition is nothing but clear abuse of process of law and the same is liable to be dismissed. Accordingly, this civil revision petition is dismissed. Consequently, connected miscellaneous petitions are closed. There shall be no order as to costs.

16.02.2023

Index :Yes/No
Internet : Yes/No
Speaking order/non-speaking order
lok

G.K.ILANTHIRAIYAN, J.

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To

The District Legal Service Authority,
Salem

CRP.No.547 of 2019

16.02.2023