

IN THE PUNJAB AND HARYANA HIGH COURT AT
CHANDIGARH

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CWP-16293-2023 (O&M).
Date of Decision: 06.11.2023.

ANGREJ KAUR AND ANOTHER

.. Petitioners

Versus

SURENDER SINGH AND OTHERS

... Respondents

CORAM: HON'BLE MR. JUSTICE VINOD S. BHARDWAJ.

Present: Mr. Karan Garg, Advocate,
for the petitioners.

VINOD S. BHARDWAJ, J. (ORAL)

Prayer made in the present petition is for modification/enhancement of the Award dated 11.12.2021 (Annexure P-2) passed by the Presiding Officer, National Lok Adalat-cum-Motor Accident Claims Tribunal, Fatehabad.

Learned counsel for the petitioners contends that Kewal Singh (since diseased), who was the son of petitioners and husband of the proforma respondent No.4 and father of proforma respondents No.5, was an agriculturist by profession and was also running a Dairy. He was earning a monthly income of Rs.20,000/- and was the sole bread earner in the family. On 16.07.2017, he along with his maternal uncle Janta Singh was coming from Boha to his village Kamana while riding on a motorcycle bearing registration No.HR-54-A-0291. When he reached near Ashoka Petrol Pump, Budhlada Road, Ratia, a Bolero Pick Up bearing registration No.HR-54-2512, being driven by its driver at a high speed rashly and negligently came

from opposite side and struck against the motorcycle resulting in Kewal Singh suffering grievous injuries. He succumbed to the said injuries while under treatment. The medico-legal examination was duly conducted by the hospital and an FIR No.415 dated 19.07.2017 under Sections 279 and 337 of the Indian Penal Code, 1860, (Section 304-A IPC added later on) was registered at Police Station City, Ratia.

A claim petition was filed by the petitioners on 19.09.2019 before Motor Accident Claims Tribunal, Fatehabad, for grant of compensation to the tune of Rs.50 Lakhs along with interest @ 24% per annum from the date of accident till its realization. However, on 11.12.2021, an application was filed on behalf of the claimant i.e. proforma respondent No.5 (minor children) for seeking permission to compromise the matter. The said application was fully supported by an affidavit of Baljit Kaur widow of deceased and natural guardian of proforma respondent No.5. The statements of the parties were recorded and thumb impressions had been affixed by the petitioners along with proforma respondents as a token of acceptance of the said compromise whereby a sum of Rs.12,50,000/- was awarded as compensation towards full and final settlement of the said claim to be disbursed to the parties, in a manner agreed, within a period of 60 days of the passing of the award. The said award passed by the Lok Adalat on 11.12.2021 is now under challenge as petitioners feel dis-satisfied with the compensation awarded.

Learned counsel for the petitioners contends that the application for disposal of the matter by way of a compromise was filed by the private respondents and the petitioners, who were not aware of the contents of the said application, had appended their thumb impressions in

good faith and oblivious of the final impact thereof. It is argued that the petitioners had never intended to compromise the matter whereas the mother of the minor is an uneducated lady having no knowledge regarding the settlement. Having appended the signatures/thumb impressions on the settlement in good faith and without knowledge and understanding, the said mistake deserves to be ignored and compensation be re-determined on merits.

It is, however, not disputed that the amount awarded by the Lok Adalat has already been released in favor of the petitioners pursuant to the settlement executed in the year 2021. He, however, could not refer to any objective material on the basis whereof a mistake could be determined. There is no material to support any allegation of fraud or breach of trust.

No other argument had been raised or any judgment referred to in support of his case.

I have heard the learned counsel appearing on behalf of the petitioners and have gone through the documents available on record, with his able assistance.

Before proceeding further in the matter it would be necessary to refer to the precedents as well as the statutory provisions governing the powers of the Lok Adalat.

A reference is required to be made to the statutory provision incorporated under Section 19 (5) of the Legal Services Authority Act, 1987 which is extracted as under:-

“19. Organisation of Lok Adalats.—

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(5) A Lok Adalat shall have jurisdiction to determine and to arrive at a compromise or settlement between the parties to a dispute in respect of—

(i) any case pending before; or

(ii) any matter which is falling within the jurisdiction of, and is not brought before, any Court for which the Lok Adalat is organised:

Provided that the Lok Adalat shall have no jurisdiction in respect of any case or matter relating to an offence not compoundable under any law.”

A further reference is required to be made to Section 20 of the Legal Services Authority Act, 1987 which reads thus:-

“20. Cognizance of cases by Lok Adalats.—

(1) Where in any case referred to in clause (i) of subsection (5) of section 19,—

(i)(a) the parties thereof agree; or

(b) one of the parties thereof makes an application to the Court, for referring the case to the Lok Adalat for settlement and if such court is prima facie satisfied that there are chances of such settlement; or

(ii) the court is satisfied that the matter is an appropriate one to be taken cognizance of by the Lok Adalat, the Court shall refer the case to the Lok Adalat:

Provided that no case shall be referred to the Lok Adalat under sub-clause (b) of clause (i) or clause (ii) by such court except after giving a reasonable opportunity of being heard to the parties.

(2) Notwithstanding anything contained in any other law for the time being in force, the Authority or Committee organising the Lok Adalat under sub section (1) of section 19 may, on receipt of an application from any one of the parties to any

matter referred to in clause (ii) of sub-section (5) of section 19 that such matter needs to be determined by a Lok Adalat, refer such matter to the Lok Adalat, for determination: Provided that no matter shall be referred to the Lok Adalat except after giving a reasonable opportunity of being heard to the other party.

(3) Where any case is referred to a Lok Adalat under sub-section (1) or where a reference has been made to it under sub-section (2), the Lok Adalat shall proceed to dispose of the case or matter and arrive at a compromise or settlement between the parties.

(4) Every Lok Adalat shall, while determining any reference before it under this Act, act with utmost expedition to arrive at a compromise or settlement between the parties and shall be guided by the principles of justice, equity, fair play and other legal principles.

(5) Where no award is made by the Lok Adalat on the ground that no compromise or settlement could be arrived at between the parties, the record of the case shall be returned by it to the court, from which the reference has been received under sub-section (1) for disposal in accordance with law.

(6) Where no award is made by the Lok Adalat on the ground that no compromise or settlement could be arrived at between the parties, in a matter referred to in sub-section (2), that Lok Adalat shall advice the parties to seek remedy in a court.

(7) Where the record of the case is returned under subsection (5) to the court, such court shall proceed to deal with such case from the stage which was reached before such reference under sub-section (1).”

A perusal of Section 20 stipulates that the Lok Adalat shall proceed to dispose of the case or matter and arrive at a compromise or settlement between the parties. Furthermore, when there is no compromise amongst the parties, the award cannot be made by the Lok Adalat and the matter has to be sent before the appropriate/regular Court.

The Award that had been passed on the basis of consent amongst the parties cannot be sought to be re-opened at a mere retraction by any of the parties who now feels that they have not settled for a good bargain. The burden lies heavily on a person impugning to wriggle out of his own statement and that any dissatisfaction about the compensation being awarded cannot be the ground to re-open an award passed by the Lok Adalat after recording the statements of the parties.

It would also be relevant to refer to the precedent judgment of the Hon'ble Supreme Court in a case bearing **Civil Appeal No.522 of 2008, decided on 18.01.2008 titled as "State of Punjab and another Vs. Jalour Singh and others."** The relevant extract of the same is reproduced below:-

"8. It is evident from the said provisions that Lok Adalats have no adjudicatory or judicial functions. Their functions relate purely to conciliation. A Lok Adalat determines a reference on the basis of a compromise or settlement between the parties at its instance, and put its seal of confirmation by making an award in terms of the compromise or settlement. When the Lok Adalat is not able to arrive at a settlement or compromise, no award is made and the case record is returned to the court from which the reference was received, for disposal in accordance with law. No Lok Adalat has the power to "hear" parties to adjudicate cases as a court does. It discusses the subject matter with the parties and persuades them to arrive at a just settlement. In their conciliatory role, the Lok Adalats are

guided by principles of justice, equity, fair play. When the LSA Act refers to 'determination' by the Lok Adalat and 'award' by the Lok Adalat, the said Act does not contemplate nor require an adjudicatory judicial determination, but a non-adjudicatory determination based on a compromise or settlement, arrived at by the parties, with guidance and assistance from the Lok Adalat. The 'award' of the Lok Adalat does not mean any independent verdict or opinion arrived at by any decision making process. The making of the award is merely an administrative act of incorporating the terms of settlement or compromise agreed by parties in the presence of the Lok Adalat, in the form of an executable order under the signature and seal of the Lok Adalat.

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12. It is true that where an award is made by Lok Adalat in terms of a settlement arrived at between the parties, (which is duly signed by parties and annexed to the award of the Lok Adalat), 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 Article 227 of the Constitution, that too on very limited grounds. But where no compromise or settlement is signed by the parties and the order of the Lok Adalat does not refer to any settlement, but directs the respondent to either make payment if it agrees to the order, or approach the High Court for disposal of appeal on merits, if it does not agree, is not an award of the Lok Adalat. The question of challenging such an order in a petition under Article 227 does not arise. As already noticed, in such a situation, the High Court ought to have heard and disposed of the appeal on merits.

Having heard the learned counsel appearing on behalf of the respective parties and having gone through the record and the statutory provision as well as the precedent judgment have been considered, the same stipulate that jurisdiction of the Lok Adalat has to be exercised only in the event of compromise/settlement between the parties to dispute in respect of a case pending before it. The Lok Adalat can only initiate steps to persuade the parties to arrive at a settlement, however, while exercising its jurisdiction as Lok Adalat, it does not decide the lis sans the voluntary compromise/settlement amongst the parties. The function of the Lok adalat not being adjudicatory and more in the nature of an administrative act, an award which ratifies the agreement amongst the parties cannot be interfered with on any sundry allegations. The burden was on a party wanting to wriggle out of a consensual award and establish its case in law necessitating interference by a Court. If the circumstances sufficient to annul a contract/agreement are not satisfied, the award needs to be maintained.

Learned counsel for the petitioners has not been able to refer to any illegality in the passing of the said award and there is no unfair play, fraud, coercion or intimidation in action. The present petition has been filed only on account of a dissatisfaction for having settled at a purported lesser amount and on a belief that the petitioners may have secured a higher amount.

Learned counsel further do not dispute that the amount awarded had been disbursed. After having received the benefits of the settlement pursuant to the award passed on 11.12.2021, the petitioners remained silent for more than a year and a half. It shows that the consent by the parties was voluntary and its terms were duly accepted by the parties.

Had it not been so, they would have not retained the benefit in terms of the award for more than one and a half year. The contemporaneous conduct of the parties rules out any unfairness in action.

Finding no merit, the present petition is dismissed in *limine*.

November 06, 2023

raj arora

Whether speaking/reasoned

Whether reportable

(VINOD S. BHARDWAJ)

JUDGE

: Yes/No

: Yes/No