
(2014) 03 P&H CK 0069

In the Punjab And Haryana At Chandigarh

Case No : CWP Nos. 19352, 19353, 19354, 19355, 19356 and 19357 of 2010

Haryana Urban Development Authority

APPELLANT

Vs

Chairman, Permanent Lok Adalat

RESPONDENT

Date of Decision : 10-03-2014

Acts Referred:

Constitution of India, 1950 — Article 226, 227

Citation : (2014) 4 RCR(Civil) 112

Hon'ble Judges : Ritu Bahri, J

Bench : Single Bench

Advocate : Ajay Nara, Advocate for the Appellant; Gurminder Singh, Advocate for the Respondent

Final Decision : Dismissed

Judgement

Ritu Bahri, J.—This order shall dispose of the above six petitions i.e. C.W.P Nos. 19352 to 19357 of 2010 as common question of facts are involved in all these petitions. However, for the facility of reference, the facts are being taken from C.W.P No. 19352 of 2010. The above said petitions have been filed under Article 226/227 of the Constitution of India for issuing a writ in the nature of certiorari for quashing the impugned award dated 24.05.2010 (P-3) passed by respondent No. 1

2. Brief facts of the case are that respondent No. 2-R.N. Yadav moved an application u/s 22 of Haryana State Legal Authority Act (for short "the Act") before the Permanent Lok Adalat (Public Utility Services), Gurgaon on 13.01.2010 for a direction to the respondents/petitioner to charge Rs. 900/- per sq meter instead of Rs. 1800/- per sq meter.

3. Respondent No. 2 had applied for an industrial plot for an area of 1100 sq meter in the year 2004 and had deposited the earnest money along with the application form. Vide order dated 14.03.2006, the allotment committee recommended the allotment of 3 adjoining plots of = acre to respondent No. 2.

But since three adjoining plots of = acres were not available, the sanction was taken from higher authorities for bifurcation of Plot N. 75 which was measuring 02 acres. Hon'ble the Chief Minister finally granted approval for the creation of a new plot No. 75 A after bifurcation but ordered that the allotment shall be made on the current rate of Rs. 1800/- per sq meter as applicable in the financial year 2007-08. The stand taken by the petitioner by way of their reply in the Permanent Lok Adalat as P-2. Thereafter, the impugned award dated 24.05.2010 (P-3) has been passed by respondent No. 1-Permanent Lok Adalat (Public Utility Services), Gurgaon by observing in paragraph 3 and 4 as under:--

"3. We have heard Ld. Counsel for the parties and have gone through the pleadings. Allotment of industrial plot has been made at a belated stage by the respondent. There is no fault of the petitioner. He can not be burdened with extra charges. The respondents can only charge original allotment rate of the plot in question from the applicant. Ld. Counsel for the applicant has not pressed interest and extra area.

4. So, we direct the respondents to charge rate of Rs. 900/- per sq meter as per original allotment made to the applicant and other allottees as there is no special location made out. This will not effect the rights of the respondents to claim enhanced amount if any charged by the respondents in pursuance of any order passed by the respondents in pursuance of the verdict of Ld. Distt. Judge or Hon'ble High Court or Hon'ble Supreme Court in land acquisition cases of land comprising the present plot or land in question. The petition is disposed of accordingly."

4. Learned counsel for the petitioner has argued that the Lok Adalat has expanded its jurisdiction while allowing the claim of respondent No. 2. The object and role of the Lok Adalt is u/s 22 of the Act. Learned counsel for the petitioner has referred to the judgment of this Court in a case of Reliance General Insurance Co. Ltd. v. Vijay Kumar and another passed in CWP No. 20825 of 2010, decided on 04.01.2012 : 2013 (5) R.C.R. (Civil) 226 : 2012 (5) R.A.J. 323, where the Lok Adalat award was set aside and it was held that without following the procedures u/s 22(c)(4)(5)(6) and (7), the Lok Adalat cannot straightway invoke jurisdiction under Sub-section 8 of Permanent Lok Adalat (Public Utility Services) and decide the case on merits. This Court has held as under:--

"If PLA PUS is approached u/s 22C at the pre litigation stage in relation of public utility services and other party disputes the claim saying claim is bogus and case involves disputed questions of facts and law and cannot be settled by the intervention of the PLA PUS then conciliation proceedings shall stand terminated and PLA PUC shall have absolutely no jurisdiction to invoke Section 22C(8) to decide the dispute directly. However, if during the conciliation proceedings under sub-sections (4), (5), (6) and (7) of Section 22C parties to the application have narrowed down their disputes and are not able to come to the final figure then by invoking sub-section (8) PLA PUS can decide the differences by applying principles of fair play, equity, natural justice, objectivity as provided u/s 22D of

the Act."

5. Learned counsel for the petitioner has raised an objection that the dispute relating to Industrial plots would not fall in the expression house and Estate in the notification dated 19.05.2009 (R-2/) and thus the Permanent Lok Adalat (Public Utility Services) constituted under the Act cannot entertain the application u/s 22(c) of the Act.

6. This issued had came up for consideration before a Division Bench of this Court in a case of Haryana Urban Development Authority Vs. Chairman, Permanent Lok Adalat (Public Utility Services) and another, wherein notification dated 19.05.2009 has been interpreted and it has been held that as per notification services i.e. House and Estates, which would be included is public utility services shall include any service which the Central Government or the State Government declared Public Utility Service for the purpose of this Act. Thus, the objection of the learned counsel is liable to be rejected.

7. In the present case, respondent No. 2 has made an application u/s 22-C of the Act before the Permanent Lok Adalat (Public Utility Services) which was at pre litigation stage. Reference has been made to Hon"ble the Supreme Court in a case of United India Insurance Co. Ltd. Vs. Ajay Sinha and Another, , wherein in para 37, 39 and 41, it has been held as under:--

"37. Section 22-C(1) contains certain Provisos which limit the jurisdiction of the PLA. Given the principle of statutory interpretation stated earlier, these Provisos, as a corollary, must be interpreted in an expansive manner.

39. Therefore, in the instant case, the terms "relating to" an "offence" appearing in Proviso 1 must be interpreted broadly, and as the determination before the Permanent Lok Adalat will involve the question as to whether or not an offence, which is non-compoundable in nature, has indeed been committed, this case falls outside the jurisdiction of the Permanent Lok Adalat.

41. We must guard against construction of a statute which would confer such a wide power in the Permanent Lok Adalat having regard to sub-section (8) of Section 22-C of the Act. The Permanent Lok Adalat must at the outset formulate the questions. We however, do not intend to lay down a law, as at present advised, that Permanent Lok Adalat would refuse to exercise its jurisdiction to entertain such cases but emphasise that it must exercise its power with due care and caution. It must not give an impression to any of the disputants that it from the very beginning has an adjudicatory role to play in relation to its jurisdiction without going into the statutory provisions and restrictions imposed thereunder."

8. On the pre-litigation stage, the Permanent Lok Adalt has to commence the conciliation proceedings and assist the parties to reach to a settlement under sub Section 4 of the Act. Thereafter, if the dispute can be resolved amicably, it shall formulate the terms of the possible settlement under Sub-section 7 and shall supply the same to the parties for their respective contentions. If after reaching

at a possible settlement they are unable to reach to the final conclusion, the Permanent Lok Adalat at this stage by invoking Section 22(c) of the Act shall pass the award on merits by applying principles of fair play, equity, natural justice, objectivity as provided u/s 22-D of the Act. In a case where the Permanent Lok Adalat (Public Utility Services) takes an adamant stand that it is not ready for any compromise then straightway invoking the provisions under Sub-section 8 of the Act, the Permanent Lok Adalat (Public Utility Services) cannot decide the case on merits.

9. Recently, Hon"ble the Supreme Court of India in a case of Bar Council of India Vs. Union of India (UOI), had examined the provisions of the State Legal Services Authorities Act in detail and considered the object of Section 22(c) which provides for procedure to raise dispute on a pre-litigation stage. Chapter VI-A has been inserted which provides for pre-litigation conciliation and settlement procedure. The litigation is sought to be nipped in the bud by first affording the parties to such dispute an opportunity to settle their dispute through the endeavours of the Permanent Lok Adalat and if such efforts fails then to have the dispute between the parties adjudicated through the decision of the Permanent Lok Adalat. The provisions of Section 22(c) is followed by Section 22(d) of the Act which inter alia provides that while deciding the dispute in merits, the PLA shall not be bound by the CPC, 1908 and the Evidence Act, 1872. Section 22-e accords finality to the award of PLA under Sub-Section 1 and the provision made in sub Section 4 that every award made by the PLA shall be final and hence shall not be called in question in any original suit, application or execution proceedings form mainly bone of contention. While explaining the object of Chapter VI-A, Hon"ble the Supreme Court has observed in paragraph 22 as under:--

"22. It is necessary to bear in mind that the disputes relating to public utility services have been entrusted to Permanent Lok Adalats only if the process of conciliation and settlement fails. The emphasis is on settlement in respect of disputes concerning public utility services through the medium of Permanent Lok Adalat. It is for this reason that Sub-section (1) of Section 22-C states in no unambiguous terms that any party to a dispute may before the dispute is brought before any court make an application to the Permanent Lok Adalat for settlement of dispute. Thus, settlement of dispute between the parties in matters of public utility services is the main theme. However, where despite the endeavours and efforts of the Permanent Lok Adalat the settlement between the parties is not through and the parties are required to have their dispute determined and adjudicated, to avoid delay in adjudication of disputes relating to public utility services, the Parliament has intervened and conferred power of adjudication upon the Permanent Lok Adalat. Can the power conferred on Permanent Lok Adalats to adjudicate the disputes between the parties concerning public utility service upto a specific pecuniary limit, if they do not relate to any offence, as provided u/s 22-C(8), be said to be unconstitutional and irrational? We think not. It is settled law that an authority empowered to adjudicate the

disputes between the parties and act as a tribunal may not necessarily have all the trappings of the court. What is essential is that it must be a creature of statute and should adjudicate the dispute between the parties before it after giving reasonable opportunity to them consistent with the principles of fair play and natural justice. It is not a constitutional right of any person to have the dispute adjudicated by means of a court only. Chapter VI-A has been enacted to provide for an institutional mechanism, through the establishment of Permanent Lok Adalats for settlement of disputes concerning public utility service before the matter is brought to the court and in the event of failure to reach any settlement, empowering the Permanent Lok Adalat to adjudicate such dispute if it does not relate to any offence."

10. In the facts of the present case, as per allotment letter dated 14.03.2006 (R-2/1), the petitioner's case was recommended for allotment and one of the conditions of the letter was that allotment was made @ 900/- per sq meter for the year 2005-06. The petitioner despite the recommendations of allotment letter dated 14.03.2006 did not give possession of the plot to respondent No. 2 as there was no plot available. However, all the other successful applicants were issued allotment @ Rs. 900/- per sq meter. Subsequently, the HUDA-petitioner carved out a plot from plot No. 75 and allotted the same to respondent No. 2 @ Rs. 1800/- per sq meter instead of Rs. 900/- per sq meter, as that was the rate prevalent for the land in question. The delay for allotment of the said plot cannot be attributed to respondent No. 2. Petitioner as per letter dated 31.03.2006 has admitted that the similarly situated persons were given plot @ Rs. 900/- per sq meter (R-2/2). The respondent No. 2 had deposited the earnest money along with application form and the delay in allotment of the plot was attributed to the petitioner. Moreover, the petitioner was bound by the terms of the allotment letter dated 14.03.2006 (R-2/1) in which it was stated that allotment was to be made at the rates applicable in financial year 2005-06. The petitioner had received the earnest money of Rs. 103500/- and the same had been retained by the petitioner and the possession of the plot had been given as per allotment letter to other allottees since it was the essential condition of allotment that it shall be made at the rates application for the financial year 2005-06. In view of the above, the award passed by respondent No. 1- Permanent Lok Adalat (Public Utility Services), Gurgaon while exercising powers u/s 22(c)(8) of the Act, does not require any interference by this Court.

The writ petitions are dismissed.