

Validity of Permanent Lok Adalats

In Writ Petition (Civil) No. 666 of 2002, Decided on 3.8.2012, titled as Bar Council of India Vs. Union of India, the Bar Council of India had raised challenge to the vires of Sections 22-A, 22-B, 22-C, 22-D and 22-E of the Legal Services Authorities Act, 1987 (for short, '1987 Act') as inserted by the Legal Services Authorities (Amendment) Act, 2002 (for short, '2002 Amendment Act'). The writ petition came to be dismissed by the Hon'ble Supreme Court by holding as under:

HON'BLE SUPREME COURT OF INDIA

Quorum:

Hon'ble Mr Justice R.M. LODHA &
Hon'ble Mr Justice ANIL R. DAVE

Held:

“3. The challenge is principally on the ground that Sections 22-A, 22-B, 22-C, 22-D and 22-E are arbitrary per se; violative of Article 14 of the Constitution of India and are contrary to the rule of law as they deny fair, unbiased and even-handed justice to all.

4.Elaborating the vice of arbitrariness in the impugned provisions, in the written submissions, it is submitted that Section 22-C(1) read with Section 22-C(2) provides that a dispute before Permanent Lok Adalat can be raised by moving an application to it unilaterally by any party to the dispute (before the dispute is brought before any court for settlement). The public utility service provider, thus, can play mischief by pre-empting an aggrieved consumer from going to the consumer fora or availing other judicial process for redressal of his grievance and enforcement of his rights. Permanent Lok Adalats have been empowered to decide dispute on merits upon failure between the parties to arrive at a settlement under Section 22-C(8). While deciding the case on merits, the Permanent Lok Adalat is not required to follow the provisions of the Civil Procedure Code or the Evidence Act. Section 22-C(8) prevents the courts and the consumer fora to examine the deficiencies in services such as transport, postal and

telegraph, supply of power, light or water, public conservancy or sanitation, service in hospital, etc. and renders the provisions under challenge arbitrary and irrational.

5. It has been submitted on behalf of the petitioner that award of the Permanent LokAdalat on merits is made final and binding and cannot be called in question in any forum or court of law under Section 22-E(1) and (4). No right to appeal has been provided for against the award in any court of law. Since all the public utility services basically relate to the fundamental right to life provided under Article 21 of the Constitution, any adverse decision on merits by Permanent LokAdalat would immediately impinge upon fundamental right of an aggrieved citizen and, therefore, even absence of one right of appeal makes these provisions unconstitutional as it is against the fundamental principles of fair procedure.

33. There is no inherent right of appeal. Appeal is always a creature of statute and if no appeal is provided to an aggrieved party in a particular statute, that by itself may not render that statute unconstitutional. Section 22-E(1) makes every award of the Permanent LokAdalat under 1987 Act either on merit or in terms of a settlement final and binding on all the parties thereto and on persons claiming under them. No appeal is provided from the award passed by the Permanent LokAdalat but that, in our opinion, does not render the impugned provisions unconstitutional. In the first place, having regard to the nature of dispute upto a specific pecuniary limit relating to public utility service and resolution of such dispute by the procedure provided in Section 22-C(1) to 22-C(8), it is important that such dispute is brought to an end at the earliest and is not prolonged unnecessarily. Secondly, and more importantly, if at all a party to the dispute has a grievance against the award of Permanent LokAdalat he can always approach the High Court under its supervisory and extraordinary jurisdiction under Articles 226 and 227 of the Constitution of India. There is no merit in the submission of the learned counsel for the petitioner that in that situation the burden of litigation would be brought back on the High Courts after the award is passed by the Permanent LokAdalat on merits.

37. Independent of the view of this Court in S.N. Pandey, for the reasons that we have indicated above, we find no merit in the challenge to the impugned provisions of Chapter VI-A brought in the 1987 Act by 2002 Amendment Act.”
