

(2012) 04 JH CK 0060

Jharkhand High Court

Case No: Writ Petition (C) No. 1975 of 2007

M/s. Oriental Insurance
Company Limited, Kutcheri
Road, Ranchi

APPELLANT

Vs

Bodya Oraon and Another

RESPONDENT

Date of Decision: April 30, 2012

Acts Referred:

- Legal Services Authorities Act, 1987 - Section 22(C), 22C(8), 8

Citation: (2012) 3 JLR 213

Hon'ble Judges: Prakash Tatia, C.J; Aparesh Kumar Singh, J

Bench: Division Bench

Advocate: A. Kr. Mishra, for the Appellant; Pradeep Kr. Agrawal and Sameer Saurabh, for the Respondent

Judgement

@JUDGMENTTAG-ORDER

1. The matter has been referred to this Court in view of the conflicting judgments of this Court delivered in the case of (i) The Branch Manager, United India Insurance Company Ltd., Doranda Branch-2 vs. State of Jharkhand & Anr. reported in 2005 (3) JCR 366 (: 2005(3) JLR 703); (ii) in the case of Ajay Sinha vs. Branch Manager, United India Insurance Company Ltd. & Ors. reported in 2006(3) JCR 404 (: 2006(4) JLR 194); (iii) in the case of Sri Kheman Mahato vs. M/s Bharat Coking Coal Limited, Dhanbad & Ors. reported in 2007(2) JLR 344. However, learned counsel for the respondent relied upon the judgment of the Hon'ble Supreme Court delivered in the case of [Inter Globe Aviation Ltd. Vs. N. Satchidanand](#), wherein while considering various provisions of the Legal Services Authorities Act, 1987 as amended time to time and specifically considering Section 22-C(8) the Hon'ble Supreme Court held as under:--

Para-27: The nature of proceedings before the Permanent Lok Adalat is initially a conciliation which is non-adjudicatory in nature. Only if the parties fail to reach an

agreement by conciliation, the Permanent Lok Adalat mutates into an adjudicatory body, by deciding the dispute. In short, the procedure adopted by the Permanent Lok Adalats is what is popularly known as "CON-ARB" (that is, "conciliation-cum-arbitration") in the United States, where the parties can approach a neutral third party or authority for conciliation and if the conciliation fails, authorize such neutral third party or authority to decide the dispute itself, such decision being final and binding. The concept of "CONARB" before a Permanent Lok Adalat is completely different from the concept of judicial adjudication by the courts governed by the Code of Civil Procedure. The Permanent Lok Adalat not being a "court", the provision in the contract relating to exclusivity of jurisdiction of courts at Delhi will not apply.

2. Therefore, in view of the said authoritative pronouncement by the Hon"ble Supreme Court any view contrary to the view taken to that of the Hon"ble Supreme Court's judgments referred above, do not hold field and Permanent Lok Adalat has power to adjudicate upon the dispute, however, after following the procedure provided u/s 22(C) of the Act of 1987.

3. In view of the above, it is held that the Permanent Lok Adalat after following the procedure of making all efforts of settlements and upon failing of the parties to arrive at settlement and procedure to adjudicate u/s 8 of Section 22(C) of the Act of 1987 can adjudicate upon the dispute. The question is answered accordingly and matter may be placed before the Hon"ble Single Judge for deciding the matter on merit.