Role of Lok Adalat in Dispute Settlement

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The literal meaning of the Hindi, Lok Adalat, is ‘People’s Court’- Lok Sabha means people, and Adalat means court. Hence, simply it means a court for the people, by the people, and of the people themselves. Indian Judiciary is moving towards a time when it will be impossible for the courts to cope up with the gaps. If something is not done, the result will be increase of cases line of pending cases. The institution of Lok Adalat has evolved as one of the most important modes of alternative dispute resolution.

The first instance of a Lok Adalat system was in 1982, in the village of Una, in the district of Junagarh, Gujarat.

Though this was in its developing stage, fairly modern version of the Lok Adalat system that exists till date began in Chennai, in 1986. The institution has developed, since, by leaps and bounds, by the people themselves, in order to provide for equitable justice speedily at minimal cost.

Lok Adalats are a blend of all three forms of traditional ADR: arbitration, mediation, and conciliation. Therefore, the researcher had undertaken this subject for contributing to the concept and explaining the difficulties in implementation and suggesting appropriate solutions for effective implementation of Lok adalat system.

INTRODUCTION

Lok-Adalat means, ‘People's Court’. "Lok" stands for "people" and the term "Adalat" means court. Lok-Adalat is a system of alternative dispute resolution developed in India. India has long history of resolving disputes through the mediation of village elders.

The idea of Lok-Adalat was mainly advocated by Justice P.N. Bhagwati, a former Chief Justice of India. Lok-Adalat is a non-adversarial system, whereby mock courts (called Lok-Adalat) are held by the State Authority, District Authority, Supreme Court Legal Services Committee, High Court Legal Services Committee, or Taluk Legal Services Committee. They are held periodically.
for exercising such jurisdiction as they determine. Instead The introduction of Lok Adalats added a new chapter to the justice dispensation system of this country and succeeded in providing a supplementary forum to the victims for satisfactory settlement of their disputes. This system is based on Gandhian principles.

It is one of the components of ADR systems. In ancient times the disputes were used to be referred to “panchayat” which were established at village level.

Panchayat’s used to resolve the dispute through arbitration. It has proved to be a very effective alternative to litigation.

This very concept of settlement of dispute through mediation, negotiation or through arbitral process known as decision of "Nyaya-Panchayat" is conceptualized and institutionalized in the philosophy of Lok Adalat.

It involves people who are directly or indirectly affected by dispute resolution. Lok adalats have been found a successful tool of alternative dispute resolution in India. It is popular and effective because of economic system, speedy relief, and innovative nature and wide acceptance from the public and legal authority.

**LOK-ADALAT IN INDIA**

With 42nd Amendment Act of Constitution of 1976, Article 39-A, has been inserted which requires the State to secure that the operation of the legal system promotes justice, on a basis of equal opportunity, and shall, in particular, provide free legal aid, by suitable legislation or schemes or in any other way, to ensure that opportunities for securing justice are not denied to any citizen by reason of economic or other disabilities.

The entire mechanism of Lok Adalat designed and evolved is with the object of promoting justice. Justice has three connection namely social, economic and political. ‘Access to Justice’ means an ability to participate in the judicial process. It is that human right which covers not only bare court entry but has many dimensions including time consuming factor.
“Lok Adalat” is defined as a “forum where voluntary effort aimed at bringing about settlement of disputes between the parties is made through conciliatory and pervasive efforts”.

Though initially, Lok Adalat camps were started at Junagarh District in Gujrat by 1982, the first Lok Adalat was held in Chennai in 1986. Soon this programme was adopted by several other states, such as Bihar, Haryana, Karnataka, Maharashtra etc. and now gained popularity throughout the country. The Legal Services Authorities Act, 1987 implemented in its true spirit has created popularity for and utility of Lok Adalat for speedy resolution of disputes. It is believed that the "Lok Adalat" is an old form of arbitrating system which had been prevailing in early India and its validity has not been taken away even in the modern days too. This system is based on Gandhian Principles.

As the Indian Courts are overburdened with the backlog of Courts are to decide the cases involve a lengthy, expensive and difficult procedure. The Court takes years together to settle even petty cases.

**NEEP FOR LOK ADALATS**

In the wake of inordinate delays and high expenses a search for alternative justice delivery system has become inevitable. Alternative however is not to replace the present system but to supplement it. The judicial system established by Britishers despite all its positive aspects has failed to provide informal, cheap and expeditious justice to common man.

The main drawbacks of the system are its rigidity, and expensive/time consuming procedures. The growing frustration and disappointment against the traditional Anglo-Saxon system has made the people to find a ray of hope in the Lok Adalats. It has vast and wide potential not only to reduce the backlog of pending cases but even educate the people to be conscious about the rights of the others and be law- abiding citizens.

Lok Adalats provide a forum to the parties to reach a mutually agreed settlements by conciliation and involvement of mediators.
Lok Adalats can succeed only if people are willing to compromise and come to a mutual settlement. Contested matters have to be tried in regular courts and the problem of improvement and reform of civil judicial system is urgently

**STATUTORY RECOGNITION**
The Lok Adalats aim at settlement of disputes by mutual consent. Prior to the passing of Legal Services Authority Act 1987 the sanctity and validity of any order passed by the Lok Adalat was later disputed by the parties when it actually comes to implementation. The legal position in the matter is discussed below:-

**ORDER 23 RULE 3 OF CIVIL PROCEDURE CODE.**
This rule deals with the situation when subsequent to initiation of litigation the parties decide to arrive at compromise. The rule provides:

Compromise of a Suit:
Where it is proved to the satisfaction of the court that a suit has been adjusted wholly or in part by any lawful agreement or compromise, in writing and signed by the parties or where the defendant satisfies the plaintiff in respect of the whole or any part of the subject matter of the suit, the court shall order such agreement, compromise of satisfaction to be recorded and pass a decree in accordance therewith so far as it relates to the parties to the suit. The provision is mandatory in nature. Once the fact and validity of compromise are not disputed the Court is bound to accept the same.

**RECORDING JUDGEMENTS BY MUTUAL CONSENT**
The exact legal position about the judgements recorded on the basis of consent is not free from doubt. It is definitely appreciable that the parties themselves accept a position in respect of their rival contentions. A compromise decree merely puts the seal of the court on the agreement of parties. The court neither decides anything nor can it be said that decision of court was implicit in it.

**LEGAL SERVICES AUTHORITIES ACT, 1987**
Need was felt since long to unburden the judiciary and expeditiously dispose off the cases. The frustration of common man in respect of traditional approach of judiciary is expressed by Justice
V. R. Krishna Iyer in following words
“Here is a rising revolution of justice expectations ignited by Independence, which may burst as an energy explosion of frustration if the judiciary due to its conservative tradition fails in its mission as a radical fiduciary and redemptive instrumentality of the people. It is in this background that the Legal Services Authorities Act was passed. It has received the assent of President on 11/10/1987. The Act is a composite enactment covering Legal Aid and Lok Adalat, and aims at providing free and competent legal services to weaker sections of society.

**NATURE OF CASES TAKEN UP BY LOK ADALATS**

Since inception, the Lok Adalats have been instrumental in settling disputes relating to several matters. The innumerable number of cases dealt with by Lok Adalats seems to bewilder an outsider studying the same.

It is a misconception amongst many that the nature of cases dealt with by the Lok Adalats are essentially petty cases, while in reality, they are not so. Study reveals that a large number of cases dealt with by Lok Adalats involve matters that are hotly contested and are indeed fit for settlement through amicable means such as negotiation. The ideal of the Lok Adalat is to attain two basic objectives:

To resolve disputes that have not come to mainstream courts yet,

To resolve the disputes which have already come to the courts, by negotiating with the assistance of an experienced member of the team who functions as a conciliator.

At the outset, civil, revenue and criminal cases of compoundable nature, were dealt with for settlement by the Lok Adalats.

Success in settlements encouraged settlements in other related fields, such as Motor Accident Claims, mutation of lands, bonded labour, matrimonial disputes and family disputes.

In addition, a couple of petty cases are also being taken up, which would have otherwise taken several years to reach settlement. A few of these new disputes are herein enunciated:

*Motor Accident Claims:*

While perusing the list of cases that come up before the Lok Adalats, it stands clear that a large
quantum of these cases are Motor Accident Claims. Lok Adalats have a track record that speaks volumes of successful settlement of cases, and of providing adequate compensation to the victims of the road accidents within a reasonable time-frame. Motor accident claims are presently on the rise, particularly due to factors such as the growth of population and industrial development.

The use of more motor vehicles only creates room for more accidents, which in turn, create more and more legal disputes.

According to the statistics of the Indian Road Congress, India seems to stand at the fore with the largest number of road accidents in the world. In the words of Justice Krishnaier, Indian Roads have become death traps in recent times.

The victims of the accidents suffer not only physical and mental agony from the event, but also from the legal consequences that ensue from the same. Claims of such cadre consume about three or four years in the courts and sometimes, the period is even more.

With such large time gaps the very purpose of legislation is certainly defeated because justice delayed amounts to justice denied. Since the number of claims cases is proportionately high and the technicalities and the procedure of law is quite protracted, it certainly puts the claimants into frustration.

In such a situation, it is the Lok Adalats that have come forward to take up these cases for an early settlement that would be mutually beneficial to the claimants and the courts. Lok Adalats, all over India have settled a record number of Motor Accident Claims.

Since the area of conflict in such cases involve only the quantum of compensation, the Lok Adalats seem to be amicable forums for the settlement of such issues. The expediency in these proceedings ensure that the compensation is received by the victim within two or three weeks of the determination.

b) Matrimonial Cases:
Another area where Lok Adalats have achieved a fair deal is the settlement of matrimonial disputes. In solving matrimonial disputes, it is found that the judges of the Lok Adalats persuade
the parties to re-unite and in case there is no chance of a reunion, and it is found that a divorce by mutual consent is the only alternative, the judges determine the amount that should be given to the wife as maintenance allowance. Lok Adalats, in fact, help in bringing out an early decision, where couples want to get a divorce easily, which would otherwise be difficult and cumbersome in a proper court of law.

c) Industrial Disputes:
The Lok Adalats have lately taken up industrial disputes and have settled these cases with a fair amount of success. The industrial disputes are settled either by organizing special sessions of Lok Adalats or along with other cases in one session. Records reveal a speedier disposal of industrial cases as opposed to the prevalent track record for matters that come up before the Industrial Courts.

d) Land Acquisition Case:
Land acquisition claims have been a late entrant in the arena of the Lok Adalats. A large number of land acquisition disputes relate to the issues of patta, title and possession, as also compensation to be provided in circumstances involving acquisition of land by companies. Many disputes involve matters relating to the ascertainment of compensation to be given in exchange for land acquired, and involve an insight into who is to get the requisite compensation.

e) Bank Cases
Recently, bank cases involving the repayment of loans taken by people within a specified time period are being included within the specified time period are being included under the jurisdiction of Lok Adalats. Instead of filing suits in the courts of law, where the process takes a long time to solve the case, banks prefer to take the cases to Lok Adalats, where the representatives of the banks and the borrowers come to the venue of Lok Adalats on the particular day. A sum is affixed, that is neither high for the borrower, nor low for the lender, but mutually acceptable.

f) Petty Offences:
Petty offences mean any offences punishable only with fines not exceeding one thousand rupees, but do not include any offences so punishable under the Motor Vehicle Act, 1939, or any other
law which provides for convicting the accused person in his absence or a plea of quantity. For instance, not wearing helmets while driving two wheelers, dumping garbage at public places and on roads, non-submission of annual records of factories under labour act and any fault in weighing machines according to the weight and measures department are punishable under law. In cases of petty offences, the accused does not often turn up on the specific date before the court despite notices. This causes a delay in cases. In Lok Adalats, cases are solved in an amicable manner. The accused pays the fine and the case gets solved, thereby reducing the burden of arrears of cases on the court. Lok Adalats settle all kinds of matters. However, as a matter of policy, it is found that socio-economic offences have been kept out of the purview of Lok Adalats.

**NEED FOR ALTERNATIVE DISPUTE RESOLUTION**

In the legal system as it operates in India, any wrong is regarded as a matter of course.[iii] The objective of ADR is to check litigation explosion, make the justice system less expensive and easily accessible to the illiterate and indigent.[iv] The focus is to avoid feuds and develop a harmonious relationship between the disputing parties by settling the dispute through process of arbitration, mediation, negotiation and the likes. The ADR system can never be a complete alternative to the conventional system of dispute resolution. For example, settling of criminal disputes can never be done through the ADR mechanism. There is no substitute for Court decisions in criminal law. Moreover, it is necessary for both the parties to be genuinely interested in solving the dispute peacefully.

The Courts of law are confronted with four main problems which are as follows:

i) The number of Courts and judges in all grades is alarmingly low.

ii) Increase in the number of cases owing to the various State and Central acts

iii) The costs involved in prosecuting or defending a case. The Court fee, the lawyer’s fee and the incidental charges amounts to quite a large sum.

iv) The process is very cumbersome and time-consuming because of the huge number of already pending cases.
Important Cases:

Supreme Court in State of Punjab & Anr. v. Jalour Singh and Ors. (2008) 2 SCC 660 held that “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 the parties in the presence of the Lok Adalat, in the form of an executable order under the signature and seal of the Lok Adalat.

Abul Hassan v. Delhi Vidyut Board & Ors. on 15 January, 1999

Delhi High Court emphasized to the idea of setting up Permanent Lok Adalat and observed that there is a serious problem of overcrowding of dockets.

HC Bench further added that, “Seekers of justice are in millions and it is becoming rather difficult for the Courts to cope up with the ever increasing cases with the present infrastructure and manpower. There is need for decentralization of justice. Permanent and Continuous Lok Adalats should re-established with the object not only to reduce the pendency in Courts but also to achieve the end of Article 39A and the object of Act, 1987”.

Bench stated that, “Besides, a solitary appearance of parties before a Lok Adalat which is organized for a day or two may not be adequate for arriving at a compromise or settlement. The need of the hour is frantically beckoning for setting up Lok Adalats on permanent and continuous basis”.

High Court further directed that for facilitating expeditious disposal of all kinds of cases Permanent Lok Adalats must be set up in Delhi Vidyut Board, Municipal Corporation of Delhi, New Delhi Municipal Committee, Delhi Development Authority, Mahanagar Telephone Nigam Limited, General Insurance of India and various departments of the Government. Since the State and instrumentalists have the largest number of cases instituted by and against them in various level of courts.
Bench concluded by stating that, “There should also be one or more Permanent Lok Adalats, depending upon the magnitude of the work, for resolving the disputes between (1) the citizens and the Government of India, and (2) the Government of India and its employees”.

After this, Parliament amended Legal Services Authorities Act, 1987 in 2002 and introduced a new chapter VIA with titled as Pre– Litigation Conciliation and Settlement.

Amendment was made in order to establish Permanent Lok Adalat (for brevity ‘PLA’) for determining the matters relating to Public Utility Services, if disputes are not settled by Permanent Lok Adalat by the way of conciliation, then the disputes can be decided on the basis of merit.

CONCLUSION

Majority of India population which is illiterate seek justice through regular court which is disadvantageous to both, the parties as well as to the courts as such on which an amicable settlement can be reached overburdens the courts and the procedure at the courts are expensive, ineffective and time consuming.

With respect to the present condition prevailing in the society and the gap between the economic conditions of the people of the society asks for an effective and strong legal service for poor and needy people.

The system of Lok Adalat are no more new to the legal system of India, it has become an effective part of Indian legal system and now is the time to bring such matters under the jurisdiction of Lok Adalat which do not fall under its domain.

It is high time for law makers, jurists, lawyers and judges to help modify in the current model law governing Lok Adalat and include such areas under its jurisdiction like business disputes or conflicts where public at large is involved and the matters where government is involved in one or the other way. It will go a long way in strengthening our diverse, democratic values and rule of Law.
The working of Lok Adalat seems to be both fruitful and successful and has achieved those objectives, for which it has been meant.

The overall functioning and achievement of Lok Adalat appears to be appreciable though not remarkable. So there is a need strengthen the system of Lok Adalat in recent context, which in turn, help to realize the Constitutional goals of ‘equal and social justice’ to its fullest extent.