

**CWP-14616-2022 (O&M)****-1-****IN THE HIGH COURT OF PUNJAB & HARYANA AT  
CHANDIGARH****(104)****CWP-14616-2022 (O&M)  
Date of decision:- 22.09.2025****Housing Board, Haryana and another****... Petitioners****Versus****Permanent Lok Adalat, Public Utility Services, Panchkula and another****... Respondents****CORAM: HON'BLE MR. JUSTICE SUVIR SEHGAL**

Present:- Mr. Aman Bahri, Advocate and  
Mr. Shubham Pathania, Advocate for the petitioners.

Mr. Ankush Singla, Advocate and  
Ms. Vaishali Singla, Advocate for respondent No.2.

**\*\*\*\*****SUVIR SEHGAL, J. (ORAL)**

1. Instant petition has been filed *inter-alia* for issuance of a writ, in the nature of certiorari, for quashing award dated 30.12.2021, Annexure P-10, passed by Permanent Lok Adalat (Public Utility Services), Panchkula (for short "the Lok Adalat"), whereby petitioners have been directed to refund an amount of Rs.11,02,560/- along with interest, besides compensation and cost to respondent No.2.

2. Facts, in a nutshell, are that respondent No.2 applied on 06.11.1998, Annexure P-1, for a HIG house by depositing an amount of Rs.66,500/- as registration charges. He was successful in the draw of lots and was allotted a house vide allotment letter dated 19.01.2001, Annexure P-3, and possession was handed over to him on 16.02.2001. Petitioner deposited the



**CWP-14616-2022 (O&M)**

**-2-**

total price of the allotted house. An amount of Rs.43,351/- was deposited in excess by respondent No.2 and vide letter dated 31.01.2011, Annexure P-6, he was asked to submit an advance receipt, which was followed by another letter dated 16.03.2011, Annexure P-7, but respondent No.2 did not comply with the conditions. In the meanwhile, vide sale deed dated 31.01.2011, Annexure P-8, respondent No.2 sold the house to his brother, Satbir Singh Ranga. Claiming that an amount of Rs.67,377/- had been paid in excess, respondent No.2 filed a petition, Annexure P-9, under Section 22-C of the Legal Services Authorities Act, 1987 (for short “the Act of 1987”). As per respondent No.2, he was entitled to the refund of an amount of Rs.11,02,560/-, which included interest on the excess amount. After attempt at conciliation failed, petition has been accepted by the Lok Adalat vide award impugned herein.

3. Mr. Aman Bahri, learned counsel for the petitioners has argued that the petition was hopelessly barred by time. He submits that the claim arose in the year 2011, but respondent No.2 approached the Lok Adalat on 18.11.2019. He has placed reliance upon the judgments of this Court in **Hind Motors India Ltd. Versus Permanent Lok Adalat, Public Utility Services and others, 2008 (2) PLR 91** and **M/s Puri Construction Pvt. Ltd. Versus Permanent Lok Adalat and another, 2023 (4) PLR 385**. It is his assertion that respondent No.2 is not entitled to claim refund as he has relinquished all the rights in the property in favor of his brother, which is apparent to perusal of the sale deed, Annexure P-8.

4. *Per contra*, Mr. Ankush Singla, Advocate and Ms. Vaishali Singla, Advocate, who have put in appearance on behalf of respondent No.2, filed



CWP-14616-2022 (O&M)

-3-

Power of Attorney, which is taken on record. They have supported the impugned award and assert that being a statutory body, petitioners cannot be permitted to take the plea that the claim is delayed. He has urged that the claim cannot be held to be barred by time in view of Article 21 of Schedule to Limitation Act, 1963. He has placed reliance upon the judgments in *Chairman, Chandigarh Housing Board Versus Alka Singh and another, Law Finder Doc Id #1987501; Allied Trading Co. Versus S.L.Verma, Law Finder Doc Id # 582828* and *Kannegolla Santha Kumari Versus M/s Kannegolla Ramchandra Rao & Co., Eluru and others, Law Finder Doc Id # 625700.*

5. I have heard counsel for the parties and considered their respective submissions, besides examining the documents on the record.
6. The question of delay in approaching the Lok Adalat came up for consideration before a Division Bench of this Court in *Hind Motors's case (supra)*. The Division Bench has observed as under:-

*“The instant petition filed under Article 226 of the Constitution is directed against order dated 21.5.2007 (P-1), passed by the Permanent Lok Adalat, Public Utility Services, Chandigarh, on the ground that the claims made by the petitioner under the insurance policy were stale. The Permanent Lok Adalat has pointed out that 9 claims have emerged under the policy dated 21.12.1998, the next 43 claims were based on the policy dated 21.12.2000 and the last 14 claims were covered by the policy of the year 2001. The claim application before the Permanent Lok Adalat was filed on 30.8.2006. The Lok Adalat after quoting Article 44(b) of the Schedule of the Limitation Act, 1963, has concluded that the period of three years has to be taken from the date of occurrence causing the loss or where the claim on the policy is denied either partly or wholly, then from the date of such denial. The occurrence causing the loss to the vehicles in transit took place in the years 1998, 2000 and 2001 and, therefore, the claims have been held to be totally time barred.*”



**CWP-14616-2022 (O&M)**

**-4-**

2. *Having heard learned Counsel, we are of the considered view that there is no room to interfere in the impugned order. Once the Permanent Lok Adalat was called upon to adjudicate on the issue by invoking the provisions of Section 22-C(8) of the Legal Services Authorities Act, 1987, then the period of limitation provided by the Limitation Act, 1963, was applicable, which has rightly been applied. It could not be successfully contested by the petitioner that occurrence causing loss to the vehicles in transit took place in the years 1998, 2000 and 2001. The claim was made on 30.8.2006 much after the period of three years. It is, thus, obvious that the claims are hopelessly time barred. There is, thus, no merit in the instant petition.*

3. *Dismissed.”*

7. Examination of the facts of the present case shows that after the allotment was made in favour of respondent No.2, possession was delivered to him on 16.02.2001. The entire sale consideration was paid by respondent No.2 in the year 2003. By communications dated 31.01.2011 and 16.03.2011, Annexures P-6 and P-7, respectively, respondent No.2 was informed that the excess amount deposited by him is to be refunded, subject to his furnishing an advance receipt. Respondent No.2 did not comply with the requirement, although, he claims to have sent some letters to the petitioners claiming the refund of the excess amount. Merely, entering into a communication or sending reminders to the petitioners would not extend the period of limitation. It is evident from the factual position that there has been a delay of eight years in approaching the Lok Adalat. In view of the judgments in *Hind Motors's case (supra)*, as well as *M/s Puri Construction Pvt. Ltd. (supra)*, claim petition was clearly barred by him.

8. The legal provision and judgments relied upon by respondent No.2 would not come to his aid. A Co-ordinate Bench of this Court in *Chairman, Chandigarh Housing Board's case (supra)* has not dealt with the issue of



**CWP-14616-2022 (O&M)**

**-5-**

limitation and has directed the refund of the amount by holding that a public body is not expected to retain any illegally charged amount. Article 21 of the Schedule to Limitation Act, 1963 is clearly not attracted. Article 21 provides that limitation for recovery of money lent under an agreement would be three years from the date it is demanded back. It is evident that this statutory provision and other two judgments relied upon by respondent No.2 would apply in a case where a loan has been extended and it is demanded back. This is not the situation in the present case.

9. There is another reason for setting aside the award. The clauses of the sale deed, Annexure P-8, executed by respondent No.2 with his brother vest all the rights in the property in favour of Satbir Singh Ranga. Clause 7 of the sale deed stipulates that the vendor, i.e., respondent No.2, or his legal heirs will have no right or title with regard to the house and they will not have any claim over it in future. The rights in the house, therefore, stood vested in the favour of the vendee and respondent No.2 cannot claim refund of the excess amount from the petitioners.

10. For the afore-going reasons, writ petition is **allowed**. Impugned award dated 30.12.2021, Annexure P-10, is set aside and the petition, Annexure P-2, filed by respondent No.2 before the Lok Adalat, is dismissed.

11. As the main case has been decided, pending application shall stand disposed of.

22.09.2025

*Kamal*

**(SUVIR SEHGAL)**  
**JUDGE**

Whether Speaking/Reasoned	Yes/No
Whether Reportable	Yes/No