



**IN THE HIGH COURT OF ANDHRA PRADESH  
AT AMARAVATI  
(Special Original Jurisdiction)**

**[3565]**

TUESDAY, THE SEVENTEENTH DAY OF MARCH  
TWO THOUSAND AND TWENTY SIX

**PRESENT**

**THE HONOURABLE SRI JUSTICE BATTU DEVANAND  
THE HONOURABLE SRI JUSTICE SUBHENDU SAMANTA**

**WRIT PETITION NO: 8228/2024**

**Between:**

1. THE ANDHRA PRADESH SOUTHERN POWER DISTRIBUTION CORPORATION LTD.,, REP., BY ITS SUPERINTENDING ENGINEER, APSPDCL, KUMMOOL DISTRICT.
2. THE SUPERINTENDING ENGINEER, OPERATION CIRCLE, APSPDCL, KUMMOOL DISTRICT.
3. THE EXECUTIVE ENGINEER, , OPERATION DIVISION, APSPDCL, ADONI, KUMMOOL DISTRICT.
4. THE ADDITIONAL ASSISTANT ENGINEER, , OPERATION, APSPDCL, YEMMIGANTUR, KUMMOOL DISTRICT.

**...PETITIONER(S)**

**AND**

1. THE STATE OF ANDHRA PRADESH, REP., BY ITS PRINCIPAL SECRETARY, LAW AND LEGISLATURE DEPARTMENT, SECRETARIAT BUILDINGS, SECRETARIAT, VELAGAPUDI, GUNTUR DISTRICT.
2. THE PERMANENT LOKADALAT FOR PUBLIC UTILITY SERVICES, , KUMMOOL REP., BY ITS CHAIRMAN.
3. SRI G SURYANARAYANASETTY, S/O. LATE G. ALLAIAHSETTY, MANAGING PARTNER OF SREE LAKSHMI VENKATESWARA MODEM RICE MILLS, YEMMIGANUR, KUMMOOL DISTRICT

**...RESPONDENT(S):**

Petition under Article 226 of the Constitution of India praying that in the circumstances stated in the affidavit filed therewith, the High Court may be pleased to stay of all further proceedings in pursuance of the Award dated 14.02.2023 made in P.L.A.C..No.3 of 2023 on the file of the Permanent LokAdalat for Public Utility Services, Kurnool, Kurnool District, pending disposal of the above Writ Petition and pass

**IA NO: 1 OF 2024**

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to stay of all further proceedings in pursuance of the Award dated 14.02.2023 made in P.L.A.C..No.3 of 2023 on the file of the Permanent Lok Adalat for Public Utility Services, Kurnool, Kurnool District, pending disposal of the above Writ Petition and pass

**Counsel for the Petitioner(S):**

- 1.Venkata Rama Rao Kota SC FOR APSPDCL

**Counsel for the Respondent(S):**

- 1.S LAKSHMINARAYANA REDDY(SC FOR GVMC)
- 2.MAHADEVA KANTHRIGALA
- 3.GP FOR LAW LEGISLATIVE AFFAIRS

**The Court made the following:**

**THE HON'BLE SRI JUSTICE BATTU DEVANAND**

**AND**

**THE HON'BLE SRI JUSTICE SUBHENDU SAMANTA**

**WRIT PETITION No.8228 OF 2024**

**ORDER:(per Hon'ble Sri Justice Subhendu Samanta)**

1. The instant writ petition is preferred by the Andhra Pradesh Southern Power Distribution Corporation Limited (hereinafter referred to as '**APSPDCL**') against the award dated 14.02.2024 made in P.L.A.C. No.3 of 2023 on the file of the Permanent Lok Adalat for Public Utility Services at Kurnool, Kurnool District, seeking the following relief:

“...to issue an appropriate Writ, Order or direction more particularly one in the nature of Writ of Mandamus declaring the award, dated 14.02.2024 passed by respondent No.2 by entertaining a petition under Section 22-B of the Legal Services Authorities Act, 1987 and assigning the same in PLAC No.3 of 2023 filed by the respondent No.3, even though the respondent No.2 does not have jurisdiction to entertain the same as arbitrary, illegal, colorable exercise of power, without jurisdiction, contrary to the provisions of the A.P. Legal Services Authorities Act, 1987 , Electricity Act, 2003 and the National Legal Services Authorities (Lok Adalats) Regulations, 2009 and violative of fundamental rights guaranteed to the petitioners under Articles 14, 19 and 21 of the Constitution of India and consequently set aside the Award, dated 14.02.2024 made in PLAC No.3 of 2023 on the file of the Permanent Lok Adalat for Public Utility Services, Kurnool, Kurnool District, and pass such other order or orders....”

2. The brief facts of the matter are that respondent No.3 is the Managing Partner of Sree Lakshmi Venkateswara Modern Rice Mills, Yemmiganur, Kurnool District. He secured electricity service

connection for his rice mill in the year 2011 from the petitioners. He deposited a total sum of Rs.1,16,050/- towards the security deposit. However, the business was closed later on. The 3<sup>rd</sup> respondent sought disconnection of the electricity service to his rice mill after payment of last bill amount. Accordingly, the petitioners have disconnected the electricity service connection and issued no due certificate. The 3<sup>rd</sup> respondent sought to refund of security deposit amount Rs.1,16,050/-. In spite of several requests and remainder, such security deposit was not refunded by the present petitioners. Therefore, he approached the Legal Services Authority concerned under Section 22C of the Legal Services Authorities Act, 1987 (for short, '**the Act, 1987**') seeking a direction upon the petitioners herein to refund the security deposit with interest and other consequential reliefs. In terms of the notice issued by the Lok Adalat, the petitioners have appeared before the Lok Adalat and contested by filing defence on several grounds and also prayed for dismissal of the petition with costs.

3. After receipt of pleadings, the concerned Lok Adalat tried to conciliate the matter as per Section 22C(4) of the Act, 1987 and duly assisted the parties to reach amicable settlement of the matter, but it was not settled by the parties and as such, the case was posted for trial. The Lok Adalat has framed some points for consideration.

After receiving evidences, the Lok Adalat has allowed the petition with the following observations:

“... the petition is allowed partly, directing the respondents to pay a sum of Rs.1,14,310/- (Rupees one lakh fourteen thousand three hundred and ten only) to the petitioner/ Sree Lakshmi Venkateswara Modern Rice Mill, who/ which had deposited the security deposit amount with the respondents, with future interest at 6% per annum from 06.11.2021 to 14.03.2024 and thereafter at 12% per annum till the date of realization. We also direct the respondents to pay a sum of Rs.60,000/- (Sixty thousand only) to the petitioner towards compensation for mental agony and Rs.5,000/- to the petitioner towards costs of this petition.”

4. The learned Standing Counsel for the petitioners challenged the impugned order on two counts viz.,
  1. Permanent Lok Adalat for Public Utility Services has no jurisdiction to decide the matter placed before it.
  2. The impugned order passed by the learned Permanent Lok Adalat is not in conformity with the directions of the Statute under Section 22C of Act, 1987.

**POINT No.1:**

5. The learned Standing Counsel for the petitioners submits that Section 22A (b) of the Act, 1987 defines the word ‘public utility services’. The dispute between the petitioners and the 3<sup>rd</sup> respondent is not come under the definition ‘public utility services’. He further submits that A.P. Electricity Regulatory Commission has been set up by the State through Regulation No.6 of 2004

dt.17.05.2004, whereby necessary instructions have been set up in respect of security deposit to be provided by the consumers for distribution of licence, for energy etc., and for refund of the security deposit. The Andhra Pradesh State Regulatory commission is the Apex body to decide the dispute and not by the Lok Adalat.

6. The learned counsel for the 3<sup>rd</sup> respondent submits that dispute between the parties are purely in respect of public utility services. Supply of power, light or water to the public by any establishment is defined under public utility services. Thus, the point raised by the petitioners has no locus standi.
7. Heard the learned counsels for the parties.
8. Section 22A(b) of the Act, 1987 defined the word 'public utility service'. To decide the issue properly, it is necessary to set out Section 22A(b), which reads as follows:

“(b) public utility service means any –

- (i) transport service for the carriage of passengers or goods by air, road or water; or
- (ii) postal, telegraph or telephone service; or
- (iii) supply of power, light or water to the public by any establishment; or
- (iv) system of public conservancy or sanitation; or
- (v) service in hospital or dispensary; or
- (vi) insurance service,

And includes any service which the Central Government or the State Government, as the case may be, in the public interest, by notification, declare to be a public utility service for the purposes of this Chapter.

9. In Sub-clause (iii) of such definition, public utility service includes supply of power, light or water to the public by any establishment. However, this point of jurisdiction was not raised before Lok Adalat and in first time raised before this Court. Though the petitioner has filed counter before the learned Permanent Lok Adalat, but did not raise the said contentions. Moreover, the sole purpose of enactment of the Legal Services Authorities Act, 1987 is to provide free and competent legal services to the weaker sections of the society to ensure the opportunities for securing justice to any citizen of India. Moreover, Lok Adalat enjoy jurisdiction to be an Alternative Dispute Redressal Forum if it is provided under Legal Services Authorities Act, 1987. Chapter VIA was introduced in the said Act for pre-litigation conciliation and settlement. This provision enables the parties to settle the dispute in respect of public utility service without going through the regular litigation procedure as enumerated in several other Statutes.
10. In this particular case, though the specific Regulatory Commission has been set up, but there is no bar by the Regulation 6 of 2004 that any dispute between the petitioners and his consumers can be settled through Permanent Lok Adalat in pre-litigation conciliation procedure. Thus, in our view, the instant dispute between the parties is very well come under the public utility service. Though

there are other forums to ventilate the dispute, but for that reason, the Permanent Lok Adalat does not lack its jurisdiction to decide the dispute.

11. Accordingly, point No.1 is decided against the petitioners.

**POINT No.2:**

12. The learned Standing Counsel for the petitioners has placed reliance on the judgment of the Apex Court in **Canara Bank v. G.S.Jayarama**<sup>1</sup>, wherein the Hon'ble Apex Court set out the mandatory nature of conciliation proceeding under Section 22C of the Act, 1987. He submits that, in this particular case, such mandatory procedure was not adopted by the learned Lok Adalat. Thus the impugned order is not tenable.

13. The learned counsel for the 3<sup>rd</sup> respondent submits that the learned Lok Adalat has taken necessary steps to comply with the provisions provided under Section 22C of the Act, 1987, but there was no settlement between the parties. Thus the learned Lok Adalat has proceeded to decide the issue. He further submits that there is no illegality in the impugned order.

14. Heard the learned counsels for the parties and perused the Judgment of the Hon'ble Apex Court placed reliance by the learned Standing Counsel for the petitioners. To decide the issue properly, it

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<sup>1</sup> (2022) 7 SCC 776

is necessary to set out Section 22C of the Act, 1987, which reads as follows:

**22C. Cognizance of cases by Permanent Lok Adalat.-(1)**

Any party to a dispute may, before the dispute is brought before any court, make an application to the Permanent Lok Adalat for the settlement of dispute:

Provided that the Permanent Lok Adalat shall not have jurisdiction in respect of any matter relating to an offence not compoundable under any law:

Provided further that the Permanent Lok Adalat shall also not have jurisdiction in the matter where the value of the property in dispute exceeds ten lakh rupees:

Provided also that the Central Government, may by notification, increase the limit often lakh rupees specified in the second proviso in consultation with the Central Authority.

- (2) After an application is made under sub-section(1) to the Permanent Lok Adalat, no party to that application shall invoke jurisdiction of any court in the same dispute.
- (3) Where an application is made to a Permanent Lok Adalat under sub-section(1), it-
  - (a) shall direct each party to the application to file before it a written statement, stating therein the facts and nature of dispute under the application, points or issues in such dispute and grounds relied in support of, or in opposition to, such points or issues, as the case may be, and such party may supplement such statement with any document and other evidence which such party deems appropriate in proof of such facts and grounds and shall send a copy of such statement together with a copy of such document and other evidence, if any, to each of the parties to the application;
  - (b) may require any party to the application to file additional statement before it at any stage of the conciliation proceedings;
  - (c) shall communicate any document or statement received by it from any party to the application to the other party, to enable such other party to present reply thereto.
- (4) When statement, additional statement and reply, if any, have been filed under sub-section(3), to the satisfaction of the Permanent Lok Adalat, it shall conduct conciliation

proceedings between the parties to the application in such manner as it thinks appropriate taking into account the circumstances of the dispute.

- (5) The Permanent Lok Adalat shall, during conduct of conciliation proceedings under sub-section(4), assist the parties in their attempt to reach an amicable settlement of the dispute in an independent and impartial manner.
- (6) It shall be the duty of the every party to the application to cooperate in good faith with the Permanent Lok Adalat in conciliation of the dispute relating to the application and to comply with the direction of the Permanent Lok Adalat to produce evidence and other related documents before it.
- (7) When a Permanent Lok Adalat, in the aforesaid conciliation proceedings, is of opinion that there exist elements of settlement in such proceedings which may be acceptable to the parties, it may formulate the terms of a possible settlement of the dispute and give to the parties concerned for their observations and in case the parties reach at an agreement on the settlement of the dispute, they shall sign the settlement agreement and the Permanent Lok Adalat shall pass an award in terms thereof and furnish a copy of the same to each of the parties concerned.
- (8) Where the parties fail to reach at an agreement under sub-section (7), the Permanent Lok Adalat shall, if the dispute does not relate to any offence, decide the dispute.

15. In clarifying the provision of Section 22C of the Act, 1987, the Hon'ble Apex Court in the case of **Canara Bank v. G.S.Jayarama** (supra) has held at paragraph 34 that,

“34. This issue is clearly resolved from a bare reading of Section 22-C. Section 22-C provides a step-by-step scheme on how a matter is to proceed before the Permanent Lok Adalat. The first step is the filing of the application which ousts the jurisdiction of other civil courts, in accordance with sub-sections (1) and (2). The second step is the parties filing requisite submissions and documents before the Permanent Lok Adalat, in accordance with sub-section (3). On the completion of the third step to its satisfaction, the Permanent Lok Adalat can move to the fourth step of attempting conciliation between the parties, in accordance with sub-sections (4), (5) and (6). Subsequently, in the fifth step

in accordance with sub-section (7), the Permanent Lok Adalat has to draw up terms of settlement on the basis of the conciliation proceedings, and propose them to the parties. If the parties agree, the Permanent Lok Adalat has to pass an award on the basis of the agreed upon terms of settlement. Only if the parties fail to reach an agreement on the *fifth* step, can the Permanent Lok Adalat proceed to the *final* Step and decide the dispute on its merits.”

16. So, the dictum of the Statute as well as the Hon’ble Apex Court is that, the intention of the legislature in enacting the provision of Section 22C of the Act, 1987 is the conciliation and settlement of dispute in relation to public utility service. It further appears that decide the dispute on merits always being the last resort. On a subjective analysis of the Apex Court in the case of **Canara bank v. G.S.Jayamma** (supra), vis-à-vis statutory provision of Section 22C of the Act, 1987, it appears that a permanent Lok Adalat shall try to settle out to dispute between the parties after accepting the pleadings and documents from each side. It appears from the impugned order (specifically at paragraph 4), it is clear that the learned Lok Adalat has conducted conciliation process between the parties as contemplated under Section 22C(4) of the Act, 1987 and also assisted the parties to reach amicable settlement of the dispute. It has also taken note in the conciliation proceedings that, both the parties are not ready to settle the dispute amicably, as such, Permanent Lok Adalat had no scope in this case to draw up terms of settlement in accordance with sub-Section (7). Thus, finding no other alternative, the learned Lok Adalat has posted the matter for

trial to decide on merit. On perusing the impugned order also, it appears that the learned Lok Adalat has specifically followed the direction as provided in Section 22C of the Act, 1987. Hence, there is no violation of provision of Section 22C of the Act or direction of the Hon'ble Apex Court by the Lok Adalat. Thus, in our view, the learned Lok Adalat has committed no error in passing the impugned order.

17. Accordingly, point No.2 is also decided against the petitioners.
18. Considering the entire aspect, the instant writ petition appears to be groundless and the same is hereby dismissed as devoid of merits.  
No costs.
19. Miscellaneous petitions, if any, pending in this writ petition shall stand closed.

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**JUSTICE BATTU DEVANAND**

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**JUSTICE SUBHENDU SAMANTA**

Dated:17.03.2026  
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