



**IN THE HIGH COURT OF ANDHRA PRADESH:
AT AMARAVATI**

Writ Petition No.41481 of 2018

Between:

Yalamarathi Narasimha Rao, S/o. Koteswara Rao, aged about 46 yearws, R/o.Atmakur Village, Mangalagiri Mandal, Guntur District.

.... Petitioner

And

- 1) The District Legal Services Authority (Lok Adalath) at Vijayawada, Krishna District, rep. by its Secretary & **two** others.

....Respondents.

Date of Judgment pronounced on : 06.01.2022

THE HON'BLE SRI JUSTICE C. PRAVEEN KUMAR

AND

THE HON'BLE SRI JUSTICE RAVI NATH TILHARI

1. Whether Reporters of Local newspapers may be allowed to see the judgments? : Yes/No
2. Whether the copies of judgment may be marked to Law Reporters/Journals : Yes/No
3. Whether the Lordship wishes to see the fair copy of the Judgment? : Yes/No

JUSTICE C. PRAVEEN KUMAR



*** THE HON'BLE SRI JUSTICE C. PRAVEEN KUMAR**

AND

THE HON'BLE SRI JUSTICE RAVI NATH TILHARI

+ Writ Petition No.41481 of 2018

% 06.01.2022

Yalamarathi Narasimha Rao, S/o. Koteswara Rao, aged about 46 yearws, R/o.Atmakur Village, Mangalagiri Mandal, Guntur District.

.... Petitioner

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\$ 1) The District Legal Services Authority (Lok Adalath) at Vijayawada, Krishna District, rep. by its Secretary & **two** others.

....Respondents.

! Counsel for the Petitioner : Sri. V.R. Avula

Counsel for the 1st Respondent: Sri S. Lakshminarayana Reddy

Counsel for the 2nd Respondent: Sri Rambabu Koppineedi

<Gist :

>Head Note:

? Cases referred:

- 1) (2008) 2 SCC 660
- 2) 2010 (3) ALD 330
- 3) 2010(1) ALD 277
- 4) 2012(4) ALD 27
- 5) (2018) 13 SCC 480
- 6) 2013 (4) ALD 386
- 7) 2020 (4) ALD 1



THE HON'BLE SRI JUSTICE C. PRAVEEN KUMAR
AND
THE HON'BLE SRI JUSTICE RAVI NATH TILHARI

Writ Petition No.41481 of 2018

ORDER: *(Per Hon'ble Sri Justice C. Praveen Kumar)*

Aggrieved by the Award in Lok Adalat Case No.1001 of 2014, dated 23.07.2015 the present Writ Petition is filed under Article 226 of Constitution of India.

2. The averments in the affidavit filed, in support of the writ petition would show that the petitioner and the 2nd respondent are husband and wife and they were blessed with a male and female child. Differences arose between them which lead to 2nd respondent leaving the matrimonial home. Thereafter, the petitioner filed H.M.O.P.No.28 of 2012 on the file of Senior Civil Judge, Mangalagiri for restitution of conjugal rights, which was ordered on 16.06.2014.

i) While things stood thus, the 2nd respondent is alleged to have brought into existence a sham and collusive sale deed dated 10.02.2012, vide document No.805 of 2012 in favour of the 3rd respondent, in respect of a property admeasuring Ac.1.02 cents of wet land in R.S.no.36/1 of Velpuru Village, Kankipadu Mandal, Krishna District as if it was sold to 3rd respondent. The 2nd respondent further filed O.S.No.70 of 2012, on the file of II Addl. District Judge at Vijayawada showing the petitioner as 1st defendant and the 3rd



respondent as 2nd defendant seeking cancellation of the registered sale deed executed by her in favour of the 3rd respondent.

ii) The petitioner herein filed written statement stating that he purchased the suit property for a valuable consideration out of his own earnings, and got the same registered in the name of the 2nd respondent when the relationship between them was normal. While matter stood thus, the petitioner came to know that the 2nd and 3rd respondents herein colluded together and got the suit referred to Lok Adalat without any notice or consent of the writ petitioner.

iii) Pursuant to which, an Award came to be passed on 23.07.2015 wherein (i) the 3rd respondent agreed to pay Rs.37,00,000/- towards settlement out of which Rs.15,00,000/- was paid on 23.06.2015 and the remaining amount to be paid on the date of registration, in the name of third party or within 20 days from the date of compromise; (ii) the 2nd respondent/plaintiff agreed to give all clearances of the plaint schedule property as per the settlement, once the entire amount is paid and (iii) if the 3rd respondent fails to pay Rs.22,00,000/-, the 2nd respondent has a right to initiate proceedings for recovery of the said amount. The same is now under challenge before this Court on the ground of fraud,



collusion, violative of the provisions of Legal Services Authorities Act and principles of natural justice.

3. A counter came to be filed by the 2nd respondent, disputing the averments made in the affidavit filed in support of the writ petition.

4. Sri V.R.Avula, learned counsel for the petitioner, mainly submits that though the petitioner was a party to the suit in O.S.No.70 of 2012, but the same was referred to Lok Adalat without giving any notice to him. He further submits that the plaintiff in collusion with the 2nd defendant got the matter referred to Lok Adalat and then an Award came to be passed substantially affecting his rights. He took us through Sections 20 and 21 of the Legal Services Authorities Act, 1987, to show that before referring the matter to Lok Adalat, notice should be given to all the parties and only after obtaining their consent, the matter can be referred to Lok Adalat. He further submits that much prior to passing of the Award and reference to Lok Adalat, the petitioner herein filed O.S.No.173 of 2013 for title and permanent injunction in respect of the very same property. In the said case, the trial Court ordered *status-quo*, which was subsequently made absolute. Relying upon the judgment of this Court in W.P.No.2410 of 2019 and the judgment of High Court of Judicature for the State of Telangana and the State of



Andhra Pradesh in W.P.No.46801 of 2016, he would submit that when the subject matter of trial in the suit and the Award passed are different, the entire proceedings have to be quashed, since the Lok Adalat cannot go beyond the contents of the suit.

5. On the other hand, Sri S. Lakshminarayana Reddy, learned counsel for Legal Services Authority, opposed the same contending that in the written statement filed by the petitioner in O.S.No.70 of 2012, he categorically stated that he has nothing to do with the Sale Deed executed on 10.02.2012. Having regard to the above, no notice was given to him when the matter was referred to Lok Adalat. Since the Writ Petitioner has nothing to do with the Sale Deed, no prejudice would be caused to him, if the matter is referred to Lok Adalat, without notice to him. Learned counsel further submits that immediately after the Award is passed, the petitioner filed O.S.No.361 of 2015 for cancellation of the sale deed executed by the respondent herein in favour of third parties on 18.08.2015. That being the position, filing of a Writ Petition again, before this Court seeking cancellation of the Award, after three years, is an abuse of process of Court. He further submits that there is absolutely no explanation for the delay in filing the writ petition. Relying upon the Full Bench Judgment of the combined High Court of Judicature for the State of Telangana and the State of Andhra Pradesh



reported in **2013 (4) ALD 386** and the Judgment of the Hon'ble Supreme Court reported in **(2020) 4 ALD SC (51)**, learned counsel would submit that the writ petition is liable to be dismissed on the ground of laches as well. He also took us through the judgment of Hon'ble Supreme Court reported in **(2005) 6 SCC 478** in support of his plea.

6. Sri Rambabu Koppineedi learned counsel appearing for the respondent No.2 adopted the arguments advanced by Sri S. Lakshminarayana Reddy, learned counsel for the Legal Services Authority.

7. In so far as respondent No.3 is concerned, this Court permitted service of notice by substitute service i.e., by way of publication in news paper Eenadu (Telugu). It would be appropriate to extract the docket proceedings dated 06.12.2019, which reads as under:

“Proof of service of notice by way of publication in the newspaper Eenadu (telugu) on respondent No.3 has been filed. On perusal thereto, it revealed that steps for substitute service have been taken by way of publication against the 3rd respondent. Even after publication of the notice of the High Court, no one is present on behalf of respondent No.3 even though date of appearance is specified in the notice.

In that view of the matter, service of notice on respondent No.3 is accepted. Respondent No.3 may be treated as ‘served’ because no one is present on his behalf. Therefore, this Court proceeds ex parte against respondent No.3.

List this case for admission/disposal in the month of January, 2020.

In the meanwhile, the 1st respondent may file reply”.



In spite of the same, there is no representation on behalf of the respondent No.3.

8. The point that arises for consideration is, *whether the Legal Services Authority was right in recording the compromise between the parties without the writ petitioner being made as a party to the said proceedings?*

9. The main objection raised by the learned counsel for the respondents is as to the maintainability of the writ petition by a person who is not a party to the proceedings. The issue came up for consideration, in a number of judgments of the Hon'ble apex Court and the Division Bench of High Court of Judicature for the State of Telangana and the State of Andhra Pradesh. In A.S.No.968 of 2013, the Bench had an occasion to consider the same. While dealing with the issue as to whether a remedy of a civil suit is impliedly barred under the Act, it was observed that when an Award is passed by Lok Adalat in terms of the settlement arrived between the parties, and is duly signed by them, it is binding on the parties to the settlement and is executable as if it is a decree of the Civil Court. The Division Bench relying upon the judgments of Hon'ble Supreme Court in **Jalour Singh¹; Sanjay Kumar² and Batchu Subba Lakshmi³**, observed that in stipulating

¹ (2008) 2 SCC 660

² 2010 (3) ALD 330

³ 2010(1) ALD 277



that the award is enforceable as a decree, and in giving it finality, the endeavour is only to see that the disputes are narrowed down and the settlement is made final so that the parties are not again driven to further litigation. It was further observed that though the award of a Lok Adalat is not a result of a contest on merits, it is equal to and on par with a decree on compromise. It will have the same binding effect, and be conclusive. Just as a decree passed on a compromise cannot be challenged in a regular appeal, the award of the Lok Adalat, being akin thereto, cannot be challenged by way of any regular remedies available under law **(2005) 6 SCC 478**. The Court went on to hold that since no appeal would lie against a Lok Adalat award and if a party wants to challenge such an Award, it can be by way of a petition under Article 226 or 227 of Constitution of India.

10. But, when an award of Lok Adalat was obtained by misrepresentation, fraud or without due compliance with the provisions of the Act and that it was not preceded by a compromise/settlement, it can be challenged in a Writ Petition **(Sri Durga Malleswari Educational Society⁴)**. The challenge to the award of the Lok Adalat, in proceeding under Article 226 of Constitution of India, can be entertained only at the behest of parties to the settlement/compromise before the

⁴2012(4) ALD 27



Lok Adalat, and not by anyone else (**Sanjay Kumar's case** cited (2) *supra*). It was further observed that ordinarily a third party cannot challenge the award in a writ petition, even if such an award causes prejudice. The remedy of such party would be to institute a separate suit within the period of limitation prescribed under law for necessary redressal, and seek an appropriate decree. As a Civil Court can even declare that an earlier decree of the Court is not binding on the party before it, there can be no objection for a third party to institute a suit in a Civil Court seeking a declaration that the award Lok Adalat was not binding on him. But, there may be extraordinary cases where a third party is meted out with injustice at the behest of two or three conniving and colluding parties who may have obtained an award of the Lok Adalat by fraud or misrepresentation only to defeat the rights of the third party. In such cases, such third party may maintain a writ petition, but there should be *prima-facie* evidence of fraud or misrepresentation or collusion in obtaining an award of the Lok Adalat. The Division Bench further observed, as under:

“Judicial review is available to test the validity of awards passed by the Lok Adalat on limited grounds, one of which is when a party alleges that there was no settlement enabling an award being passed. If it is shown that there is no settlement or compromise, or that settlement or compromise itself is vitiated by fraud or misrepresentation, it would be a fit case for interference. Except the remedy of challenging the Lok Adalat



award on limited grounds, no other authority or Court can question the award of Lok Adalat which shall be treated as final and binding. (Sanjay Kumar⁸; Sri Durga Malleswari Educational Society⁷). In the absence of a statutory remedy of an appeal, an award can be subjected to challenge in writ proceedings invoking the extra- ordinary jurisdiction of this Court under Article 226 of the Constitution of India. As the jurisdiction, which this Court exercises under Article 226 of the Constitution of India is extra- ordinary, and as the power of judicial review under Article 226 is part of the basic structure of the Constitution (L. Chandra Kumar v. Union of India), it cannot be circumscribed or negated by legislation plenary or subordinate. Availability of the remedy, of invoking the extra- ordinary jurisdiction of the High Court under Article 226 of the Constitution of India, would not per se disable a person aggrieved from invoking the jurisdiction of the Civil Court”.

11. In **State of Punjab vs. Jalour Singh**, cited (1) *supra*, the question before the Hon’ble Supreme Court was as to the remedy that is available to the person aggrieved of the award passed by the Lok Adalat under Section 20 of the Legal Services Authorities Act, 1987. In the said case, the award was passed by the Lok Adalat which has resulted in appeal pending before the High Court, relating to a claim arising out of a Motor Vehicles’ Act. One party to the appeal questioned the correctness and legality of the award passed by the Lok Adalat under Article 226/227 of Constitution of India. The High Court dismissed the writ petition holding it, is not maintainable. Aggrieved thereto, he preferred an appeal by way of Special Leave before the Hon’ble Supreme Court. After examining the scheme of the Act, it would hold that the only



remedy available to the aggrieved person was to challenge the award of Lok Adalat by filing a writ petition under Article 226 or 227 of Constitution of India in the High Court and that too on very limited grounds.

12. In **Bhargavi Constructions and another vs. Kothakapu Muthyam Reddy and others**⁵, the Hon'ble apex Court observed as under:

24. In our considered view, the aforesaid law laid down by this Court is binding on all the courts in the country by virtue of mandate of Article 141 of the Constitution. This court, in no uncertain terms, has laid down that challenge to the award of Lok Adalat can be done only by filing a writ petition under Article 226 and/or Article 227 of the Constitution of India in the High Court and that too on very limited grounds. In the light of clear pronouncement of the law by this Court, we are of the opinion that the only remedy available to the aggrieved person (respondents herein/plaintiffs) was to file a writ petition under Article 226 and/or Article 227 of the Constitution of India in the High Court for challenging the award dated 22.08.2007 passed by the Lok Adalat. It was then for the writ court to decide as to whether any ground was made out by the writ petitioners for quashing the award and, if so, whether those grounds are sufficient for its quashing.

25. The High court was, therefore, not right in by-passing the law laid down by this Court on the ground that the suit can be filed to challenge the award, if the challenge is founded on the allegations of fraud. In our opinion, it was not correct approach of the High Court to deal with the issue in question to which we do not occur.

13. Keeping in view the principles of law laid down by the Hon'ble Supreme Court and the High Court in the judgments

⁵ (2018) 13 SCC 480



referred to above, we intend to proceed further with the matter. In the instant case, as observed earlier, the writ petitioner was a party to the suit proceedings, which was initiated vide O.S.No.70 of 2012, but without giving notice to him and without his knowledge, the matter was referred to Lok Adalat at the instance of the plaintiff and other defendants, which was settled before the Lok Adalat on certain terms. Apart from that, prior to passing of the award, the writ petitioner herein filed O.S.No.173 of 2013 in which an order of *status-quo* came to be passed in respect of the very same property. When the order of *status-quo*, was in force as on the date of passing reference to Lok Adalat, the referral Court could not have referred the matter to Lok Adalat. Things would have been different, had the defendant No.1 was put to notice about the compromise. As the same is not done, it can be said that the right of the defendant No.1 over the property was put under cloud and an award came to be obtained by the plaintiff in collusion with the defendant No.2. No justification is given as to why defendant No.1 was not put to notice, more so, when he has filed the written statement disputing the claim of the plaintiff over the subject property. Under those circumstances, the allegation made by the writ petitioner in this affidavit that there was collusion between the plaintiff and other defendants, stands *prima-facie* established and hence we are of the opinion that it is a fit



case to entertain a writ petition filed under Article 226 of the Constitution of India.

14. To analyse the rival submissions made, it would be just and proper to refer to the reliefs claimed in the O.S.No.70 of 2012 and O.S.No.173 of 2013. In O.S.No.70 of 2012 the 1st respondent/plaintiff filed suit claiming the following reliefs:

“Therefore, the plaintiff prays that the Hon’ble Court may be pleased to pass a decree and judgment in favour of the plaintiff and against the defendants:

- i) For cancellation of the registered sale deed dated 10.02.2012 bearing document No.805/2012 before SRO, Kankipadu said to have been executed by the Plaintiff in favour of the 2nd defendant on 10.02.2012 is not legal, valid and binding on the plaintiff;*
- ii) For a permanent injunction restraining the defendants, their men, agents and henchmen from ever interfering with peaceful possession and enjoyment of the plaintiff in the plaint schedule property in any manner whatsoever;*
- iii) For a permanent injunction restraining the 2nd defendant from making any attempt to alienate the plaint schedule property by way of sale, mortgage, gift to the 3rd parties in any manner whatsoever till the disposal of the suit;*
- iv) For costs of this suit;*
- v) For such other relief or reliefs as the Hon’ble Court deems fit and proper in the interests of justice and equity”.*



The said suit relates to cancellation of registered sale deed dated 10.02.2012 and for permanent injunction restraining the defendants, their men from ever interfering with the property in dispute in the said suit which is an extent of Ac.1.02 cents of wet land in Survey No.36/1 of Velpuru Gram Panchayat, Velpuru Village, Kankipadu Mandal.

15. O.S.No.173 of 2013 is filed by the writ petitioner herein against the respondent No.2 herein and two others. The said suit was to declare the plaintiff/writ petitioner as owner of the plaint schedule properties and for permanent injunction, restraining the defendants therein from executing any document with regard to plaint schedule properties. Item No.1 of the plaint schedule property is the land which is subject matter of dispute in O.S.No.70 of 2012. In the said case, the Court initially granted *status-quo* on 19.08.2013 and which was extended until further orders on 20.01.2015 in I.A.No.1293 of 2013. Such being the position, the writ petitioner herein, who was the defendant No.1 in O.S.No.70 of 2012 should have been put to notice when the matter was referred to Lok Adalat by the Court. It is not the case of the respondents that the defendant No.1 was set *ex parte* nor it is the case of the plaintiff that the defendant No.1/writ petitioner was given up. Strangely, the terms of compromise only refer to plaintiff and defendant No.2 and there is no



reference to defendant No.1 anywhere. Accepting the terms of the compromise, an award came to be passed as under:

AWARD

- 1) *The defendant No.2 agreed to pay Rs.37,00,000/- (Rupees thirty seven lakhs only) towards the settlement in which the defendant No.2 already paid Rs.15,00,000/- on 23.06.2015 and the remaining will be paid on the date of registering the property in teh name of third party or within 20 days from the date of compromise which is earlier.*
- 2) *The plaintiff agreed to give up all its claims with regard to plaint schedule property as per the settlement, once the entire amount received by them.*
- 3) *In case, the defendant No.2 failed to make payment of Rs.22,00,000/- (Rupees twenty two lakhs only) on the date of registering the property in the name of third party or within 20 days i.e., 10.08.2015 from the date of compromise whichever is earlier, the plaintiff is at right to take up the execution proceedings against the defendants for recovery of the amount Rs.22,00,000/- (Rupees twenty two lakh only) along with interest at the rate of 18% per annum from the date of the award till realization by attaching the plaint schedule property against defendant No.2.*
- 4) *The defendants have to pay Rs.22,00,000/- (Rupees twenty two lakh only) either by way of Demand Draft or in cash to the plaintiff.*
- 5) *The plaintiff is entitled to claim the Court fees.*

Though, Sri S. Lakshminarayana Reddy, learned counsel for the 1st respondent tried to contend that the contents of the written statement show that the defendant No.1 is no way concerned with the said document, but a reading of the entire paragraph gives a different meaning. The said paragraph denies the allegation that the defendant No.1 in collusion with defendant No.2 fabricated the signature of the plaintiff and a



document came to be registered in favour of the defendant No.2 by impersonation etc., are all neither true nor correct. It was further stated that the defendant No.2 along with one Chennupati Durga Prasad fabricated the sale deed, dated 10.02.2012, and this defendant i.e., defendant No.1 is no way concerned with the said document, meaning thereby the act of forgery of the sale deed, dated 10.02.2012 was done by defendant No.2 and other. Even in paragraph No.11 of the written statement it was categorically stated that the defendant No.1 is no way concerned or connected with the creation of alleged sale deed dated 10.02.2012. Therefore, it cannot be said that the writ petitioner has nothing to do with the property in dispute. He was only denying the alleged act of forgery. Hence, we feel that on this score the writ petition has to be allowed.

16. At this stage, learned counsel for the respondent vehemently tried to contend that the writ petition is liable to be dismissed on the ground of laches since no steps have been taken by the petitioner to challenge the award though he was aware of the same from the year 2015, when he filed O.S.No.361 of 2015 for cancellation of the sale deed. He placed reliance on Full Bench Judgment of the Court in ***P.V. Narayana vs. APSRTC, Hyderabad and others***⁶ and

⁶ 2013 (4) ALD 386



also the judgment of the Hon'ble Supreme Court of India in ***Kapilaben Ambalal Patel and others vs. State of Gujarat and another***⁷. There cannot be any disputes with regard to the proposition of law laid down in the said judgments with regard to laches. But in the instant case, immediately on coming to know about the award passed by the Lok Adalat, he filed O.S.No.361 of 2015, for cancellation of the sale deed and since the award of the Lok Adalat would come in the way of the trial Court, while adjudicating the dispute in O.S.No.361 of 2015, he filed the present writ petition before this Court in the year 2018 i.e., within the period of three years from the date of his knowledge. As seen from the record, after obtaining the award, the defendant No.2 is alleged to have fabricated the sale deed, dated 18.08.2015 in favour of one Kopparaju Suresh, in respect of the subject property. Hence writ petitioner filed O.S.No.361 of 2015, for cancellation of sale deed, dated 18.08.2015 and then filed writ petition before this Court challenging the award of Lok Adalat, in the month of November, 2018. From the above, it is clear that the petitioner was pursuing his remedies in one form or the other before the proper forum and hence this delay of 2 ½ to 3 years in filing the writ petition. The same in our view cannot be a ground to dismiss it on the ground of laches.

⁷2020 (4) ALD 1



17. At this stage, we intend to refer Regulation No.5 of National Legal Services Authority (Lok Adalats) Regulations, 2009, which reads as under:

(5) Member of the Lok Adalat shall ensure that the parties affix their signatures only after fully understanding the terms of settlement arrived at and recorded. The members of the Lok Adalat shall also satisfy themselves about the following before affixing their signatures:

(a) that the terms of settlement are not unreasonable or illegal or one-sided; and

(b) that the parties have entered into the settlement voluntarily and not on account of any threat, coercion or undue influence.

The said regulations came to be issued exercising power conferred under Section 29 of the Legal Services Authorities Act, 1987. The regulation No.17 deals with 'Award', which reads as under:

(1) Drawing up of the award is merely an administrative act by incorporating the terms of settlement or compromise agreed by parties under the guidance and assistance from Lok Adalat.

2) When both parties sign or affix their thumb impression and the members of the Lok Adalat countersign it, it becomes an award. (see a specimen at Appendix-I) Every award of the Lok Adalat shall be categorical and lucid and shall be written in regional language used in the local courts or in English. It shall also contain particulars of the case viz., case number, name of court and names of parties, date of receipt, register number assigned to the case in the permanent Register (maintained as provided under Regulation-20) and date of settlement. Wherever the parties are represented by counsel, they should also be required to sign the settlement or award before the members of the Lok Adalat affix their signature.



(3) *In cases referred to Lok Adalat from a court, it shall be mentioned in the award that the plaintiff or petitioner is entitled to refund of the court fees remitted.*

(4) *Where the parties are not accompanied or represented by counsel, the members of the Lok Adalat shall also verify the identity of parties, before recording the settlement.*

(5) *Member of the Lok Adalat shall ensure that the parties affix their signatures only after fully understanding the terms of settlement arrived at and recorded. The members of the Lok Adalat shall also satisfy themselves about the following before affixing their signatures:*

(a) *that the terms of settlement are not unreasonable or illegal or one-sided; and*

(b) *that the parties have entered into the settlement voluntarily and not on account of any threat, coercion or undue influence.*

(6) *Members of the Lok Adalat should affix their signatures only in settlement reached before them and should avoid affixing signatures to settlement reached by the parties outside the Lok Adalat with the assistance of some third parties, to ensure that the Lok Adalats are not used by unscrupulous parties to commit fraud, forgery, etc.*

(7) *Lok Adalat shall not grant any bail or a divorce by mutual consent.*

(8) *The original award shall form part of the judicial records (in pre-litigation matter, the original award may be kept with the Legal Services Authority or committee, concerned) and a copy of the award shall be given to each of the parties duly certifying them to be true by the officer designated by the Member-Secretary or Secretary of the High Court Legal Services Committee or District Legal Services Authority or, as the case may be, the Chairman of Taluk Legal Services Committees free of cost and the official seal of the Authority concerned or Committee shall be affixed on all awards.*



18. As seen from the above, Regulation 17(2) postulates that when both the parties signed or affixed thumb impression and when Members of Lok Adalat counter sign, it becomes an award and whenever the parties are represented by their counsel, they should also be required to sign on settlement of award before the members of Lok Adalat affix their signatures.

19. Regulation 17(4) states that when parties are not accompanied or represented by counsel, the members of the Lok Adalat shall verify the identity of the parties before recording the settlement. Various other clauses in regulation 17 came to be framed to protect the interests of the parties who settle the dispute.

20. Regulation No.38 of the Andhra Pradesh State Legal Services Authority Regulations, 1996 deals with the “procedure for effecting compromise settlement at Lok Adalat, which is as under:

(1) Every Award of the Lok Adalat shall be signed by the panel constituting the Lok Adalat.

(2) The original award shall form part of the judicial records and a copy of the Award shall be given to each of the parties [duly certifying them to be true by the Secretary of the High Court Legal Services Committee or the District Legal Services Authority or the Chairman of Mandal Legal Services Committees, as the case may be are authorized to sign the true copies of the Award].



These regulations, as observed earlier, are brought into effect to give authenticity to the award of the Lok Adalat, which is treated as decree passed by a Civil Court. But, off late, we have come across cases where parties are either impersonated or at times signatures of the parties being forged or parties before the Civil Court are not made parties before the Lok Adalat. Without verifying the same, awards are passed in terms of compromise. This is leading to multiplicity of litigations as the parties are either approaching this Hon'ble Court under Article 226 of Constitution of India or again filing suits for cancellation of sale deed etc. The instances mentioned by us are only illustrative and not exhaustive. In other words, the purpose of the Act is getting defeated. Under those circumstances, we intend to issue certain directions:

(a) we, hereby direct the members of Lok Adalat, more particularly, the Sub-ordinate Officers dealing with the Lok Adalat cases to verify the documents of the suit or atleast the plaint copy to find out as to whether all the parties before the Civil Court are made parties before the Lok Adalat.

(b) Photographs of the parties may also be taken at the time of passing of the award, with signature of the parties on the photographs, so as to avoid impersonation.



(c) Legal Services authorities, at all levels, are directed to maintain the record of disposed off cases, namely the applications filed, photographs along with the application, documents, if any, filed along with the application and the award passed, atleast for a period of three years from the date of award.

(d) The members or member of the Lok Adalat shall find out from the parties as to pendency of any other proceedings in respect of the subject property between the parties in any other Court and orders if any passed. The same shall also be recorded in the order/award.

(e) The members of the Lok Adalat shall verify if the compromise/settlement is between all the parties and if it finds that it is not between all but some of the parties, it shall consider if such compromise may have adverse affect on the party who has not entered into compromise. If it so affects award shall not be passed based on such compromise.

(f) If all the parties before the civil court are parties before the Lok Adalat, but during the pendency of the proceedings before the Lok Adalat, any application is filed or request is made to delete the name of any of the parties as not being necessary or proper party or being a formal party and non contesting party, the Lok Adalat shall before acceding to such request shall provide opportunity to such



party before deletion of his/her name and shall also consider the impact of the award based on compromise/settlement between the parties other than the party sought to be deleted on the rights of the party sought to be deleted or alleged as proforma and non-contesting party.

21. For the aforesaid reasons, the Writ Petition is **allowed**. The order under challenge is accordingly *set aside* and the matter is remanded back to concerned Civil Court, for disposal in accordance with law. There shall be no order as to costs.

Consequently, miscellaneous petitions, if any, pending shall stand closed.

JUSTICE C. PRAVEEN KUMAR

JUSTICE RAVI NATH TILHARI

Date: 06.01.2022.

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THE HON'BLE SRI JUSTICE C. PRAVEEN KUMAR

AND

THE HON'BLE SRI JUSTICE RAVI NATH TILHARI

Writ Petition No.41481 OF 2018

(Per the Hon'ble Sri Justice C. Praveen Kumar)

Date: 06.01.2022

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CPK,J & RNTJ
W.P.No.41481 of 2018