

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CIVIL APPELLATE JURISDICTION**

WRIT PETITION NO. 1539 OF 2026

1. Aakash Umesh Tiwari
Aged about 28 years, Occ.- Student,
2. Umesh Shivraj Tiwari,
Aged about 62 years, Occ.- Business,
Both residing at – Tiwari Compound,
Boisar Road Chaar Rasta,
Old Palghar,
Tq. & Dist. Palghar – 401404.

..Petitioners

SAINATH
SANJAY
BODKHE

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SAINATH SANJAY
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Versus

1. Jagdish Omprakash Pathak
Aged about 45 years, Occ.- Business,
2. Bharati w/o Shriram Tiwari,
Aged about 48 years, Occ.- Housewife,
Both residing at – Bhola Bhaiya Estate,
Chandanwadi, Almeida Road,
Sarovar Darshan Tower,
Panchpakhadi, Thane (E).
3. Durgaprasad Jagannath Pathak,
Aged about: Adult, Occ.- Business,
Residing at flat no. 902, 9th floor,
Jaydeep Park, Majiwada,
Thane (W) p.c.- 400601.
4. Prabhudayal Jagannath Pathak,
Aged about : Adult, Occ- Business,
5. Surendrakumar Jagannath Pathak
Aged about – Adult, Occ- Business,
Bhola Bhaiya Estate, Chandanwadi,
Almeida Road, Thane (W)-400 601.
5. M/s. Samrin Infrastructure.
Office at – Samrin House, Plot No.221-A

Wagle Estate, Road No. 16,
Thane (W) – 400605.

...Respondents

Mr. Jaimin M Vyas, for the Petitioners.

Mr. Niranjan Mogre, a/w Mr. Tejas S Joshi, i/b Pooja Joshi, for
Respondent No. 4.

Mr. Sandeep Mishra, a/w Ms. Madhura Mulay, for Respondent
No. 5.

Mr. Amogh Singh, (VC), a/w Mr. Chintan Shah, for
Respondent No. 6.

CORAM : N. J. JAMADAR, J.
RESERVED ON : 28th SEPTEMBER, 2026
PRONOUNCED ON : 06th OCTOBER, 2026

JUDGMENT :-

1. Rule.
2. Rule made returnable forthwith, and with the consent of the learned Counsel for the parties, heard finally.
3. By this petition under Articles 226 and 227 of the Constitution of India, the petitioners, *inter alia*, seek directions to quash and set aside the compromise pursis cum agreement dated 09th September, 2023, filed before the National Lok Adalat, the award passed by the National Lok Adalat on the basis of the

said compromise pursis, the consequential order of the disposal of Special Civil Suit No. 211/2022 and the decree drawn in terms of the said award, and the withdrawal pursis filed by Petitioner No.1 in Special Civil Suit No. 245/2022 and the consequential order of the disposal of Special Civil Suit No. 245/2022 as illegal, invalid and *void ab initio*.

4. The substance of the petition is that, the compromise pursis and the awards passed in both the suits on the basis of the said compromise pursis and all consequential orders were vitiated by fraud, misrepresentation, concealment of true facts and undue influence exercised by the Respondent Nos. 1 and 6. The petitioners were made to sign the said compromise pursis, withdraw the Special Civil Suit No. 245/2022 and also execute the registered instruments by practicing fraud on them.

5. It is further asserted that, the reference of the suit to the Lok Adalat was not in conformity with the provisions of the Legal Services Authorities Act, 1987 ("the Act, 1987") nor did the Lok Adalat has pass the awards after satisfying itself that there was indeed a settlement and such a settlement was arrived at by the parties out of their own volition. Thus, the impugned awards and orders are in violation of the mandatory provisions

of the Act, 1987 and the National Legal Services Authority (Lok Adalat) Regulations, 2009.

6. In order to appreciate the challenge to the awards passed by the National Lok Adalat, in a correct perspective, it may be apposite to briefly note, the factual backdrop which had led to the institution of the above numbered suits :-

6.1 Late Omprakash Jagannath Pathak was the father of Jagdish Omprakash Pathak and Bharati w/o Shriram Tiwari – Respondent Nos. 1 and 2 herein and plaintiffs in Special Civil Suit No. 211/2022. Late Aarti Tiwari, who was the mother of Akash Umesh Tiwari – Petitioner No.1 and wife of Umesh Shivraj Tiwari– Petitioner No.2, was the sister of Respondent Nos. 1 and 2. The Respondent Nos. 3, 4 and 5 – Defendant Nos. 3 to 5 in Special Civil Suit No. 211/2022 are the brothers of late Omprakash Pathak. The Respondent No.6 is the developer in whose favour development agreements have been executed to develop suit properties 1 and 2. (The parties are hereinafter referred to in the capacities in which they were arrayed in Special Civil Suit No. 211/2022)

6.2 The Plaintiff Nos. 1 and 2 instituted Special Civil Suit No. 211/2022 with the assertion that, as late Aarti Tiwari was

suffering from health problems and was diagnosed with a brain tumor and required funds to meet the expenses of her treatment, she had agreed to relinquish and release her undivided right, title and interest in suit properties 1 and 2 in favour of her deceased father Omprakash Pathak. Thus, the terms of the settlement were arrived at and on 06th January, 2021, late Aarti Tiwari executed a release deed in favour of late Omprakash Pathak to which the Defendant Nos. 1 and 2 were the confirming parties.

6.3 However, subsequently, after the demise of Aarti Tiwari the Defendant Nos. 1 and 2 resiled from the terms of the said instrument and demanded their 1/12th undivided share in the suit properties. Hence, the plaintiffs sought a declaration that, the said release deed dated 06th January, 2021, was legal, operative and binding upon Defendant No.1 and that they be directed to act upon the said release deed and the consequential reliefs.

6.4 The Defendant No. 1 – Akash Tiwari, in turn, instituted a suit being Special Civil Suit No. 245/2022 seeking a declaration that, he has an undivided 1/12th share in the suit properties and the said release deed dated 06th January, 2021, executed by

late Aarti Tiwari in favour of late Omprakash Pathak was void, illegal and inoperative and was otherwise vitiated on account of coercion and undue influence.

7. During the pendency of the suits, on 03rd July, 2023, at the request of the learned Counsel for the parties, the suits were directed to be placed in the National Lok Adalat which was held to be on 09th September, 2023.

8. On 09th September, 2023, before the National Lok Adalat, a compromise pursis (Exh. 35) was filed in Special Civil Suit No. 211/2022 and the Lok Adalat passed the award in terms of the said compromise pursis. In terms of the said settlement, the Defendant No.1 – Akash Tiwari, the plaintiff in Special Civil Suit No. 245/2022, filed a withdrawal pursis. On the basis of the said withdrawal pursis, Special Civil Suit No. 245/2022 came to be disposed as withdrawn and an award was also passed.

9. Now feeling aggrieved, the petitioners have invoked the writ jurisdiction of this Court.

10. I have heard Mr. Jaimin Vyas, the learned Counsel for the petitioners, Mr. Niranjana Mogre, the learned Counsel for Respondent No.4, Mr. Sandeep Mishra, the learned Counsel for

Respondent No.5 and Mr. Amogh Singh, the learned Counsel for Respondent No.6. With the assistance of learned Counsel for the parties, I have also perused the material on record.

11. Mr. Jaimin Vyas, the learned counsel for the petitioners, submitted that, the very reference of the suit to the Lok Adalat, was not legal. Laying emphasis on the roznama of the proceedings dated 03rd July, 2023, Mr. Vyas, urged that, on 03rd July, 2023, none of the plaintiffs nor any of the defendants were present before the Court. Purportedly on the basis of oral submissions made on behalf of the parties by their respective Advocates, the matter was referred to the Lok Adalat. The parties had not given their consent for the reference of the suit to the Lok Adalat. Therefore, the very reference of the suits to the Lok Adalat was contrary to the provisions contained in Section 20 of the Act, 1987. It was further submitted that, the learned Civil Judge while referring the suit to the Lok Adalat, did not record the satisfaction that there was an element of settlement. Such a mechanical reference of the suits vitiated the entire proceedings before the Lok Adalat.

12. As a second limb of the submission, Mr. Vyas would urge that, even the National Lok Adalat Panel had not examined the

legality of the compromise. Neither the voluntariness of the parties was ascertained nor did the Lok Adalat satisfy itself that, the parties had arrived at the compromise out of their own volition. Even the awards were passed in a perfunctory manner. The award in Special Civil Suit No. 211/2022 does not bear the signatures of the Respondent Nos.3 and 5. Whereas the award in Special Civil Suit No. 245/2022 neither bears the signature of the parties nor the Panel members.

13. An endeavour was also made by Mr. Vyas to drive home the point that, the petitioners were coerced to execute the compromise pursis. A fraud was practiced not only on the petitioners but also on the Court. Therefore, the impugned award deserves to be quashed and set aside and the suit restored to file.

14. To lend support to aforesaid submissions, Mr. Vyas placed reliance on a judgment of this Court in the case of ***Madhukar Baburao Shete Vs. Yogesh Trimbak Shete & anr¹***.

15. Per contra, Mr. Amogh Singh, the learned Counsel for Respondent No.6, submitted that, the petition is wholly misconceived and has been instituted with an oblique motive.

1 WP/3743/2021 dt. 20/08/2024

Not only have the petitioners executed the registered instruments in terms of the compromise but Defendant No.1 has received a sum of Rs. 1,00,00,000/- (Rupees One Crore) towards lump sum consideration from Defendant No.6. The facts that, the petitioners had appeared before the Lok Adalat, executed the consent terms and signed the awards have nowhere been disputed. In accordance with the consent terms, Petitioner No.1 has duly withdrawn Special Civil Suit No. 245/2022. Subsequently, Petitioner No.1 has also obtained the Court Fee Refund Certificate on 01st February, 2024. Thereafter, the petitioners have instituted this petition raising false and frivolous contentions.

16. Mr. Mishra, the learned Counsel for Respondent No.5, supplemented the submissions of Mr. Singh. It was urged that, having appeared before the Lok Adalat and filed the compromise pursis, it was not open for the petitioners to again turn around and question the legality and validity of the award by making bald allegations of fraud. To this end, Mr. Mishra placed reliance on a judgment of the Supreme Court in the case of ***Hemantha Kumar Vs. R. Mahadevaiah & ors²***.

17. In the wake of the aforesaid controversy, to have clarity in regard to the passing of the awards by the Lok Adalat, by an order dated 25th June, 2026, this Court had called a report from the learned Principal District Judge, Thane, on the following points :-

“(i) Who were the members of the Lok Adalat panel constituted to take up the matters for settlement, on 9 September 2023, before which SCS No.211 of 2022 and SCS No.245 of 2022, were placed for settlement ?

(ii) Whether the awards passed by the Lok Adalat, on 9 September 2023, in SCC Nos.211 of 2022 and 245 of 2022 bear the signatures of the Presiding Officer and the members of the Lok Adalat Panel ?

(iii) The names and designations of the members of the said Lok Adalat Panel who have signed the said Awards ?”

18. The learned Principal District Judge has reported that, the Panel of the Lok Adalat before which the Special Civil Suit Nos. 211/2022 and 245/2022 were listed for settlement, was headed by Smt. Rajshri M. Ganvir, the then 4th Joint Civil Judge, Senior Division, Thane, and Shri Bhausahab Shelke, Advocate. The award passed in Special Civil Suit No. 211/2022 bears the

signatures of Smt. Rajshri Ganvir, the Panel Head and Advocate Bhausahab Shelke, Member. However, the award in Special Civil Suit No. 245/2022 bears the signature of Smt. Rajshri Ganvir – Panel Head only.

19. With the aforesaid clarity on facts, it is necessary to bear in mind that, the law attaches sanctity to the settlement before the Lok Adalat. Under Section 21(1) of the Act, 1987, every award of the Lok Adalat shall be deemed to be a decree of a Civil Court or, as the case may be, an order of any other Court. Under Sub-section (2) thereof, every award made by a Lok Adalat shall be final and binding on all the parties to the dispute, and no appeal shall lie to any court against the award. The award passed by the Lok Adalat is thus final and binding on the parties thereto.

20. In the case of *State of Punjab V. Jalour Singh*³, a three-Judge Bench of the Supreme Court considered the question as to the finality of the award passed by the Lok Adalat. It was enunciated that, an award passed by the Lok Adalat becomes final and binding on the parties to the settlement and becomes executable as if it is a decree of a civil Court and if any party

3 (2008) 2 SCC 660

wants to challenge such an award based on the settlement, it could be done only by filing a petition under Article 226 and/or 227 of the Constitution of India and that too on very limited grounds.

21. The observations of the Supreme Court in paragraph 12 are instructive and, hence, extracted below :-

“12. It is true that where an award is made by Lok Adalat in terms of a settlement arrived at between the parties, (which is duly signed by parties and annexed to the award of the Lok Adalat), it becomes final and binding on the parties to the settlement and becomes executable as if it is a decree of a civil court, and no appeal lies against it to any court. If any party wants to challenge such an award based on settlement, it can be done only by filing a petition under Article 226 and/or Article 227 of the Constitution, that too on very limited grounds. But where no compromise or settlement is signed by the parties and the order of the Lok Adalat does not refer to any settlement, but directs the respondent to either make payment if it agrees to the order, or approach the high Court for disposal of appeal on merits, if it does not agree, is not an award of the Lok Adalat. The question of challenging such an order in a petition under Article 227 does not arise. As already noticed, in such a situation, the High Court ought to have heard and disposed of the appeal on merits.

(emphasis supplied)

22. The Supreme Court has in no uncertain terms held that an award passed by the Lok Adalat can be challenged only by filing a petition under Article 226 and/or Article 227 of the Constitution, and that too on very limited grounds.

23. Evidently, the scope of interference with an award passed by the Lok Adalat, even in exercise of extraordinary writ jurisdiction, is of restricted nature. The High Court cannot examine the matter like an Appellate Court as if the entire issue is open before the Court. It is only in cases of apparent and egregious fraud, irretrievable injustice to a party, the award being ex facie unlawful, the award having been passed in flagrant violation of the fundamental principles of the judicial process or where the award appears to be in clear breach of the provisions of of the Act, 1987 and the Regulations framed thereunder, and the like, the High court may, in exercise of its extraordinary jurisdiction, interfere with the award of the Lok Adalat.

24. On the aforesaid touchstone, reverting to the facts of the case, it is necessary to note that, under the provisions of Section 20 r/w Section 19(5)(i) of the Act, 1987, the Court has the power to refer any case pending before it, to the Lok Adalat

for settlement, if the parties thereto agree or one of the parties thereof makes an application to the Court and such Court is *prima facie* satisfied that, there are chances of such settlement.

25. In the case at hand, as noted above, on 03rd July, 2023, the Advocates for the parties had made a request to place the matter before the Lok Adalat. On the basis of such submission, the matter was posted in the Lok Adalat which was to be held on 09th September, 2023, nearly 2 months after the reference. I find it rather difficult to accede to the submissions of Mr. Vyas, that the reference of the matters to the Lok Adalat was not with the consent of the parties. A period of more than 2 months elapsed from the date of reference. At no point, till the date of Lok Adalat or even before the Lok Adalat, Defendant Nos. 1 and 2 made a grievance that, the suits were referred to the Lok Adalat without their consent.

26. It would be taking too rigid a view of the matter to hold that, the Presiding Officer must record the consent of the parties themselves and not the Advocates who represent them. The *prima facie* satisfaction of the Court regarding the existence of element of settlement may be express or implicit in the order of reference. In any event, these objections pale in significance

as the Defendant Nos. 1 and 2 not only did appear before the National Lok Adalat, but also executed the compromise/withdrawal pursis. Therefore, the submission of Mr. Vyas that, there was no valid reference, cannot be countenanced.

27. The second submission premised on the want of satisfaction by the Lok Adalat Panel about the voluntariness of the parties to execute the consent terms or the legality and validity thereof, also does not carry much substance. The compromise pursis is self-explanatory. The Panel Head had passed the following order on the compromise pursis : -

ORDER

Plaintiff and Defendants are present. They have admitted that as per Compromise Pursis compromise has taken between them.

Sd/-

Panel Head/

09.09.22

28. The consent terms, *inter alia*, record that, two registered instruments namely a release deed and an agreement for sale were already executed on 05th April, 2023 and the Defendant No.

6 had paid a lump sum consideration of Rs. 1,00,00,000/- (Rupees One Crore) to the Defendant No.1, that the Special Civil Suit No. 211/2022 be disposed in accordance with the consent terms and that a consent decree be drawn therein, and that the Defendant No.1 had agreed to withdraw Special Civil Suit No. 245/2022. As noted above, the award bears the signature of both the Head of the Panel as well as the Panel Member.

29. Thus, the endeavour of Mr. Vyas to assail the legality and validity of the award, on the ground that, the Lok Adalat has not satisfied itself about the voluntariness of the parties and the legality and validity of the settlement falls through. The parties had executed registered instruments and the Defendant No.1 had accepted the consideration of Rs. 1,00,00,000/- (Rupees One Crore), months before filing of the consent terms before the Lok Adalat. The consent terms were not executory in nature. In fact, the terms of settlement were already acted upon by executing the instruments and accepting the consideration thereunder. These factors also belie the contention of the Defendant Nos. 1 and 2 that there was no consent for the reference of the matters to Lok Adalat as instruments were executed months before the request was made to the Court on 03rd July, 2023.

30. The fact that, in accordance with the terms of the settlement and pursuant to the consent terms filed in Special Civil Suit No. 211/2022, Petitioner No.1 had withdrawn the Special Civil Suit No. 245/2022, on the very day, is borne out by the withdrawal pursis (Exh. 39) in the later suit and the order passed by the Panel Head thereon. Incontrovertibly, the Petitioner No. 1 had received the Court Fee Refund Certificate on 01st February, 2024 in the said suit. In this backdrop the fact that the award in Special Civil Suit No. 245/2022 bears the signature of the Petitioner No.1/Plaintiff No.1 therein alone and the Panel Head, does not detract materially from the legality and validity of the settlement as the said suit was withdrawn simpliciter as a sequel to the settlement arrived at in Special Civil Suit No. 211/2022.

31. In the totality of the circumstances, the petitioners who have acted upon the terms of the settlement even prior to the filing of the consent terms before the Lok Adalat and obtained the benefits thereunder, cannot be permitted to take a somersault and urge that, the settlement was arrived at by practicing fraud and/or the consent decree was otherwise vitiated. If the sanctity of the award passed in the Lok Adalat is

permitted to be questioned by entertaining petitions of the present nature, the very object of the provisions contained in Section 21 of the Act, 1987, would be defeated.

32. The Writ Petition, therefore, deserve to be dismissed.

33. Hence, the following order :-

:: O R D E R ::

- (i) The Writ Petition stands dismissed.
- (ii) Rule discharged.

No costs.

[N. J. JAMADAR, J.]