

HIGH COURT OF JUDICATURE AT HYDERABAD
FOR THE STATE OF TELANGANA AND THE STATE OF ANDHRA PRADESH

PRESENT

THE HON'BLE THE CHIEF JUSTICE SRI KALYAN JYOTI SENGUPTA

AND

THE HON'BLE SRI JUSTICE SANJAY KUMAR

WRIT PETITION No.6755 OF 2014

DATED: 26.03.2015

Between:

Kudikala Venkateshwar Rao

... Petitioner

and

The Special Lok Adalat, Warangal and others

... Respondents

THE HON'BLE THE CHIEF JUSTICE SRI KALYAN JYOTI SENGUPTA

AND

THE HON'BLE SRI JUSTICE SANJAY KUMAR

WRIT PETITION No.6755 of 2014

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ORDER: (per the Hon'ble The Chief Justice Sri Kalyan Jyoti Sengupta)

This Writ Petition has been filed impugning the award passed by the Special Lok Adalat Bench, Warangal, organized by the District Legal

Services Authority, Warangal under the provisions of the Legal Services Authorities Act, 1987.

Bereft of unnecessary details, it appears, the award was signed by the writ petitioner as well as the respondents and dispute is about the validity and legality of the signature of the petitioner. The point taken here is that without giving any reasonable time to develop the mindset for settlement of this matter by compromise, signature was obtained under coercion. In other words, this award, which is essentially an agreement, was caused to be executed under coercion or undue influence. Of course, there have been no particulars or details of this allegation. Only allegation that requires to be noted that on the very same day, when the matter was referred by the regular Court to the Lok Adalat, it was settled by the Lok Adalat Judges' and the petitioner did not have any chance to understand the implication of the terms and conditions of the compromise. Ordinarily, this sort of challenge is not entertained by the Court as we find that the parties are majors and have the knowledge of understanding everything and they have signed on the terms of compromise. Even the suit to challenge the award is also barred. But the power of judicial review under Article 226 of the Constitution of India cannot be taken away. So, in exercise of our power, we proceed with the matter. From perusal of the records, we find that at 4.40 p.m. on 03.03.2014, the concerned Legal Services Authority received the records from the regular Court. On the same day soon thereafter, the matter was placed before

Lok Adalat Judges. We are of the view that it has not given sufficient time to develop the mindset for settlement of the matter outside the Court, though referred by the Court. It could have been done by the Court itself under Order XXIII of the Code of Civil Procedure.

According to us, once the records have been received, the High Court Legal Services Committee or District Legal Services Committee

or Sub-divisional Legal Services Committee as the case may be, will issue notice to both the parties or their learned lawyers for placing and settling matter by Lok Adalat. After the notice is served, exercise of settlement should be undertaken only after appearance of the parties after lawful persuasion and on agreement out of own volition. Object of serving notice by the Lok Adalat is to give a chance to the parties to think at the first instance, whether they are prepared to settle the matter through the mechanism of Lok Adalat, whether it is referred as a pending litigation or it is received as a pre-litigation. This course of action was not undertaken in this matter.

Under these circumstances, we are unable to accept the award at the moment as a final one. We therefore direct the authorities of the Legal Services concerned to serve notice to both the parties and refer the matter to an appropriate Lok Adalat for rehearing of the matter. For the time being, the award should be kept in abeyance. After the notice being served, fresh deliberation and persuasion of the parties concerned take place, if the Lok Adalat finds the award is acceptable to both the parties, it will accept and record the same. In the event, it is not acceptable to any of the parties or for that matter if it is not possible to settle the matter at all, the matter has to be sent back to the regular Court for decision and in that case, the award will stand set aside. In the event the matter is required to be sent back to the Court, the Court concerned will decide the same as early as possible.

That apart, we notice that the award is also not in accordance with law as one of the Members of the Lok Adalat has not even signed on it. Therefore, the impugned award cannot be acceptable at all, at the moment.

This Writ Petition is allowed to the extent indicated above. However, the cost of the application has to be paid by the writ petitioner to the

respondents. Such costs are assessed at Rs.1,000/- (Rupees One Thousand only) and to be paid within fortnight from the date of receipt of the copy of this order. The learned counsel for the respondents agrees that the costs awarded by us may be directed to be paid to the High Court Legal Services Committee. We appreciate the gesture of the learned lawyer appearing for the respondents and direct the writ petitioner to pay the costs to the aforesaid Committee.

Office is directed to return the record to the District Legal Services Committee concerned.

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

K.J. SENGUPTA, CJ

26th MARCH, 2015.

SANJAY KUMAR, J

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L.R. copies are to be marked. (Yes / No)