

THE HON'BLE SRI JUSTICE C.V.NAGARJUNA REDDY
&
THE HON'BLE SRI JUSTICE T.AMARNATH GOUD

WRIT PETITION No.6360 of 2018

DATE: 12-10-2018

Between:

G.Venkataramudu and another

..... PETITIONERS

AND

The Lok Adalath held at Hindupur
(Organized by the Mandal Legal Services Committee,
Hindupur) rep.by its Chairman,
Lok Adalat, Hindupur and 5 others

.....RESPONDENTS

COUNSEL FOR THE PETITIONERS: Sri P.NARAHARI BABU

COUNSEL FOR RESPONDENT No.1: Sri J.ANIL KUMAR

COUNSEL FOR RESPONDENT No.2: Sri MAHADEVA KANTHRIGALA

COUNSEL FOR RESPONDENT No.3: NONE APPEARED

THE COURT MADE THE FOLLOWING:

THE HON'BLE SRI JUSTICE C.V.NAGARJUNA REDDY
&
THE HON'BLE SRI JUSTICE T.AMARNATH GOUD

WRIT PETITION No.6360 of 2018

ORDER: (per Hon'ble Sri Justice C.V.Nagarjuna Reddy)

This writ petition is filed for issue of certiorari to quash the Lok Adalat Award, dated 09.09.2017 of respondent No.1, in O.S.No.16 of 2015, on the file of the II Additional District Judge, Hindupur.

We have heard learned counsel of both the parties and perused the record.

Respondent No.2 filed the aforementioned suit for partition. Petitioners are defendants Nos.4 and 6. After the petitioners were *set ex parte* by the court, respondents Nos.2 and 3, i.e., plaintiff and defendant No.1, entered into a compromise, based on which, the suit was referred to respondent No.1 for passing an award. Accordingly, respondent No.1 has passed the impugned award.

The petitioners mainly pleaded that respondent No.1 ought not to have allowed respondents Nos.2 and 3 to enter into a settlement behind the back of the petitioners and passed the impugned Lok Adalat Award.

Mr.Mahadeva Kanthrigala, learned counsel for respondent No.2/plaintiff, sought to justify the impugned Lok Adalat Award on the ground that there was no need to issue notice to the petitioners before passing the Lok Adalat Award, as they were *set ex parte* in the suit.

An identical issue fell for consideration before this Court in *Nallala Anjavva v. Lok Adalat Bench at Sircilla*¹. One of us (CVNR,J) speaking for the Bench, after referring to the earlier judgment in *M/s.Sai*

¹ 2018 (1) HLT 422 (DB)

*Vuma Chit Fund Company & Group of Companies Suffers Welfare Association v. The State of Andhra Pradesh*² held as under:

“8. Learned counsel for the respondents sought to distinguish the judgment in *Sai Vuma Chit Fund Company* (supra) with the present case by pointing out that in the former case, all the parties were before the Lok Adalat and that in that context, this Court observed that when respondent Nos.4 to 6 did not appear before the Lok Adalat, it should not have passed the Award. In our opinion, there is no difference between a case where all the parties were shown to have been before the Lok Adalat and a case where some of the parties to the litigation were not parties before the Lok Adalat. As held by this Court in *Sai Vuma Chit Fund Company* (supra), while passing its Award based on settlement simplicitor, the Lok Adalat will not be exercising its adjudicatory power and that under Regulation 17 (1) of 2009 Regulations, drawing up of the Award is merely an administrative act by incorporating the terms of settlement or compromise agreed between the parties under the guidance and assistance from Lok Adalat. Under Regulation 39 (2) of 1999 Regulations, the parties to the dispute shall be required to affix their signatures or, as the case may be, thumb impressions on the Award of the Lok Adalat. In our opinion, the expression “the parties in dispute” is referable to the parties in original dispute before the Court which has been referred to Lok Adalat. If a few of the parties to the dispute are allowed to file compromise petition to the exclusion of other parties, that would give rise to serious complications leading to litigation taking different turns. Such an approach is neither contemplated under the Act or the Regulations made thereunder nor the same is desirable. After all the intendment of law in envisaging settlement of disputes before Lok Adalats is to ensure that all the parties to the dispute arrive at a mutually agreed settlement, so that there will not be further litigation in relation to the dispute which was initially brought before the Court and later referred to the Lok Adalat. Even if some of the parties to the dispute originally instituted remained *ex parte*, that hardly justifies the Lok Adalat to ignore them while considering passing of the Award, for even the parties who are *set ex parte* also have certain rights to pursue their claim further by filing an application for setting aside the *ex parte*

² W.P.No.46801 of 2016, Dt.06.07.2017

orders or even by filing appeals on merits if they suffer an order or judgment adverse to their interests. Therefore, the fact that the petitioners were *set ex parte* would not justify respondent No.1 to allow some of the parties to the suit to enter into a compromise and pass the Award. This course, instead of settling the dispute between the parties once and for all, would have the effect of opening the floodgates of litigation.”

In the light of the ratio laid down by this court in the aforementioned two judgments, the impugned Lok Adalat Award is not sustainable, and the same is accordingly quashed. Consequential action, if any, taken in pursuance of the impugned Lok Adalat Award by any of the Statutory Functionary, is declared as null and void. O.S.No.16 of 2015 is restored to file for being adjudicated on merits by the Court of II Additional District Judge, Hindupur.

The Writ Petition is accordingly allowed. No order as to costs.

As a sequel to disposal of the writ petition, I.A.No.1 of 2018 filed for interim relief, shall stand disposed of as infructuous.

C.V.NAGARJUNA REDDY,J

T.AMARNATH GOUD,J

Date: 12.10.2018
Dsr