

**THE HON'BLE THE CHIEF JUSTICE SRI THOTTATHIL B. RADHAKRISHNAN
AND
THE HON'BLE SRI JUSTICE A.RAJASHEKER REDDY**

WRIT PETITION No.38251 of 2018

ORDER: *(per the Hon'ble the Chief Justice Sri Thottathil B. Radhakrishnan)*

Heard the learned counsel for the petitioner and the learned counsel for the second respondent.

2. The petitioner challenges an award passed in the Lok Adalat arising from O.S.No.2265 of 2015 on the file of the III Junior Civil Judge, City Civil Court, Hyderabad.

3. The plea raised by the petitioner, who is the defendant in that suit, is that the reference to the Lok Adalat was obtained by the plaintiff, second respondent herein, in a fraudulent manner and the Lok Adalat, without applying mind, has blindly passed the award with one sided observations. It is pointed out that the Lok Adalat's award does not contain the signatures of the parties and the respective counsel.

4. A perusal of the material papers filed along with the writ petition would show that the award was signed by the Presiding Officer and the Member of the Lok Adalat Bench, after the plaintiff and the defendant had signed that award. The counsel for the plaintiff had also signed. The counsel for the defendant is not shown to have signed that award. The petitioner/defendant does not have a case that he did not sign the award. That position notwithstanding, the counsel for the second respondent/plaintiff is justified in pointing out that even the separate joint terms of compromise, which is

shown to have been enclosed along with the award, is not placed on record in this case by the petitioner.

5. We are of the view that in terms of Sub-Section (2) of Section 21 of the Legal Services Authorities Act, 1987 (for short, 'the Act'), the award of the Lok Adalat being final and binding on the parties to the dispute, any challenge to the award could be only when such grounds are shown to the satisfaction of the competent Court, particularly, the Writ Court, that such grounds would end up in annihilating the award on fundamental grounds of jurisdictional impropriety or lack of jurisdiction, otherwise, it should be taken as suffice. The principle of law is that awards of the Lok Adalats have to be honoured, otherwise, such litigations will breach the very object sought to be achieved by making of the Act and the proceedings for making awards under the Lok Adalats.

6. We are of the view that in the instant case, the petitioner has merely attempted to scuttle the finality of the award by raising a plea of fraud. The plea as to fraud is one which has been recognized as eligible for consideration only if the necessary ingredients that would make out the fraud or establish the fraud after requisite pleadings are placed on record regarding date, time and place of practising fraud. This is a settled principle in matters relating to plea of fraud in contracts. The consolidation of the contractual understanding between the parties, which result in Lok Adalat award, has also to be visualized by and large and on

the basis of this principle, we see that no element of challenge as recognizable in law is established through pleadings or evidence by the petitioner. In our considered view, this writ petition is an abuse of process of the Court.

7. In the result, this Writ Petition is dismissed with costs of Rs.25,000/- (Rupees twenty five thousand only) payable by the petitioner to the first respondent and further costs of Rs.25,000/- (Rupees twenty five thousand only) payable by petitioner to the second respondent. Such amounts, if not paid within a period of one month from today, the costs portion of this order shall be got executed as if they are decrees of Civil Courts. The first respondent – Lok Adalat is hereby authorized to execute this order through the Civil Courts or through the other means available in law.

Pending miscellaneous petitions, if any, shall also stand dismissed.

THOTTATHIL B. RADHAKRISHNAN, CJ

A.RAJASHEKER REDDY, J

Date: 23.01.2019
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