

(2025-1)216 PLR 490 (Kar.) (SN)

KARNATAKA HIGH COURT AT BENGALURU

*Before: Justice Hanchatesanjeevkumar.*

RAMAKRISHNA MATH – Appellant

*versus*

YOGA – Respondent.

Regular First Appeal No. 1819 of 2023 (Dec)

**(i) Civil Procedure Code, 1908 (V of 1908), Order XXIII Rule 3A – Bar against challenging compromise decree – Applicability restricted to parties to suit – The bar under Order XXIII Rule 3A prohibiting a suit to set aside a compromise decree applies only to parties who were part of the original suit and compromise, not to strangers to the proceedings – A person who was not a party to the compromise which affects their rights has no other alternative but to question the compromise by filing a separate suit or seeking a declaration that the same is not binding.** [Paras 25, 61, 62, 69]

**(ii) Civil Procedure Code, 1908 (V of 1908), Order XXIII Rule 3 – Binding effect of compromise decree – A compromise decree under Order XXIII Rule 3 is binding only on the parties to the suit and not on other persons who are not parties to the suit – The compromise in a suit is not an adjudication or pronouncement of judgment on merits but has the characteristic of a [contract](#) between the parties.** [Paras 39, 69]

**(iii) Legal Services Authorities Act, 1987, Sections 19, 20 and 21 – Effect of Lok Adalat awards on non-parties – Award/decree passed in Lok Adalat is final and binding only on the parties to the dispute – The term “Parties” in these provisions refers only to parties in the original suit/case and not other persons – Section 21 creates a bar only to parties who participated in Lok Adalat from preferring an appeal against the award passed by the Lok Adalat.** [Para 72]

**(iv) Civil Procedure Code, 1908 (V of 1908), Order XXIII Rule 3, 3A – Maintainability of suit by stranger to compromise decree – Separate suit challenging compromise decree – Conditions for maintainability – A separate suit challenging a compromise decree is maintainable when: (1) The plaintiff was not a party to the suit that ended in compromise decree; and (2) The plaintiff’s claim is based on independent right, not derived through parties to the original suit.** [Para 68]

**(v) Civil Procedure Code, 1908 (V of 1908), Order XXIII Rule 3, 3A – Lok Adalat**

**Compromise decree - Challenge by non-party - When a compromise decree is passed in Lok Adalat and not by a Civil Court, Order XXIII Rule 3A is not applicable to bar a separate suit by a non-party challenging such decree.**

[Para 70]

#### **(vi) Rights Of A Beneficiary Under A Probated Will**

**Testamentary Autonomy and Probate** - A Will is the formal declaration by which a person (testator) disposes of property upon death - - When granted probate under Section 276 of the Indian Succession Act, 1925, the Will acquires judicial confirmation, becoming effective in rem, i.e., binding on all persons as to its genuineness and due execution - This solidifies the beneficiary's entitlement to the bequeathed property, enabling name-mutation and conferral of full property rights.

[Para 3-6]

**Nature and Effect of Probate** - Probate determines the Will's validity rather than resolving every possible title dispute - Once issued, it conclusively establishes that the testator executed the Will in a valid manner - The beneficiary named therein thus gains a presumption of lawful ownership, rebuttable only by proving a defect in the Will's validity or the testator's title.

[Para 7, 29]

**Title and Possession of the Beneficiary** - Upon probate, the beneficiary is entitled to enforce possession - If a third party contests the beneficiary's ownership, that party must overcome the prima facie validity granted by the probate - Routine actions—such as paying property taxes or collecting rent—fall squarely within the beneficiary's rights.

[Para 5, 6, 10-11]

**Binding Force of the Probate Order** - A probate decree is a judicial determination that the Will is genuine and duly executed; it is rarely disturbed unless proven to have been procured by fraud or if the testator lacked lawful ownership - - Even where third parties raise claims, the probated Will's presumption must be specifically rebutted.

**Rights of the Beneficiary in Subsequent Litigation** - Where a separate decree (e.g., a compromise) purports to dispose of the same property, but the beneficiary under the probated Will was not a party to that litigation, the latter can file a suit to declare that decree as non-binding - A compromise binds only those who were parties to it or those claiming through them. It does not affect a stranger claiming an independent right under a probated Will.

[Para 38-39, 64-66]

**Remedy and Enforcement** - A beneficiary under a probated Will can seek declaratory or injunctive relief against persons interfering with the property - Probate conclusively proves the Will's due execution and capacity, leaving challengers to show either (i) the testator had no valid title, or (ii) the probate itself was procured by fraud - If the beneficiary was not part of other proceedings (especially any compromise decree), such proceedings ordinarily have no legal effect on the beneficiary's probated title.

[Para 29-31, 64-65]

## Cases referred to:

1. (2022) Civil Appeal No.439/2022 dated 09.02.2022, *M/S Sri Surya Developers and Promoters v. N. Shylesh Prasad and Others*, held that mere clever drafting would not permit plaintiff to make suit maintainable which otherwise would not be maintainable and/or barred by law. [Para 24]
2. (2020) 6 SCC 629, *Trilokinath Singh v. Anirudh Singh*, Civil Suit filed by stranger to proceedings challenging legality of compromise is not maintainable; such stranger who was not party to compromise would not have cause of action to file separate suit to challenge legality of compromise. [Para 24]
3. Civil Revision Petition No.262/2022, *Muthanappa v. Revanna*, separate suit challenging compromise decree is not maintainable in other Court, but the suit could be filed before the Court in which compromise decree is passed. [Para 24]
4. RFA No.1807/2017, *M. Krishnaiah Shetty v. Keshava Murthy*, appellants not being made party to compromise decree could not have sought recalling of compromise decree nor could file appeal against it, which resulted in appellant seeking appropriate remedy by filing separate suit. [Para 26]
5. ILR 2021 KAR 338, *Sushila v. Vijaykumar*, held at paragraph 13 a decree passed by a Court on the basis of compromise can only be between the parties to the suit and it cannot be between people who are not parties to the suit. [Para 27]
6. RFA No.1104/2018, *Smt. H.R. Renuka v. Sri. K.H. Umesh and others*, held separate suit challenging compromise decree wherein plaintiff was not party in the suit is maintainable. [Para 66]
7. (1979) 2 SCC 745, *Dalbir Singh v. State of Punjab*, explained three basic ingredients of precedents: findings of material facts, statements of principles of law, and judgment based on combined effect. [Para 52]
8. (2002) 4 SCC 638, *Director of Settlements, A.P. v. M.R. Apparao*, held that what is binding is the ratio of the decision and not any finding of facts; it is the principle found upon reading a judgment as a whole, in light of questions before the Court that forms the ratio. [Para 53]
9. (2006) 8 SCC 75, *Sadhu Singh v. Gurdwara Sahib Narike and Others* [Para 30]
10. (2002) 3 SCC 496, *Haryana Financial Corporation v. Jagdamba Oil Mills*, held that Courts should not place reliance on decisions without discussing how the factual situation fits with the fact situation of the decision on which reliance is placed. [Para 54]
11. (2004) 2 SCC 362, *Mehboob Dawood Shaikh v. State of Maharashtra*, held that a decision is available as a precedent only if it decides a question of law; a judgment should be understood in light of facts of that case and no more should be read into it than what it actually says. [Para 55]
12. 2019 SCC Online DEL 10226, *Sukruti Dugal v. Jahnavi Dugal*, held that the bar contemplated under Rule 3A would be applicable only to persons who were parties to the compromise and it would have not application to persons who are not parties to the suit. [Para 56]
13. (2015) 3 KCCR 2106, *Sri Ananthaiah v. Smt. Gangamma*, held that a suit by stranger to set aside a compromise decree on the ground that compromise was not lawful was held to be maintainable. [Para 48]

## Judgment

**HanchateSanjeevKumar, J. - (18<sup>th</sup> March, 2025) -**

The appellant, Ramakrishna Math, filed a suit seeking a declaration that the compromise decree dated 07.07.2015 passed in O.S.No.23/2014 by the Court of Senior Civil Judge and JMFC, Holenarasipura, was not binding on the appellant insofar as it related to the suit schedule property.

The appellant claimed title to the property through a registered Will dated 01.02.2014 executed by one Smt. Jayarathna, who was the widow of S. Narayana (the original owner of the property). The appellant had also obtained probate of the Will in P & SC No.269/2016 and got the property mutated in its name in BBMP records.

The respondent claimed the property on the strength of a Will allegedly executed by S. Narayana dated 25.02.2008 in his favor and also based on a compromise decree in O.S.No.23/2014. The appellant was not a party to O.S.No.23/2014, which was a partition suit referred to Lok Adalat and ended in a compromise decree on 07.07.2015.

The respondent filed an application (I.A.No.19) under Order VII Rule 11(d) of [CPC](#) seeking rejection of the plaint on the ground that the suit was barred by Order XXIII Rule 3A of CPC. The Trial Court allowed the application and rejected the plaint. Aggrieved by this order, the appellant filed the Regular First Appeal.

High Court set aside the order of the Trial Court, holding that the suit filed by the appellant was maintainable, as the appellant was not a party to the suit which ended in a compromise decree and was claiming title independently through a Will. The matter was remanded to the Trial Court for fresh consideration on merits.

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