

2025 LiveLaw (SC) 794

IN THE SUPREME COURT OF INDIA

PAMIDIGHANTAM SRI NARASIMHA; J., ATUL S. CHANDURKAR; J.

MISCELLANEOUS APPLICATION Diary No(s). 7144/2025; 05-08-2025

BIPIN BIHARI SINHA @ BIPIN PRASAD SINGH versus HARISH JAISWAL

Fraudulent Settlement - Misrepresentation by Counsel - Supreme Court Ordered BCI inquiry after client denies engagement of advocates who settled his case - Directed BCI to conduct a detailed inquiry into an alleged fraudulent settlement agreement - Restored SLP after respondent claimed that he never authorized any counsel to appear on his behalf or enter into a settlement - Deemed it necessary to examine in detail the facts surrounding the disposal of SLP based on alleged settlement agreement - Supreme Court refrained from drawing conclusions at present stage but directed an inquiry into the role of advocates involved in preparation and filing of the settlement agreement and conduct of proceedings by the end of October 2025. [Paras 5-7]

[Arising out of impugned final judgment and order dated 13-12-2024 in C.A. No. No. 14414/2024 passed by the Supreme Court of India]

For Petitioner(s) : Ms. Vivya Nagpal, AOR Mr. Abhishek Rai, Adv. Mr. Gyanant Singh, Adv. Mr. Sarthak Shankar, Adv. Mr. Ekansh Bansal, Adv. Ms. Osheen Jain, Adv. Mr. Priyanshu Kunar, Adv. Mr. Chinmoy Pradip Sharma, Sr. Adv. Mr. Saurajay Nanda, Adv. Mr. Vijay Deora, Adv. Ms. Raadhika Chawla, Adv. Ms. Mehak Joshi, Adv. Mr. Irfan Hasieb, Adv. Mr. Aditya Aggarwal, Adv. Mr. Arindam Mukherjee, Adv. Mr. Prabhat Pachauri, Adv. Mr. S. K. Verma, AOR Mr. Vipin Nair, AOR Mr. Nikhil Jain, Adv. Mr. Amit Sharma, Adv.

For Respondent(s) : Mr. J. M. Khanna, AOR

ORDER

SLP(C) No. 25905/2024

1. The above-referred SLP arises out of the judgment and order passed by the High Court of Patna in Second Appeal no. 598 of 2016 dated 15.07.2024. When the SLP was finally taken up on 13.12.2024, it was represented to us that the parties have arrived at a settlement on 24.10.2024. In view of the statement made by the learned counsel for the petitioner and the respondent, we disposed of the Special Leave Petition as under:

“1. Leave granted.

2. This appeal by way of Special Leave Petition is against the judgment of the High Court of judicature at Patna in Second Appeal No. 598 of 2016 dated 15.07.2024.

3. The appellant is the plaintiff who filed a suit for specific performance which was dismissed by the Trial Court on 20.06.2015 and the same was affirmed by the first appellate Court as well as the High Court in the second appeal.

4. After filing of the Special Leave Petition, the parties have entered into a settlement on 24.10.2024 and the same has been filed before this Court. The Settlement Agreement is taken on record. The terms of the Settlement Agreement are as follows:-

“SETTLEMENT AGREEMENT/MEMORANDUM OF UNDERSTANDING. This Memorandum of Understanding (“MOU”) dated 24/10/2024 is

being entered into by and between Bipin Bihari Sinha alias Bipin Prasad Singh son of late Shri Braj Kishor Prasad, Resident of club 1 Road, Mohalla-Mithanpura, Near Zila School, P.O.- Ramna Muzaffarpur, P.S. Mithanpura, District Muzaffarpur, BIHAR, INDIA, here-in-after referred to as the FIRST PARTY. Which description shall mean and include his successors, assignees, legal

representatives and Successors in interest. AND SHRI HARISH JAISWAL SON OF LATE SHRI JAMUN PRASAD CHOUDHARY, Resident of club Road Mohalla Mithanpura, P.O. Ramna Muzaffarpur, P.S. Mithanpura, District- Muzaffarpur, BIHAR, INDIA, here-in-after referred to as the SECOND PARTY. ... NOW THEREFOR IN WITNESS WHERE OF THE PARTIES ARE ENTERING INTO THIS AGREEMENT.

1. *The parties agree that the suit land is in possession of the 1st PARTY by virtue of the part performance of the Agreement to sale, dated 26/12/1986 and vests with the FIRST PARTY as owner.*

2. *The FIRST PARTY has instituted a special leave petition ("Special leave petition") before the Honourable Supreme court of India vide diary No. 45999/2024 and it is agreed that the parties shall jointly request to allow the said SLP in favour of the 1st party in terms of the instant MOU making the said settlement agreement/MOU as part of the Decree/Judgment/order as the case may be.*

3. *The parties agree that the SECOND PARTY shall execute a sale deed in favour of the FIRST PARTY in relation to the suit land within 3 months (Three months) of passing the said Decree/Judgment/order as the case may be in terms of the MOU in favour of the FIRST PARTY.*

4. *The parties agree that the entire sale consideration stands already paid to the SECOND PARTY by the FIRST PARTY and nothing further is or at any point of time in future become payable by the FIRST PARTY to the second party with respect to the sale consideration of the suit land.*

5. *The parties agree and acknowledge that the possession of the suit land vests with the FIRST PARTY as owner and shall continue to be so without interference and or any disturbance of any kind.*

6. *The parties agree and acknowledge that they had entered into discussions for settlement of dispute out of their own free will and volition. It is further acknowledged by the parties that no undue influence, coercion of any kind was exercised on the parties either individually or collectively by either of the parties or any third person acting on behalf of either of the parties herein.* 7. *The parties further agree and acknowledge that the terms of the instant agreement have been agreed upon by the parties out of their own free will and volition. It is further acknowledged by the parties that no undue influence coercion of any kind was exercised on the parties either individually or collectively by either of the parties or any third person acting on behalf of either of the parties herein.*

8. *The parties herein further agree and acknowledge that the instant agreement shall be deemed to bind not only the parties herein but also their respective assignees, legal representatives, successors in interest Administrator etc. as the case may be.*

9. *The parties agree that they shall remain bound by the terms of the instant MOU and they shall undertake to take all such steps as may be necessary for the proper execution of the terms of the instant MOU.*

10. *The parties further agree to remain present before such authority and or offices as may be necessary for the proper execution of the sale deed in terms of the instant MOU.*

11. *The parties agree and acknowledge that in the event of any supervening eventualities or causes the sale deed with respect to suit land is not executed by the SECOND PARTY within above specified time period the FIRST PARTY is authorized to get the sale deed executed by taking recourse to the court of law.* 12. *The parties agree that the decisions and/or judgment, order of the learned court in Title Suit No. 155 of 1990 dated 20/06/2015, Title appeal No. 42 of 2015 dated 29/10/2016 and the judgment/order of honourable High Court, Patna in the second Appeal No. 598 of 2016 would be deemed to have been set aside by way of the instant MOU.*

13. *The parties agree that this settlement agreement/Mou constitutes the entire understanding between the parties.* 14. *The agreement is being executed in duplicate with both copies with each*

party retaining a copy of each copy of the agreement upon execution shall be deemed to be an original.”

5. In view of the settlement, particularly paragraph no. 12 of the Settlement Agreement, we allow the appeal, set aside the judgment and order passed by the High Court in Second Appeal No. 598 of 2016. There shall be a decree in terms of 3 the Settlement Agreement/Memorandum of understanding dated 24.10.2024.

6. Pending application(s), if any, shall stand disposed of.”

2. It is also important to extract the proceedings of the Court dated 13.12.2024, as the said proceedings record the appearances of the advocates appearing for the parties.

“ITEM NO. 27 COURT NO. 13 SECTION XVI

SUPREME COURT OF INDIA

RECORD OF PROCEEDINGS

Petition(s) for Special Leave to Appeal (C) No(s). 25905/2024

[Arising out of impugned final judgment and order dated 1507-2024 in SA No. 598/2016 passed by the High Court of Judicature at Patna]

BIPIN BIHARI SINHA @ BIPIN PRASAD SINGH Petitioner(s)

VERSUS

HARISH JAISWAL Respondent(s)

(FOR ADMISSION AND I.R. AND IA NO. 271719/2024-PERMISSION TO FILE ADDITIONAL DOCUMENTS/FACTS/ANNEXURES)

Date: 13-12-2024 This petition was called on for hearing today.

CORAM : HON'BLE MR. JUSTICE PAMIDIGHANTAM SRI NARASIMHA

HON'BLE MR. JUSTICE MANOJ MISRA

For Petitioner(s) Mr. S.K. Verma, AOR Mr. V.N. Sinha, Sr. Adv. Dr. S.K. Verma, Adv. Mr. Arindam Mukherjee, Adv. Ms. Akanksha Verma Chandok, Adv. Ms. Gargi Tuli, Adv. Mr. Janmejy Verma, Adv.

For Respondent(s) Mr. Muneshwar Shaw, Sr. Adv. Mr. Rattan Lal, Adv. Mr. J.M. Khanna, AOR Mr. Sefali Sethi Khanna, Adv.

UPON hearing the counsel the Court made the following

ORDER

1. Leave granted.
2. The Civil Appeal is allowed in terms of the Signed Order.
3. Pending application(s), if any, shall stand disposed of.

(KAPIL TANDON) (NIDHI WASON)

COURT MASTER (SH) COURT MASTER (NSH)

(Signed Order is placed on the file)”

3. On 13.05.2025 a Miscellaneous Application No. 7144 of 2025 was filed by the respondent for recalling our order dated 13.12.2024. It is alleged in the said application that the respondent Mr. Harish Jaiswal did not authorize anyone to appear in the matter.

“1. That the Applicant/Respondent is constrained to approach this Hon'ble Court to recall/set aside the order dated 13.12.2024 which has been passed by this Hon'ble Court on account of a purported settlement alleged to be executed between the Petitioner and the

Respondent/Applicant. True copy of the order dated 13.12.2024 passed by this Hon'ble Court is annexed as ANNEXURE R-1. (Page no.11-15). 2. That vide order dated 13.12.2024, this Hon'ble Court, allowed the Special Leave Petition (Civil) No. 25905 of 2024 filed by the Petitioner and set aside the judgment and order passed by the High Court in Second Appeal No. 598 of 2016 on the basis of a purported Settlement Agreement entered between the Petitioner and Respondent/Applicant. At the outset, it is submitted that the Applicant never entered into any Settlement Agreement with the Petitioner. Further, the Applicant had never engaged any Counsel to represent him before this Hon'ble Court.

BRIEF BACKGROUND

3. That as can be seen from the website of the Hon'ble Supreme Court of India, the Petitioner filed Special Leave Petition (Civil) No. 25905 of 2024 challenging the final judgment and order dated 15.07.2024 in SA No. 598/2016 passed by the High Court of Judicature at Patna. It is pertinent to mention herein that the Second Appeal was filed against the judgment of affirmance dated 29-10-2016 passed by the learned Additional District and Sessions Judge 13th, Muzaffarpur in Title Appeal No. 42 of 2015 whereby the learned appellate Court affirmed the judgment and decree dated 20-06-2015 passed in Title Suit No. 155 of 1990 by the learned Sub Judge-IV, Civil Judge, Senior Division.

4. That the dispute arose over a purported agreement to sell (Mahadnama) dated 26.12.1986, under which the Petitioner (Plaintiff), Bipin Bihari Sinha @ Bipin Prasad Singh, claimed that the Respondent (Defendant), Harish Jaiswal, had agreed to sell him a property for a total consideration of Rs. 63,000. The Petitioner asserted that an advance payment of Rs. 18,000 was made at the time of execution, and the remaining amount was paid in three annual instalments of Rs. 15,000 each, with the final payment allegedly completed by December 1989. The Petitioner contended that despite the full consideration being paid, the Applicant refused to execute the sale deed, forcing him to initiate legal proceedings for specific performance of the contract.

5. That the Trial Court, after evaluating the evidence, rejected the Petitioner's claim, holding that the Mahadnama was neither genuine nor duly executed. The Court observed that one of the attesting witnesses, Krishna Bhushan Chaudhary, categorically denied signing the Mahadnama and testified that his signature had been forged. Furthermore, the receipts relied upon by the Plaintiff to prove payments were found to be fabricated, and no credible evidence was placed on record to establish that the consideration amount was ever paid. The Court also noted significant discrepancies in the Petitioner's case, including the fact that the stamp paper for the alleged agreement had been purchased seven months before the execution date, and that the name on the stamp paper was different from the Petitioner's, raising doubts about its authenticity.

6. That the First Appellate Court affirmed these findings, holding that the Petitioner failed to prove that the Mahadnama was a valid and enforceable contract. The Court observed that despite claiming to have paid the full sale consideration by 1989, the Petitioner never presented these receipts in a prior eviction suit filed by the Respondent, even though he had the opportunity to do so. The Court observed that the burden of proof was on the Petitioner, and he had failed to establish that the agreement to sell was executed in accordance with law. The Appellate Court further observed that the Mahadnama was an unregistered document, and its alleged execution could not be verified through independent means. The Court held that the Petitioner had not only failed to prove the execution of the contract but had also misled the court through forged and fabricated evidence.

7. Upon Second Appeal before the Patna High Court, the Petitioner once again attempted to challenge the concurrent findings of the lower courts. However, the High Court, after careful consideration of the record, upheld the decisions of both the Trial Court and the First Appellate Court, reiterating that the Mahadnama was not a genuine document and could not be enforced. The Court noted that the entire case of the Petitioner was based on fabricated evidence, as he had failed to produce any independent proof to establish the execution of the agreement or the payment of the sale consideration. It also observed that the receipts purportedly evidencing

payments were never produced in earlier proceedings, which further discredited the Petitioner's claim. The High Court held that there was no substantial question of law involved in the appeal, as the matter was purely factual and had been conclusively determined by both the

Trial Court and the First Appellate Court. Consequently, the appeal was dismissed at the admission stage itself under Order XLI Rule 11 of the Civil Procedure Code. True copy of the order dated 15.07.2024 passed by the High Court of Judicature at Patna in SA No. 598/2016 is annexed as ANNEXURE R-2. (Page no.16-29)

RECENT DEVELOPMENTS

8. That the Respondent/Applicant recently became aware of this Special Leave Petition (Civil) No. 25905 of 2024 filed by the Petitioner before this Hon'ble Court. It was only by sheer chance that the Applicant discovered the existence of this matter when his son-in-law, while reviewing updates on the Indian Kanoon website in relation to the ongoing Execution Proceedings, came across the order dated 13.12.2024 passed by this Hon'ble Court. The Applicant was left utterly shocked and appalled upon learning that said SLP had been filed and that all the orders of the Lower Court and High Court were set aside in his absence and that a fraudulent settlement agreement had been placed on record, allegedly bearing his consent.

It is most humbly submitted that the Respondent/Applicant has never executed a settlement agreement with the Petitioner and the settlement referred and relied in the order dated 13.12.2024 is forged and fabricated. The

Respondent/Applicant has no knowledge of this Petition filed before this Hon'ble Court, nor did he engage any counsel in the said matter or appeared personally.

9. That when the Applicant approached his Advocate-on-Record for legal advice concerning the said order dated 13.12.2024, while perusing the official website of the Supreme Court of India, it was found that a caveat had been filed in the said matter on behalf of the Applicant. This shocking revelation has laid bare a meticulously crafted conspiracy against the Applicant, wherein certain individuals at the behest of the Petitioner, fraudulently entered appearance and ensured that no notice was ever served upon the Applicant. This was done with the sole objective of securing an order in favour of the Petitioner, thereby depriving the Applicant of the opportunity to contest the matter on merits. The manner in which the caveat was filed and the subsequent proceedings were conducted are indicative of a well-planned conspiracy orchestrated by the Petitioner in collusion with other individuals with the intent of deceiving this Hon'ble Court.

10. That it is pertinent to mention herein that the Respondent/Applicant has already succeeded in the appeal before this Hon'ble High Court of Patna in Second Appeal no. 598/2016 vide order dated 13.07.2024 pass and has been therefore pursuing Execution proceeding being Eviction Execution petition no. 10/2005. As a matter of record, the Petitioner has appeared in the execution proceedings on last date of hearing i.e., on 07.12.2024 seeking adjournment on the ground of illness of wife and thereby matter is listed for the next date of hearing on

13.02.2025. True copy of Screenshots from the E-Courts of Execution Case no. 10 of 2005 is annexed as Annexure R-3. (Page no.30-31)

11. That the Respondent/Applicant had no prior knowledge of any further legal proceedings initiated by the petitioner and was not informed of any additional actions taken in this regard. The case before this Hon'ble court was instituted fraudulently by placing on record a settlement agreement with the forged and fabricated signature of Applicant thereby committing an act of misrepresentation and deception with the intent to mislead this Hon'ble Court and obtain favourable order by playing fraud upon the Court.

12. That the order dated 13.12.2024 has been obtained by the Petitioner through an elaborate and calculated fraud perpetrated upon this Hon'ble Court. The entire proceedings were manipulated to ensure that the Applicant was kept in complete ignorance, thereby depriving him of his fundamental right to be heard. The Petitioner, in collusion with certain individuals, fraudulently engaged legal representation on behalf of the Applicant without his knowledge or

consent, misleading this Hon'ble Court into believing that the Applicant had participated in the proceedings and consented to the purported settlement agreement.

13. That it is submitted that the filing of a fraudulent caveat and the subsequent manner in which the proceedings were conducted reflect a clear intention to prevent the Applicant from pursuing in the case. The impugned order dated 13.12.2024 has been obtained by means of fraud, deception, and calculated suppression of truth, and in the interest of justice, equity, and fair play, the same must be recalled forthwith. The Petitioner has not only acted in violation of legal and ethical norms but has also committed a fraud upon this Hon'ble Court, which, if not rectified, will embolden such mala fide litigants to continue their deceitful practices. The Applicant has never executed any settlement agreement, has never consented to any such compromise, and was never even aware of the present proceedings until recently. The entire sequence of events points towards a malicious conspiracy designed to unlawfully obtain an order from this Hon'ble Court without the knowledge or participation of the rightful party. Such blatant abuse of legal mechanisms cannot be tolerated, and this Hon'ble Court must take a firm stance against such malpractices by recalling the impugned order.

14. Therefore, it is respectfully prayed that in light of the above facts and circumstances, the order dated 13.12.2024 is liable to be recalled and set aside to afford the Applicant an opportunity to contest the petition on merits.

15. That it is in interest of justice that the Applicant be allowed to present his case before this Hon'ble Court.

PRAYER

In the facts and circumstances of the case the applicant most respectfully prays your lordships will be graciously pleased to:

(i) Recall/Set aside the order dated 13.12.2024 passed by this Hon'ble Court in Special Leave Petition (Civil) No. 25905 of 2024;

(ii) Pass any other or further orders as this Hon'ble Court may deem fit."

4. Having heard the parties we passed an order on 13.05.2025 directing as under:

"1. This miscellaneous application is filed by the respondent Harish Jaiswal, stating that he had never engaged any advocate in the matter, i.e. C.A. No.14414/2024 @ SLP(C)No.25905/2024) to appear in the case.

2. The order passed by us on 13.12.2024 indicates that the following four advocates had appeared on caveat on behalf of Mr. Harish Jaiswal-respondent through the AOR, Mr. J.M.Khanna.

1. Mr. Muneshwar Shaw, Sr. Adv.

2. Mr. Rattan Lal, Adv.

3. Mr. J.M. Khanna, AOR

4. Ms. Shefali Sethi Khanna, Adv.

3. On behalf of Mr. J.M. Khanna, Mr. Rahul Joshi appears and submits he has instructions to say that Mr. J.M. Khanna, learned advocate has left practice and has never been engaged in the matter. Ms. Shefali Sethi Khanna, learned advocate whose name is also shown in the proceedings also states that she has nothing to do with this case.

4. The respondent-Harish Jaiswal who has filed the application is present in the Court through Video Conferencing.

5. In view of the above, it is necessary to make a detailed inquiry into the matter. We direct the Secretary-General to nominate a Senior Officer to inquire into how and at whose instance it was made to appear as if the respondent counsels were engaged for consenting to the so-called

settlement agreement dated 24.10.2024 leading to the consequential order passed by this Court dated 13.12.2024.

6. *A preliminary inquiry may be made and a report be submitted in four weeks. On the basis of the report, we will take further action, including directions to lodge an FIR and further investigation.*

7. *Pending disposal of the application, order dated 13.12.2014 passed in Civil Appeal No.14414/2024 @ SLP(C)No.25905/2024) is recalled. The Special Leave Petition is restored to its original number. 8. List immediately after report is obtained.”*

5. Mr. Chinmoy Pradip Sharma, learned senior counsel appeared for the petitioner. Mr. Gyanant Singh, Advocate appears on behalf of respondent, Harish Jaiswal. Mr. J.M. Khanna, Advocate-on-Record whose name is reflected in the order dated 13.12.2024 is represented by Mr. R. Bala, Senior Advocate. Mr. Rattan Lal, Advocate, who appeared before us on 13.12.2024, is not present in the court today. We have requested Mr. Vipin Nair, President of the Supreme Court Advocate on Record Association to assist us in the matter. He is present in the court along with his other colleagues, Mr. Nikhil Jain and Mr. Amit Sharma.

6. Having heard the learned counsel for the parties and also having elicited the views of Mr. Vipin Nair, we are of the opinion that the facts leading to the disposal of the Special Leave Petition in terms of the alleged settlement agreement requires to be examined in detail. The role of advocates involved in preparation of the settlement agreement, it's filing and conduct of the proceedings also need to be enquired into. We have refrained from drawing any conclusions for the present.

7. In view of the above, we direct the Bar Council of India to conduct a detailed inquiry into the matter and submit a report to this court by the end of October 2025.

8. List in the first week of November,2025.

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