

**DOCTRINE OF MERGER UNDER SCRUTINY: FRAUD CARVES AN EXCEPTION IN VISHNU VARDHAN @ VISHNU PRADHAN V. STATE OF U.P. (2025)**

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**I. Introduction**

The Doctrine of Merger has long been regarded as a cornerstone in preserving judicial hierarchy and ensuring the finality of decisions. Under this principle, once a superior Court renders its judgment, the order of the subordinate Court merges into it, rendering the latter devoid of independent existence. Yet, this seemingly absolute rule has recently been tested by the three judge apex court bench comprising of Justice Surya Kant, Justice Dipankar Datta and Justice Ujjal Bhuyan, JJ in the case of *Vishnu Vardhan @ Vishnu Pradhan v. State of Uttar Pradesh*<sup>1</sup>.

In this decisive pronouncement, the Supreme Court reinforced its own earlier judgment, holding that fraud vitiates even the most final of orders. The Hon'ble Court affirmed that no litigant may secure an advantage by deceiving the judicial process, and that the sanctity of finality must yield when the very foundation of the adjudication stands tainted by fraud. In doing so, the Court emphasised that the authority of precedent cannot shield injustice when the process itself has been subverted due to fraud.

At the heart of this case lay allegations of title fraud, procedural irregularities, and the exclusion of rightful claimants from judicial proceedings. Reddy Veerana had secured a favourable order from the Allahabad High Court, claiming sole ownership of a valuable land parcel and receiving substantial compensation. This order was subsequently upheld by the Supreme Court. However, it emerged that the order had been obtained on the basis of a revoked power of attorney and with suppressed facts. The affected party, Vishnu Vardhan, argued that the doctrine of merger could not shield a judgment born of deceit, thereby leading to an extraordinary reconsideration by the Apex Court.

This Article critically examines whether the doctrine of merger can be considered absolute, or if it must yield to exceptions rooted in fraud and public interest. The Supreme Court's ruling brings forth a powerful intersection of equity, justice, and finality. It affirms that while judicial hierarchy and final orders command respect, they cannot be used as tools to continue injustice.

**II. What is the 'Doctrine of Merger'?**

The doctrine of merger is an important juridical concept and has deep roots in Indian jurisprudence. In *CIT v. Tejaji Farasram Kharawalla*<sup>2</sup>, the Bombay High Court ruled that once a superior Court delivers its

<sup>1</sup> Vishnu Vardhan @ Vishnu Pradhan v. State of Uttar Pradesh, 2025 SCC OnLine SC 1501.

<sup>2</sup> CIT v. Tejaji Farasram Kharawalla, 1953 SCC OnLine Bom 28.

judgment, the ruling of the subordinate Court stands extinguished, even if it is merely affirmed. This position was further elaborated by the Supreme Court in *Shankar Ramchandra Abhyankar v. Krishnaji Dattatreya Bapat*<sup>3</sup>, which prescribed three conditions for the doctrine's application: the jurisdiction exercised must be appellate or revisional, notice must be issued to the parties, and the matter must be heard fully in the presence of both sides.

The doctrine of merger operates as a safeguard for judicial uniformity and hierarchical integrity, as underscored in *Kunhayammed v. State of Kerala*<sup>4</sup> and *Gojer Bros. (P) Ltd. v. Ratan Lal Singh*<sup>5</sup>. By absorbing the lower court's ruling into that of the appellate Court, it prevents the coexistence of conflicting orders on the same subject and ensures that the final word rests with the highest forum approached.

The rationale behind the doctrine is to reinforce finality, clarity, and judicial integrity. It prevents parties from invoking different rulings on the same matter and maintains a clear line of authority within the judicial system. Once the higher court issues its ruling, it replaces the original decision, which becomes absorbed and loses individual effect.

### III. Case Background : *Vishnu Vardhan v. State of Uttar Pradesh*

The dispute in *Vishnu Vardhan @ Vishnu Pradhan v. State of Uttar Pradesh* arose out of a contested claim over a parcel of land in NOIDA jointly owned by three individuals: Vishnu Vardhan, Sudhakar, and Reddy Veerana. In 2006, Reddy allegedly manipulated records to remove the other co-owners' names, relying on a revoked power of attorney to secure a compromise decree falsely declaring himself as the sole owner. This became the basis for Reddy's later claims. When NOIDA Authority acquired the land in 2005, Reddy alone received compensation of over ₹295 crore. Meanwhile, Vishnu and Sudhakar, who remained unaware of the manipulation for years, later challenged the legitimacy of Reddy's sole claim.

What followed was a web of litigation across various forums. Reddy initiated proceedings before the Allahabad High Court to seek enhanced compensation, again without impleading the co-owners. In 2022, the Supreme Court affirmed the High Court's decision, effectively endorsing Reddy's claim. However, Vishnu later approached the Supreme Court, alleging that Reddy's case rested on fraud, suppression of material facts, and exclusion of necessary parties. He argued that such a judgment, tainted by fraud, could not be protected by the doctrine of merger and must be recalled.

### IV. Core Legal Question : *Can a Fraudulent Judgment Merge?*

In *Vishnu Vardhan @ Vishnu Pradhan v. State of Uttar Pradesh*, the Supreme Court faced a critical question of whether a judgment obtained by fraud and subsequently affirmed by the Apex court could still be reopened, notwithstanding the doctrine of merger. The Court had to grapple with the complex interplay between this principle and the longstanding jurisprudence that "fraud vitiates everything."

As recognised in *Ram Chandra Singh v. Savitri Devi*<sup>6</sup>, fraud vitiates every solemn act and stands irreconcilable with justice. It includes deliberate or reckless misrepresentation, whether through words or actions, made to persuade another person, including a Court, to take a particular decision that causes harm. In *A.V. Papayya Sastry v. Govt. of A.P.*<sup>7</sup>, the Supreme Court held that an order obtained through deception is vitiated, rendered "non-existent" in law, and cannot be allowed to stand. Such an order is treated as non est, having no legal effect.

<sup>3</sup> *Shankar Ramchandra Abhyankar v. Krishnaji Dattatreya Bapat*, (1969) 2 SCC 74.

<sup>4</sup> *Kunhayammed v. State of Kerala* (2000) 6 SCC 359.

<sup>5</sup> *Gojer Bros. (P) Ltd. v. Ratan Lal Singh* (1974) 2 SCC 453.

<sup>6</sup> *Ram Chandra Singh v. Savitri Devi* (2003) 8 SCC 319.

<sup>7</sup> *A.V. Papayya Sastry v. Govt. of A.P.*, (2007) 4 SCC 221.

Vishnu contended that the doctrine of merger could not sanctify judgments secured by deceit. He relied on *S.P. Chengalvaraya Naidu v. Jagannath*<sup>8</sup>, where the Court held that a judgment obtained by playing fraud on the Court is a nullity and non est in the eyes of law. Similarly, in *Nidhi Kaim v. State of Madhya Pradesh*<sup>9</sup>, the Supreme Court reiterated that nothing obtained by fraud can be sustained, as fraud unravels everything. Vishnu further argued that principles of natural justice were violated, and the finality of a judgment that excluded an interested party should not stand.

Conversely, Reddy argued that allowing such a challenge would undermine the sanctity of judicial finality. Relying on *Kunhayammed v. State of Kerala*, he asserted that the Supreme Court's prior affirmation barred any further review. He claimed that Vishnu's petition was nothing more than an abuse of process, aimed at securing a rehearing of a settled matter through indirect means.

Ultimately, the Supreme Court struck a careful balance. It acknowledged that while the doctrine of merger serves the important function of preserving judicial hierarchy and finality, it must yield when confronted with fraud. The judgment carved out a critical exception, reaffirming that procedural finality cannot be used to shield injustice.

#### ***V. Conclusion : Re-imagining Doctrine of Merger Through the Lens of Equity***

In this landmark ruling (*in Vishnu Vardhan @ Vishnu Pradhan v. State of Uttar Pradesh*), the Supreme Court, reaffirmed the long-standing principle that "fraud unravels everything".

The core legal question before the Court was whether a judgment of the Supreme Court, affirming a lower Court's decision, can be reopened on grounds of fraud, despite the doctrine of merger. The doctrine of merger holds that when a higher court adjudicates an appeal, the lower court's order merges into the appellate decision, thereby attaining finality. However, the Supreme Court clarified that this doctrine, while important for maintaining judicial discipline and hierarchy, is not absolute.

The judgment is notable for identifying specific exceptions to the doctrine of merger. These include: rare or special circumstances justifying interference; matters involving public importance; instances where the principle of *actus curiae neminem gravabit* (the Court's act should prejudice no one) is invoked; cases where fraud has been committed upon the court; and situations where denying relief would lead to irreparable harm to public interest. Applying these principles, the Court held that Reddy's actions fell squarely within the fraud exception. As a result, the High Court's judgment and the Supreme Court's own ruling were both declared void *ab initio* and recalled.

The Court further observed that NOIDA, a public authority, failed in its duty by not contesting Reddy's sole ownership claim despite having records reflecting joint ownership. Ultimately, this ruling recalibrates the doctrine of merger through a lens of equity and integrity, reaffirming that procedural doctrines must never become safe havens for fraud. The Supreme Court's decision thus sets a strong precedent that finality, while foundational, must yield where justice demands scrutiny.

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<sup>8</sup> S.P. Chengalvaraya Naidu v. Jagannath (1994) 1 SCC 1.

<sup>9</sup> Nidhi Kaim v. State of Madhya Pradesh (2017) 4 SCC 1.