

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 16TH DAY OF APRIL, 2026

BEFORE

THE HON'BLE MR JUSTICE R DEVDAS

CIVIL REVISION PETITION NO.571 OF 2022

BETWEEN:

- 1 . SMT ANURADHA OSTWAL
AGED ABOUT 40 YEARS
W/O ASHOK G OSTWAL
- 2 . ASHOK G OSTWAL
AGED ABOUT 35 YEARS
BOTH ARE R/AT NO.169, ASHRAY,
AECS LAYOUT, 2ND MAIN,
1ST CROSS, RMV II STAGE,
SANJAYNAGAR,
BANGALORE 560 094.

...PETITIONERS

(BY SRI. VIKRAM.G., ADVOCATE FOR
SRI. B PRASANNA KUMAR., ADVOCATE)

AND

- 1 . SRI R MAHENDRA KUMAR SHAH
S/O RAICHAND SHAH
AGED ABOUT 48 YEARS
REPRESENTED BY HIS GPA HOLDER
MR. NITHIN SHAH
S/O KHETSHI SHAH
NHMS BUILDING,
CUBBONPET MAIN ROAD,
BANGALORE 560 002.
- 2 . SRI. MUNIKRISHNAMMA

W/O LATE P. MUNISHAMAIAH
AGED ABOUT 47 YEARS

3 . SMT. MANJULA
D/O LATE P. MUNISHAMAIAH
AGED ABOUT 22 YEARS

RESPONDENT NO.2 & 3
R/A ILLTHORE VILLAGE
KUNDANA HOBLI,
DEVANAHALLI TALUK,
BANGALORE RURAL DISTRICT.

.....RESPONDENTS

(BY SRI. S. SUBRAMANYA., ADVOCATE BY UPASANA
ASSOCIATES FOR GPA HOLDER FOR R1
R2 & R3 SERVED & UNREPRESENTED)

THIS CRP FILED UNDER SECTION 115 OF CPC, AGAINST
THE ORDER DATED 05.08.2022 PASSED ON I.A.XIX IN
OS.NO.1252/2006 ON THE FILE OF THE III ADDITIONAL
SENIOR CIVIL JUDGE, AND JMFC, DEVANAHALLI, C/C IIND
ADDL. SENIOR CIVIL JUDGE AND JMFC, DEVANAHALLI
REJECTING THE I.A.XIX FILED UNDER ORDER 7 RULE 11 (d) OF
CPC.

THIS PETITION HAVING BEEN HEARD AND RESERVED ON
27.01.2026 AND COMING ON FOR PRONOUNCEMENT OF
ORDERS, THIS DAY, THIS COURT MADE THE FOLLOWING:

CORAM: HON'BLE MR JUSTICE R DEVDAS

CAV ORDER

(PER: HON'BLE MR JUSTICE R DEVDAS)

This Civil Revision Petition is filed under Section 115
of the Code of Civil Procedure at the hands of defendants
No.1 and 2 in O.S.No.1252/2006 on the file of the learned

III Addl. Senior Civil Judge and JMFC, at Devanahalli, being aggrieved of the rejection of their interlocutory application filed under Order VII Rule 11(d) of the Code of Civil Procedure (hereafter referred to as 'CPC' for short).

2. For the sake of convenience, the parties shall be referred to in terms of their ranking before the Trial Court.

3. Respondent No.1-plaintiff filed the suit seeking the following reliefs:

a) Direct the Defendant No.1, 3 and 4 herein to jointly execute the sale deed transferring the suit 'schedule property by way of conveyance in the name of the plaintiff by receiving the agreed balance sale consideration amount and on their failure to comply, though agency of this Hon'ble Court.

b) To declare that the sale deed executed by the defendants No.3 and 4 in favor of the first defendant on 27.5.2004 under the Document No. 439/2004-05 in respect of the suit schedule property does not bind the plaintiff in respect of the suit schedule property or any portion thereof.

c) Declare that the sale deed dated 11.11.2005, registered in the Office of the Sub-Registrar, Devanahalli as Document No. DNH-1-03935-2005-06, Book-1, stored in CD No. DNHD67 executed by the third and fourth defendants in favour of the fifth defendant is not binding on me.

Or in the alternative,

Direct the fifth defendant and/or any person/s claiming under or through him to join for the execution of the sale deed in favour of the plaintiff to assure better title to the plaintiff with respect to suit Schedule Property.

b2) Order for the deletion of the encumbrances created by Defendants 1-5 over the suit Schedule Properties contrary to the rights of the plaintiff.

c) By way of permanent injunction restrain the defendants, their servants, agents or any person claiming through or under them either individually or collectively from causing any interference in the plaintiffs peaceful possession and enjoyment of the suit schedule property.

d) To grant such other relief or other relief that this Hon'ble Court may deem fit and proper in the facts and circumstances of the case including the cost of these proceedings in the interest of justice and equity.

4. Defendants No.1 and 2 filed written statement contending that the agreement of sale dated 07.11.1997 entered into between the plaintiff and defendants No.3 and 4 is an invalid document, inasmuch as the agreement would amount to 'transfer' as defined in the Karnataka Scheduled Castes and Scheduled Tribes (Prohibition of Transfer of Certain Lands) Act, 1978 (hereinafter referred to as 'PTCL Act' for short) and even an agreement of sale would amount to transfer and therefore such transaction is barred under Section 4(2) of the Act. Although defendants

No.1 and 2 admitted execution of a Memorandum of Understanding (MOU for short) between the plaintiff and defendants No.1 and 2, nevertheless defendants No.1 and 2 denied receiving any money from the plaintiff under the MOU. Defendants No.1 and 2 filed an application under Order VII Rule 11(d) seeking rejection of the plaint on the ground that the agreement of sale dated 07.11.1997 between the plaintiff and defendants No.3 and 4 is opposed to public policy and being barred under Section 4(2) of the PTCL Act, the agreement cannot be enforced before a Civil Court. The Trial Court however rejected the application.

5. Learned Counsel for defendants No.1 and 2 submitted that the Trial Court has erred in coming to a conclusion that it is doubtful as to whether the agreement of sale dated 07.11.1997 is hit by the provisions of the PTCL Act or not. The Trial Court is of the opinion that it is for defendants No.3 and 4 to say as to whether the suit schedule property was granted to a person belonging to Scheduled Caste or Scheduled Tribe community and

whether prior permission of the Government was required to be taken under Section 4(2) of the PTCL Act. In this regard, learned Counsel for defendants No.1 and 2 submitted that the very fact that agreement of sale dated 07.11.1997 was presented in the office of the Sub-Registrar, Devanahalli, for registration and it is admitted that the registration was refused by an endorsement given by the Sub-Registrar to secure permission of the Government is sufficient to conclude that the suit schedule property was in fact granted to a person belonging to Scheduled Caste community and therefore, prior permission of the Government under Section 4(2) was necessary.

6. Learned Counsel placed reliance on a decision of the Hon'ble Supreme Court in the case of ***Dharma Naika Vs. Rama Naika and Another*** reported in **(2008) 14 SCC 517** where it was held that an agreement of sale in respect of a granted land as defined in the PTCL Act, would amount to 'transfer' and therefore any claim on the basis of such agreement of sale would attract the rigors of

the PTCL Act. Further, reliance was placed on ***Venkatanarayanappa Vs. Siddappa*** reported in **(2007) 3 Kant LJ 37** where it was held that no right, title or interest in a granted land shall be conveyed or be deemed ever to have been conveyed by such transfer and an agreement of sale of granted land is opposed to Section 4(2) of the Act and therefore, it is not a contract in the eye of law. Such an agreement of sale cannot be enforced in a court of law and no decree for specific performance of such agreement could be enforced in a court of law. Further, attention of this Court was drawn to a decision of a co-ordinate Bench of this Court in the case of ***Smt.Satyam Lakshmi Vs. Sri K.M.Krishna Murthy and Others*** in CRP No.509/2012 dated 07.03.2022 where it was held that such an agreement in respect of a granted land as defined in the PTCL Act is void and unenforceable in the court of law. It was therefore held that the plaintiff cannot pursue the suit for the relief of specific performance.

7. Per contra, learned Counsel for the plaintiff contended that the plaintiff has stated in the plaint that

after refusal of registration of the agreement of sale at the hands of the Sub-Registrar, the plaintiff entered into a Memorandum of Understanding with defendants No.1 and 2 and defendants No.1 and 2 undertook to obtain necessary permission from the concerned authorities. The learned Counsel drew the attention of this Court to a decision of a co-ordinate bench of this Court in the case of ***D.B.Thagaraj Vs. Jayappa and Another* AIR 2020 KAR 175** where it was held, even after noticing the decision of the Hon'ble Supreme Court in the case of ***Dharma Naika*** (supra), that if the intending purchaser enters into an agreement with a clear stipulation in the agreement that the agreement of sale would be proceeded to its logical conclusion only if Government grants permission for transfer, such an agreement of sale cannot be said to be either void or in violation of the PTCL Act.

8. Having heard the learned Counsels for defendants No.1 and 2 and the plaintiff and on perusing the petition papers, this Court finds that the decision of the co-ordinate Bench in the case of ***D.B.Thagaraj*** (supra), even

if applied to the present case, on facts it would be clear that in the agreement of sale dated 07.11.1997, there is no such stipulation that the transaction would be proceeded only after obtaining prior permission at the hands of the Government under Section 4(2) of the PTCL Act. It is also an admitted fact that the agreement of sale when presented before the Sub-Registrar for registration, the same was refused while issuing an endorsement that the provisions of the PTCL Act are attracted and prior permission of the Government under Section 4(2) was necessary. Even after such refusal, the plaintiff did not enter into a fresh agreement with defendants No.3 and 4, stipulating the condition that the transaction would be proceeded after obtaining prior permission from the Government. On the other hand, if the plaintiff entered into an MoU with defendants No.1 and 2 with an understanding that defendants No.1 and 2 will obtain the permission from the Government or the concerned authorities, such stipulation cannot be read into the agreement of sale dated 07.11.1997.

9. In that view of the matter, this Court is of the considered opinion that the agreement of sale dated 07.11.1997 is unenforceable in a court of law. The suit for specific performance of the agreement of sale dated 07.11.1997 is not maintainable in the eye of law. The suit is clearly barred by the provisions of the PTCL Act.

10. In fact, Section 4(3) of the PTCL Act provides that the provisions of sub-sections (1) and (2) shall apply also to the sale of any land in execution of a decree or order of a Civil Court or of any award or order of any other authority. Therefore, even if such a decree for specific performance of an agreement of sale in respect of a granted land as defined in the PTCL Act is passed by a Civil Court, the rigors of the provisions of the PTCL Act would apply and such a decree for specific performance can be annulled by the authority under the PTCL Act. At any rate, such a suit for specific performance of an agreement of sale in respect of granted lands as defined in the PTCL Act cannot be entertained by the Civil Courts.

11. Consequently, the Civil Revision Petition is **allowed**. The impugned order dated 05.08.2022 in O.S.No.1252/2006 passed by the learned III Addl. Senior Civil Judge and JMFC, Devanahalli, is hereby quashed and set aside. As a result, the plaint in O.S.No.1252/2006 stands rejected, while allowing I.A.XIX filed by defendants No.1 and 2 under Order VII Rule 11(d) read with Section 151 of CPC.

Accordingly, pending I.A.s, stand disposed of.

**Sd/-
(R DEVDAS)
JUDGE**

JT/-
CT: JL