



**IN THE HIGH COURT OF KARNATAKA AT BENGALURU**

**DATED THIS THE 1<sup>ST</sup> DAY OF AUGUST, 2025**

**BEFORE**

**THE HON'BLE MR. JUSTICE RAMACHANDRA D. HUDDAR**

**MISCELLANEOUS FIRST APPEAL NO. 2079 OF 2025 (CPC)**

**R**

**BETWEEN:**

1 . MR. B.H. MAHALINGAPPA  
S/O LATE HUCHEGOWDA  
AGED ABOUT 57 YEARS  
RESIDING AT BALAGATTA VILLAGE  
BAGUR HOBLI  
CHANNARAYAPATNA TALUK  
HASSAN DISTRICT

PRESENTLY RESIDING AT  
LAKSHMI SALES CORPORATION  
AND L.S INFRA, SUDEV COMPLEX  
NO. 67-68/51, 3<sup>RD</sup> FLOOR  
S. KARIYAPPA ROAD  
(NEAR SOUTH THINDIES HOTEL)  
BASAVANAGUDI  
BENGALURU-560 004

Digitally signed by  
ANJALI M  
Location: High  
Court of Karnataka

2 . MR. SANTOSH KUMAR KRISHNAPPA  
AGED ABOUT 44 YEARS  
RESIDING AT NO.59, MAIN ROAD  
OFF BASAVANAPURA  
BENGALURU-560 083

3 . MR. SRINIVAS REDDY  
AGED ABOUT 54 YEARS  
RESIDING AT NO.101  
24<sup>TH</sup> CROSS



HULIMAVU  
BENGALURU-560 083

...APPELLANTS

(BY SRI. K.G. RAGHAVAN, SENIOR COUNSEL A/W  
SRI. SUNDARA RAMAN M.V. ADVOCATE)

**AND:**

- 1 . B.M. JAGADISH  
S/O LATE B. MUNISAMI MUDALIAR  
AGED ABOUT 73 YEARS
- 2 . ROOPA JAGADISH  
W/O B.M. JAGADISH  
AGED ABOUT 70 YEARS
- 3 . B.J. GAUTAM  
S/O B.M. JAGADISH  
AGED ABOUT 41 YEARS

ALL OF THE ABOVE RESIDING AT  
110, 16<sup>TH</sup> MAIN ROAD  
KSRTC LAYOUT, 2<sup>ND</sup> PHASE  
J.P NAGAR, BENGALURU 560078

OR

NO. 57/1A, THALAGATTAPURA  
UTTARAHALLI HOBLI  
CAUVERY PIPE LINE ROAD  
4<sup>TH</sup> T BLOCK, BANASHANKARI 6<sup>TH</sup> STAGE  
KANAKAPURA ROAD  
BENGALURU-560 062

...RESPONDENTS

(BY SRI. UDAYA HOLLA, SENIOR COUNSEL A/W  
SRI. S. RAJASHEKAR, ADVOCATE FOR C/R1 TO R3)

THIS MFA IS FILED U/O 43 RULE 1(r) R/W SECTION 151  
OF CPC, AGAINST THE ORDER DATED 12.02.2025 PASSED ON  
I.A.NOS.1 AND 2 IN OS.NO.1749/2024 ON THE FILE OF THE



PRL. SENIOR CIVIL JUDGE, BENGALURU RURAL DISTRICT, BENGALURU, ALLOWING THE I.A.S 1 AND 2 FILED UNDER ORDER 39 RULE 1 AND 2 R/W SECTION 151 OF CPC.

THIS MFA HAVING BEEN RESERVED FOR JUDGMENT, COMING ON FOR PRONOUNCEMENT THIS DAY, THE COURT, DELIVERED/PRONOUNCED THE FOLLOWING:

CORAM: HON'BLE MR JUSTICE RAMACHANDRA D. HUDDAR

### **CAV JUDGMENT**

(PER: HON'BLE MR JUSTICE RAMACHANDRA D. HUDDAR)

This Court is called upon to examine the correctness and validity of the impugned order dated 12.2.2025 passed by the learned Prl.Senior Civil Judge, Bengaluru Rural District, Bengaluru in OS No.1749/2024. By the said order, the learned trial Court allowed I.A.Nos. 1 and 2 filed by the plaintiffs under Order 39 Rule 1 and 2 read with Section 151 of CPC, 1908 restraining the appellants and other defendants from alienating, encumbering or creating third party interests over the suit schedule property and also from interfering with the plaintiff's possession over the property during the pendency of the suit.



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2. The present appeal arises from that order and the appellant seeks to impugn it on several grounds including, but not limited to, the alleged absence of a prima facie case in favour of the plaintiffs, the lack of urgency to warrant injunctive relief and the trial Court's failure to consider that the plaintiffs had voluntarily executed the sale deed and received the agreed sale consideration.

3. The controversy between the parties; is too complex and fact - intensive. It revolves around the execution of a registered sale deed dated 22.02.2024 (registered on 6.5.2024) concerning immovable property bearing Sy.Nos.57/1A and 57/2 measuring approx. 2 acres 29.2 guntas in Talaghattapura Village, Bengaluru South Taluk. It is the plaintiffs claim that the property was agreed to be sold for Rs.20 crores but, the appellant misrepresented and fraudulently altered the terms to reflect a much lower price of Rs.7,01,51,515/- in the registered deed.



4. This Court, having carefully reviewed the pleadings, records and detailed order passed by the trial Court, is now called upon to determine whether the impugned order deserves to be upheld or warrants interference.

5. The first plaintiff, B.M.Jagadeesh is stated to be the absolute owner of the suit schedule property having acquired it by registered sale deed dated 29.04.1995. The plaintiffs, including his wife and son have been in possession of the said property for several decades. The said property was converted for residential use pursuant to an order passed by the Deputy Commissioner in the year 2006.

6. The dispute arose when the plaintiffs entered into a series of sale negotiations with the appellant. Initially registered agreement of sale was executed between the parties on 17.10.2022 for a total sale consideration of Rs.20,30,44,050/-. Owing to



disagreements, particularly concerning the extent of land and pending litigations, this agreement was mutually cancelled via a registered cancellation deed dated 20.4.2024. Thereafter, a fresh negotiation was held and it was purportedly agreed that, the suit schedule property alone would be sold for a consideration of Rs.20 crores. However, according to the plaintiffs, the appellant, who had, by then gained their trust, deceptively induced them to execute a sale deed showing the sale consideration as Rs.7,01,51,515/-, a figure drastically lower than the mutually agreed amount. The plaintiffs allege that, only Rs.4,70,75,000/- has been received so far and the remaining 15,09,025/- is still due. The plaintiffs state that, they were mislead into signing the sale deed without being given a fair opportunity to verify the terms. Further, they contend that, possession was never handed over to the appellant and that they remain in physical possession of the suit properties and its original title documents.



7. On the other hand, the appellants contend that, the plaintiffs being well-informed and literate persons, executed the sale deed voluntarily after multiple drafts were exchanged including through whatsapp messages. The appellants further assert that, the sale price reflected in the registered deed correctly corresponds to the reduced extent of land as a portion had previously been sold or alienated by the plaintiffs to the third parties and some part used for road development. It is the appellants' case that, the plaintiffs having voluntarily executed the document i.e. sale deed stated above and encashed the sale consideration paid by way of cheques, are now taking a contrary stand in order to unjustly enrich themselves.

8. In these circumstances, the plaintiffs moved the trial Court seeking a declaration that, the sale deed supra was vitiated by fraud and sought consequential reliefs including the cancellation of the sale deed and interim injunction to restrain the appellant from dealing with the property or disturbing their possession.



9. The learned trial Court, after a detailed consideration of pleading, documents and arguments, allowed both IA Nos. 1 and 2 and granted temporary injunction as prayed for.

10. The learned Sr.counsel for the appellants Sri K.G.Raghavan, in addition to submitting the pleadings of the parties, findings of the trial Court in the impugned order as well as grounds made out in appeal memo submits that, there is a presumption with regard to the registered document which is validly executed which prima facie would be valid in law. He submits that, the onus of proof would be on a person who leads evidence to rebut the presumption. In support of this submission, he places reliance on a judgment of Apex Court in ***Prem Singh vs. Birbal*** reported in ***(2006) 5 SCC 353***. Further he submits that, when there is a sale of schedule properties, as provided in Section 54 of TP Act, it has got its evidentiary value. He submits that, in view of the law laid down by the Apex Court in ***Dahiben Vs. Aravindbhai Kalyanji***





***Bhanusali and others*** reported in ***(2020) 7 SCC 366***, wherein the plaintiffs have taken the plea in their written statement about the non-payment of the consideration and even if the said averments are taken to be true, the entire sale consideration had not, in fact been paid, it could not be a ground for cancellation of the sale deed as the plaintiffs have other remedies for recovery of the balance consideration and thus, plaint at the threshold has to be rejected. Further, he submits that, these plaintiffs are educated persons and whatever transactions entered into in between plaintiffs and defendants was well within the knowledge of plaintiffs therefore, now the plaintiffs cannot take advantage and file a suit for declaration and other reliefs as prayed in the plaint. In support of his submission, he further relies on a judgment of the co-ordinate Bench of this Court in ***Ann Varghese vs. K.V.Prasad and others in MFA Nos. 4185/2025 clubbed with 4187/2025***. Further, the learned senior counsel submits that, the appellate Court will not interfere



with the exercise of discretion of the Court at the first instance but, in the case of present nature, as the trial Court has exceeded in its discretion and has come to wrong conclusion, then, the appellate Court normally would exercise its discretion under appeal and set aside the impugned order. In support of this submission, he further relies on the judgment of Apex Court in ***Wander Ltd., and another vs. Antrox India Ltd.***, reported in ***1990 Supp.(1) SCC 727.***

11. He further submits that, the very conduct of the plaintiffs go to establish that, by filing the suit, they want to enrich themselves. Thus, with all vehemence learned Senior counsel submits to allow the appeal.

12. Per contra, learned Sri Uday Holla, Senior Counsel appearing for the respondents-plaintiffs made available the list of dates and synopsis with regard to the events that have taken place with regard to the transaction between plaintiffs and defendants. According



to his submission, the plaintiff nos. 1 and 2 are senior citizens and there was agreement of sale dated 11.10.2021 whereunder, the plaintiff no.1 agreed to sell the property so described owned by him for a total consideration of Rs.27,85,11,750/- and received an advance of Rs.2 crores. He would submit that, the agreement of sale clearly and specifically states that, the sale consideration of the aforementioned property is at Rs.1650 per sq. ft. and the sale consideration so mentioned in the agreement is based upon the said rate per sq. feet. The learned Senior Counsel submits that, there was unregistered agreement between the parties in respect of Sy.58 measuring 37 and half guntas and 4 and half guntas of Talaghattapura village was agreed to be sold in favour of the first defendant for a total sale consideration of Rs.7,54,67,000/- and he had received an advance of Rs.2,50 crores. Further, learned Sr.Counsel submits that, the said agreement dated 17.10.2022 executed between the parties wherein plaintiff agreed to



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sell the land bearing Sy.No.57/1A measuring 1 acre 7 guntas and Sy.No.57/2 measuring 1 acre 26 guntas situated at Talaghattapura village for a total sale consideration of Rs.20,30,44,050/- and has received an advance of Rs.5.50 crores. Even in this agreement, it is stated that, the rate for the property is at Rs.1,650 per sq. ft. He would further submit that, there was registered cancellation agreement on 20.04.2024 thereby, the registered agreement of sale dated 17.10.2022 was cancelled and the advance amount of Rs.5.50 crores so received by the plaintiffs was returned by means of cheques. He would further submit that, a day after the cancellation of agreement, the defendants came up with another request to reconsider cancellation of the sale transaction and he was prepared to pay a sum of Rs.19.75 crores towards purchase of the properties in Sy.No.57/1A and 57/2. After negotiation, price was orally agreed at Rs.20 crores. It was on 22.04.2024.



13. The learned Sr.Counsel further submits that, the defendants requested the appellant (first respondent) to come to the office of Sub-Registrar on 06.05.2024 for completion of sale transaction on the promise that, he would pay the total consideration of Rs. 20 crores. Believing the words of the defendants, the plaintiffs signed the deed of absolute sale but, no amount was paid, no time was given to the plaintiffs to read the document on the ground that the time slot given for registration was very limited. By saying so, the signatures of the plaintiffs were taken in a hurry as the time slot given would expire. Further, the learned Sr.Counsel submits that, though the defendants have not paid the sale consideration amount in its entirety but, on 30.08.2024, the defendants came along with their supporters to break the compound wall of the aforementioned property and tried to take the possession thereof. This act of the defendants was resisted and subsequently police complaint was filed against the defendants, and plaintiffs got the police protection.



14. The learned Sr.Counsel further submits that, the plaintiffs enquired in the office of Sub-Registrar and became aware of the fraud committed by the defendants therefore, issued a legal notice on 31.08.2024 followed by another notice dated 4.9.2024. In the reply notice dated 4.9.2024, the plaintiffs have specifically mentioned about the fraud and misrepresentation committed by the defendants. Narrating all these calendar of events chronologically, the learned Sr.Counsel submits that, as the trial Court has exercised its discretion in granting the injunction, such discretion cannot be interfered with. In support of his submission, the learned Sr.Counsel relied upon a decision reported in **ILR 1996 KAR 753** in the case of **Nagaraj vs. Krishna** wherein it is held that "*when deciding question of prima facie not desirable or open to record decision on merit*". He would submit that the learned trial Court exercised discretion based upon the material and has categorically held that, the plaintiffs have made out *prima facie* case. Further, he would submit that,



as per the pleadings of the plaintiffs averred in the plaint, there is a apparent fraud committed by the defendants and according to him, there are varieties of frauds which include all acts or omissions, concealment, which involve breach of legal and equitable duty and by which, undue and unconscious advantage is taken by defendants. There is a concealment of relevant and material facts by the defendants. In support of his submission, he places reliance on a judgment of the Apex Court reported in **2010 (8) SCC 660** between **Venture Global Engineering vs. Satyam Computers Services Ltd., and another**. He would further submit that, from the pleadings of the parties, especially that of the plaintiffs, it is very much clear with regard to fraudulent motives by the defendants. Though the proof of fraudulent motive is not capable of direct proof, it can only be inferred. He would submit that, the very conduct of the defendants would prove the fraudulent motive of the defendants in not paying the entire sale consideration so agreed. In



support of his submission, he relied upon a judgment of Apex Court in ***Yeswant Deorao Deshmuk vs. Walchand Ramchand Kothari*** reported in **1950 SCC 766** wherein it is held that, in the very nature of things, fraud is secret in its origin or inception and in the means adopted for its success.. He would further submit that, the Fraud and collusion vitiate even the most solemn proceedings in any civilised system of jurisprudence as held by the Apex Court in ***Shrisht Dhawan (Smt.) vs. M/s.Shaw Brothers*** reported in **(1992) 1 SCC 534**. Taking the assistance of this judgment, the learned Sr. Counsel submits that, these defendants have committed fraud on the plaintiffs. He further relies upon series of judgments to show that, when sale deed got executed by committing fraud on the transferor, such a sale deed can be cancelled so also submits that, while granting or refusing temporary injunction, what the Court has to consider.

15. He would furthers submit that, the trial Court is satisfied that, there is serious question to go for trial. As





injustice has been caused to the plaintiffs, it has granted injunction against the defendants. Thus, relying upon various principles regarding grant of injunction, he submits that, whatever discretion exercised by the trial Court cannot be interfered in this appeal as the trial Court has considered all the aspects with regard to the grant of injunction and rightly allowed the interim applications filed by the plaintiffs. Thus, he prays to dismiss the appeal.

16. I have given my anxious consideration to the facts of the case and arguments of both the side. Meticulously perused the records.

17. Before delving into the factual and legal merits of the appeal, it is essential to reiterate the well-settled scope of appellate interference with interim orders granting or refusing temporary injunctions. The appellate Court does not sit in appeal over the discretion exercised by the trial Court unless the same is shown to be arbitrary perverse or based on incorrect appreciation of law or fact.



The grant or refusal of an injunction is fundamental a discretionary relief guided by equitable considerations and the appellate Court is slow to substitute its own discretion unless the lower court has ignored the settled legal principles or vital elements.

18. The parameters that guide grant of temporary injunctions include three fundamental elements:

- (i) Existence of a prima facie case
- (ii) Balance of convenience in favour of applicant,
- (iii) Risk of irreparable injury if injunction is not granted.

19. These elements are not to be treated as water tight compartments but, are inter-related and often overlapping in their application.

20. A strong prima facie case may offset a weaker balance of convenience or *visa-a-versa*.



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21. The trial Court has meticulously reviewed the material on record to arrive at a conclusion that, the plaintiffs have made out a prima facie case. This Court finds no reasons to disagree. The very nature of the transaction - a registered sale deed reflecting a lower consideration than what is alleged to have been agreed upon - coupled with plaintiff's continued possession and custody of the original title documents, gives rise to a triable issue of fraud, misrepresentation and undue influence. The matter involves deeply contested facts requiring evidence to be lead and cannot be summarily dismissed at the threshold stage.

22. The appellant has attempted to rebut these claims by relying upon whatsapp communication including purported draft of sale deed shared prior to its execution. While such communications may indicate some level of prior knowledge, they are insufficient to conclusively negate the claim of deception especially in light of the



plaintiff's long standing possession and contesting pricing in earlier agreements.

23. The issue is not merely, whether the plaintiffs signed the document but, their consent was vitiated by misrepresentation or manipulation of terms. The answer to this question lies beyond the scope of summary adjudication and must be left for determination in the trial. The very existence of this triable issue satisfies the requirement of a prima facie case.

24. Having found that plaintiffs have succeeded in demonstrating a prima facie case, this Court now proceeds to examine whether the balance of convenience lies in their favour and whether denial of interim relief would cause irreparable harm.

25. The concept of balance of convenience involves a comparative evaluation of inconvenience or hardship that would be caused to either party if the injunction were granted or refused. It is not merely a mathematical



exercise but, a judicial weighing of harm, hardship or mischief that would befall the parties if the status-quo is altered.

26. In the present case, the plaintiffs assert that, they are in lawful possession of the suit schedule property and they never parted with it. They claim that the appellant has attempted to unlawfully dispossess them on 30.08.2024 by using heavy machinery and muscle power which attempt was thwarted only by timely police intervention. The plaintiff also contend that, they are in custody of original documents which were never handed to the appellant despite contrary recital in the impugned sale deed.

27. The learned Sr. Counsel for the respondent-plaintiffs submit that, strangely enough this appellant has filed a caveat showing the same address of the plaintiffs as their residence and the plaintiffs have received the said caveat. This supports the case of plaintiffs that they are in



possession of suit schedule property. Filing of a caveat by the appellant is not denied by the appellant.

28. It is necessary to pause and consider the significance of physical possession in the context of disputes concerning title and execution of sale deeds. Possession, especially when long standing, peaceful and uninterrupted carries presumptive value. The courts of equity have always leaned towards protecting possession particularly when the very validity of underlying transaction is being questioned.

29. The trial Court has carefully recorded that, the despite the recital in the sale deed about delivery of possession and documents, the plaintiffs are in possession of the original records and have continued to reside in the property. This finding of the trial Court is supported by the caveat so filed by the appellant showing the address of the plaintiffs. That means, notably, the address furnished by the appellant in the caveat petition before the same court



described the plaintiffs as residents of suit schedule property 57/1A, Gautham Farm, KKP Road, BSK 6<sup>th</sup> Stage, Bengaluru. Such a description coming from appellant, lends credibility to plaintiffs claim of continued possession.

30. Moreover, the lease agreement produced by the appellant allegedly demonstrating possession by a third party lacks probative value at this stage. It is asserted that, the suit property was leased to one Mohammed Ummer Mohsin, however, the trial Court noted that, the plaintiffs were still in residence and the lease deeds' genuineness and the circumstances surrounding its execution would have to be examined at the trial.

31. It is also pertinent to observe that the appellant has not yet acted upon the sale deed in any significant way that would give rise to third party interest. Suit schedule property remains undeveloped and untransformed. In such circumstances, restraining the appellant from altering the character of the property or



interfering with possession until matter is adjudicated would not cause any prejudice that cannot be remedied later.

32. On the other hand, permitting the appellant to interfere with possession or create third party rights during the pendency of the suit would irreversibly prejudice the plaintiffs. The property once transferred or developed, would change its character and subject matter rendering any final decree in favour of the plaintiffs nugatory. The potential for multiplicity of proceedings, hardship to third parties and irreversible dispossession weighs heavily against the appellant.

33. It is therefore, evident that, the balance of convenience tilts in favour of preserving status-quo, namely the maintaining the plaintiffs in possession and restraining any alienation or encumbrance over the suit schedule property.





34. The term irreparable injury refers to such injury that cannot be adequately remedied by damages or compensated by monetary relief. It relates not only to physical or financial loss but also, encompasses injury to legal rights or obstruction of justice. If the plaintiffs were to be dispossessed pending trial and if the suit ultimately succeeds, restoring possession would not be simple matter of compensation. The property in question is a immovable asset with specific identity, potential development value and deep emotional and residential significance for the plaintiffs who have resided there for decades. The law recognizes that, the loss of residential possession especially in a dispute tainted with allegations of fraud, cannot be equated to mere monetary damages. Furthermore, if alienation is permitted the chain of title may become complicated by including of third parties acting in good faith resulting in avoiding hardship, delay and collateral litigation. These circumstances justify judicial intervention to prevent the suit property from being



subjected to such complications during the pendency of the proceedings.

35. The trial Court was therefore, entirely justified in finding that, denial of injunction would lead to irreparable injury to the plaintiffs.

36. Another aspect that merits emphasis is, the plaintiff's continued custody of original title documents. In conveying and property jurisprudence, the delivery of title deeds and possession are considered key indicators of the transfer of ownership. While a registered sale deed creates a presumption of title, it is rebuttable especially when allegations of fraud and misrepresentation are raised.

37. In the present case, the plaintiffs have shown the original documents to the court, and the trial Court has recorded this fact. Even before this Court also, it is shown that the said title documents are still with the plaintiffs. Despite the recital in the sale deed that the documents were handed over, the physical fact of their



production in Court tilts the scales in favour of the plaintiffs at this stage.

38. It is conceivable, that a genuine transferee of immovable property would allow the seller to retain title deeds after paying full consideration and completing the transaction. The continued retention of such documents by the plaintiffs strongly indicates that the transfer was not genuine or not fully completed, thereby, substantiating the plaintiffs claim for temporary protection.

39. The appellants argument that, such recitals are mere technicalities does not impress this Court. Possession of title document when combined with physical possession and allegation of fraud assumes great evidentiary value at interlocutory stage. The appellant argues that, the sale deed being a registered document creates a presumption of lawful execution and payment of consideration. While this principle is well recognized, but it is not absolute. Courts have consistently recognized that the presumption



arising from a registered document is rebuttable by credible allegations and prima facie proof of fraud, coercion, misrepresentation or absence of consensus ad-idem.

40. The plaintiffs do not dispute signing the document. Their grievance is that, the consideration clause was altered or misrepresented and their consent was obtained by misleading them into believing that, deed reflected the correct sale price. The appellant has relied upon digital exchanges such as whatsapp messages to establish that, the plaintiffs had seen the draft deed and even suggested corrections. However, these messages are not contemporaneously authenticated, nor do they establish beyond doubt that plaintiffs were aware of the final terms incorporated in the deed. Moreover, the sale price reflected in the deed - Rs.7,01,51,515/- - is manifestly inconsistent with the price fixed in earlier agreements for the same property (Rs.20 plus cores ) at Rs.1,650/- per sq.ft. thereby raising legitimate suspicion.



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41. This Court must tread cautiously and refrain from final observation on the genuineness or legality of the sale deed, that determination lies in the domain of the trial Court after full fledged trial. However, for the limited purpose of deciding whether temporary injunctions are to be granted, the presence of serious allegation, unexplained discrepancies, and rebuttable presumptions arising from possession and documents are sufficient to tilt the balance in favour of the plaintiffs.

42. It is a fundamental principle of civil adjudication that, the subject matter of the suit must be preserved during pendency to ensure, that the final relief is not rendered illusory or enforceable. This principle underlines the entire doctrine of interlocutory injunctions. On perusal of the entire plaint allegations, it can be stated that, the suit in the present case is not frivolous and it is founded on serious allegations supported by circumstantial and documentary material. The risk of the appellant creating



third party interest or dispossessing the plaintiffs is neither illusory nor theoretical. It is real and imminent. The attempt made on 30.08.2024 by bringing earth moving equipments to the property only reinforces the apprehension.

43. In such circumstances, the injunctions granted by the trial Court operates to preserve the integrity of the litigation. It does not confer any final relief nor prejudice the right of the appellant to establish his case. It merely ensures that, the property remains unaffected and the plaintiffs remain undisturbed during the pendency of the suit.

44. The appellant has raised several objections to the trial Court's order granting interim relief. These objections must now be examined in light of the law, facts, and the nature of the proceedings before this Court. The appellant's contends *inter alia* that;



- (i) The plaintiffs voluntarily executed the registered sale deed and accepted payment;
- (ii) The plaintiffs had full knowledge of the contents of the sale deed including the sale consideration;
- (iii) The sale deed creates a conclusive presumption of valid transfer;
- (iv) The only remedy available to the plaintiffs is, recovery of the balance consideration;
- (v) The suit as framed is not maintainable in law; and
- (vi) The plaintiffs have not come to the Court with clean hands.

45. This Court finds each of these objections insufficient to displace the well-reasoned conclusions arrived at by the learned trial Court. The appellant heavily relies on the fact that the plaintiffs executed the sale deed on 20.04.2024 and registration was completed on 06.05.2024. However, the mere fact of execution does not imply validity of the transaction when serious allegations of the fraud and misrepresentation are levelled. The



voluntaries of execution cannot be mechanically inferred from the act of signing a document. The context, the negotiations leading upto the execution, the disparity in consideration, and the absence of the title deed handing over - all constitute surrounding circumstances which challenge, inference of free consent.

46. The plaintiffs assert that, they were mislead into believing that, the deed reflected the correct agreed sale price of 20 crores. They further alleged that, they were rushed into signing the document without a fair reading, as time slot so given for registration was almost over. And that it was only upon later inspection that, they discovered the consideration which was reduced to Rs.7.01 crores. These assertions though disputed, raise a substantial questions of fact which require evidence. Such allegations, if proved, would go to the very root of the contract - vitiating consent and rendering the document liable for cancellation. Therefore, the trial Court rightly





refused to treat the execution of the deed as a bar to the claim for injunction.

47. Another plank of the appellants case is that, the plaintiffs sent the draft sale deed on whatsApp and the plaintiff No.3, Mr.Gautham, even made corrections to the draft. The appellant contends that, this conclusively proves that the plaintiffs were fully aware of the sale consideration before executing the deed.

48. This Court finds that, the reliance on whatsApp exchanges inconclusive for several reasons:

- (i) The mere sharing of a draft does not establish that the final executed version was identical to the draft.
- (ii) Drafts are inherently subject to revision and negotiation. Unless it is shown that the final version of the deed was read, verified and understood by the plaintiffs at the time of execution, this defence cannot defeat the allegations of misrepresentation.



49. Secondly, there is no contemporaneous acknowledgment or digital trial that proves that the plaintiffs read and agreed to the specific figure Rs.7,01,51,515/- so mentioned in the draft. The draft itself even if shown does not demonstrate free, informed, and conscious acceptance of the reduced price.

50. Thirdly, the earlier agreement between the parties especially registered agreement 17.10.2022 fixing the sale deed at Rs.20.30 crores provide strong contextual support to the plaintiffs claim that drastically lower figure was neither agreed nor anticipated. Thus, whatsApp exchange while relevant, do not conclusively negate the plaintiffs claim. They may at best be, one among several pieces of evidence to be evaluated at trial.

51. The appellant invokes the presumption of validity arising from execution of a registered sale deed. This Court acknowledges that under law, a registered sale deed carries a presumption of a due execution and



consideration. However, this presumption is not irrebuttable . It is a rebuttable presumption of fact and can be displaced by credible evidence, coercion or absence of real consideration.

52. The presumption under registration law must yield to the equitable jurisdiction of Civil Courts to examine whether the transaction was a sham, result of deception or otherwise not intended to operate as a genuine conveyance. The plaintiffs have not only made detailed and specific allegations of fraud but, also retained possession of title deed, remained in possession of the property and consistently claimed that, they were deceived regarding the sale price. In such circumstances, the invocation of the presumption under registered law cannot, by itself, defeat a prayer for temporary injunction. The presumption must be tested against other evidence and cannot override allegations of fraud that require trial.



53. The learned counsel for the appellant argued that, if at all any grievance exists of plaintiffs, it is only recourse to seek recovery of unpaid balance amount and not cancellation of the deed. Though this argument appears to be attractive. but, it overlooks the nature of the plaintiffs' case. The plaintiffs do not merely claim non-payment of part consideration, they allege that the sale price itself was unilaterally altered, misrepresented, and falsely reflected in the deed. Their grievance is not merely one of recovery but, of deception. Where the validity of the instrument is under challenge and the transaction is alleged to be voidable on the grounds of fraud or misrepresentation, a suit for declaration and cancellation is a recognized remedy. The relief of recovery may arise only in the alternative if the document is found valid.

54. Hence, this Court finds no legal infirmity in the framing of the suit or the prayer for cancellation. The appellant asserts that, the plaintiffs have not approached the Court with clean hands and their conduct disentitles



them from equitable relief. The basis for this argument is: the alleged suppression of earlier transaction, prior sale of portions of land and unclean motive behind the present suit.

55. While the 'Doctrine of Clean Hands' is undoubtedly relevant in granting relief, it must be applied cautiously. Allegations of suppression or misrepresentation must be clearly established and cannot be inferred solely by filing a suit. In this case, the plaintiffs have disclosed prior agreements, including their engagement with the M/s.Bhoomi Developers, the JDA, the cancellation deeds and the chronology of events. The defendants written statement does not reveal any significant suppression that would amount to abuse of process.

56. Moreover, the fraud alleged is not technical. It relates to the core of transaction - consideration and validity of sale deed. To deny interim relief on the basis of alleged misconduct would amount to prejudging the



matter. This Court therefore, rejects the plea that the plaintiffs are not entitled to injunction due to lack of clean hands. This court has thoroughly perused the detailed reasoning of trial Court, the findings recorded on each of the elements, i.e. *prima facie* case, balance of convenience and irreparable injury - are sound supported by material on record, and arrived after due application of mind. The trial Court has rightly taken note of the fact that:

- (i) The plaintiffs have consistently maintained possession of property.
- (ii) The original documents have not been handed over.
- (iii) The registered sale deed reflects a consideration i.e. *prima facie* inconsistent with prior agreements.
- (iv) The whatsapp exchanges are inconclusive.
- (v) The balance of convenience requires protection of possession and
- (vi) The risk of alienation would complicate the subject matter of the suit irreversible.



57. Each of these findings is based on cogent appreciation of the fact and is in line with well settled principles of law governing temporary injunctions. The scope of appellate review is limited. This Court cannot re-evaluate the evidence or substitute its discretion for that of the trial Court merely because another view is possible. Only if the orders suffers from manifest error or perversity would interference be warranted. No such defect is found in the impugned order.

58. This Court now turns to certain enduring principles of public policy and jurisprudence which must inform and guide the resolution of present case while the dispute arises from a private transaction between the parties, the issue, if raised cut to the core of judicial responsibility and property law enforcement in civil society. One of the oldest and consistent features of Indian Civil Law is the protection of afforded to possession. Possession is not merely a physical possession nor juridical right, it embodies a presumption of ownership unless



rebutted and is entitled to judicial protection even against a true owner in certain circumstances particularly where the dispossession is unlawful.

59. The suit schedule property in this case has been in possession of plaintiffs for decades. The residential address of the very property that is now the subject matter of this litigation. The property is not only an asset but a dwelling - intertwined with the plaintiff's life, family and sense of security. It is neither a speculative holding nor a passive investment but, they lived in home. To permit their displacement, pending trial, based on a sale deed whose validity is seriously questioned, would be unjust and would violate the principle that, no person shall be disposed without due process law. This principle is not only equitable rule but constitutional mandate. The preservation of possession until rights are adjudicated is necessary to uphold faith in the legal system. The judicial process is only the acceptable means for altering possession- not intimidation, force or engineered





documents. The trial Court's order upholding possession is therefore, not only legally sustainable but, morally necessary to prevent miscarriage of justice.

60. It is a time honored maxim that '***fraud vitiates everything, fraud unravels all***', no procedural formality including registration can sanctify a transaction that is the result of deceit. The plaintiffs core grievance is that, they were mislead as to the actual terms of sale deed. While execution is not denied but plaintiffs argue that, the deed reflects wrong price consideration was not fully paid, and contents were not allowed to be read. As stated supra, these are all serious allegations and even if ultimately disproved, they are not frivolous.

61. The claim is not of post-execution of dishonour of cheques but of a pre-execution conspiracy to defraud. The nature of fraud alleged is not commercial default but vitiation of consent. In such case, the doctrine of estoppel, registration and presumption of due execution



are subordinated to the requirement of a full trial. This court reiterates that, fraud is a matter of fact. It cannot be dismissed or accepted at the stage of interim orders. But, when there is a well pleaded allegation supported by prima facie material, the court is duty bound to ensure, that the no further mischief occurs pending trial. A civil court's primary duty in such a situation is, to preserve the subject matter of the suit and prevent the irretrievable harm to either party. The injunction granted by the trial Court, thus especially that, it freezes the existing status. It does not declare rights, it does not confer possession, it does not cancel the deed, it merely ensures that, party alleging fraud is not forcibly dispossessed or the property alienated, while the court examines the legality of the transaction. This is in keeping with settled jurisprudence that, seeks to balance caution with fairness.

62. Had the trial Court failed to pass such an order and if the plaintiffs are displaced or property sold to third parties, any future judgment in their favour would become



illusory. The Courts are not powerless spectators to such eventualities. They must act promptly to prevent injustice and preserve the efficacy of final orders. The Indian Courts have increasingly adopted a robust approach in protecting parties from abuse of form. A document however, perfectly drafted or registered must yield to realities of execution. It is not the ink that determines its validity but, the consent behind it. This evolution of doctrine from formalism to realism - is particularly important in property cases where fraud, undue influence and coercion are often disguised under layers of paper work. In this case, the disparity in consideration alone is striking. Prior agreements reflected prices upwards of Rs.20 Crore. The registered deed shows Rs.7.01 Crore. No convincing explanation is offered for such a drastic reduction. The appellants reduced extent of land, even that does not justify the lower price when analyzed on per square foot basis.



63. The court must also view the motive. If indeed the plaintiffs had agreed to the lower consideration and accepted fully, there would be no reason for them to challenge their deed within weeks of execution, risking litigation and cost. The very fact that, the plaintiff acted promptly by issuing two notices, approaching the court and producing original documents - demonstrate bona fides.

64. After comprehensive review of the pleadings, evidence, arguments and legal principles, this Court concludes that, the order passed by the trial Court does not suffer from any legal infirmity. On the contrary, it is a well-reasoned and balanced sensitive to the equities involved.

65. The appellant has failed to demonstrate any error, perversity or jurisdictional defect, therefore, the appeal is liable to be dismissed. Resultantly, following:



**ORDER**

- (i) MFA is ***dismissed***.
- (ii) The order dated 12.02.2025 passed in O.S. No.1749/2024 by the Prl. Senior Civil Judge, Bengaluru Rural District, Bengaluru on IA. nos. 1 and 2 is affirmed in its entirety.

Under the circumstances, no order as to costs.

**Sd/-  
(RAMACHANDRA D. HUDDAR)  
JUDGE**

SK  
List No.: 1 Sl No.: 41