

**Reserved on : 24.09.2025**  
**Pronounced on : 10.12.2025**

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 10<sup>TH</sup> DAY OF DECEMBER, 2025

BEFORE

THE HON'BLE MR. JUSTICE M. NAGAPRASANNA

WRIT PETITION No.22857 OF 2024 (GM - CPC)



**BETWEEN:**

- 1 . SRI SIDDAPPA  
S/O LATE ERAPPA  
AGED ABOUT 72 YEARS.
- 2 . SMT. NAGARATHNAMMA  
W/O SIDDAPPA  
AGED ABOUT 54 YEARS.
- 3 . SMT.NETHRAVATHI S.,  
D/O SIDDAPPA  
AGED ABOUT 42 YEARS.
- 4 . SMT. NIRMALAMMA  
D/O SIDDAPPA  
AGED ABOUT 34 YEARS.
- 5 . SMT.RENUKA  
D/O SIDDAPPA  
AGED ABOUT 32 YEARS.

ALL PETITIONERS ARE

RESIDING AT  
BAGGANADODDI VILLAGE  
KASABA HOBLI, ANEKAL TALUK  
BENGALURU RURAL DISTRICT – 562 106.

... PETITIONERS

(BY SRI R.K.MASUR, ADVOCATE)

**AND:**

- 1 . THE STATE OF KARNATAKA  
REPRESENTED BY ITS  
CHIEF SECRETARY  
VIDHANA SOUDHA  
BENGALURU – 560 001.
- 2 . THE ASSISTANT COMMISSIONER  
BENGALURU SOUTH TALUK  
KANDAYA BHAVANA  
BENGALURU – 560 009.
- 3 . THE TAHSILDAR  
ANEKAL TALUK  
BENGALURU RURAL DISTRICT  
BENGALURU – 562 106.
- 4 . THE DEPUTY COMMISSIONER  
BENGALURU URBAN  
KANDAYA BHAVANA  
BENGALURU – 560 009.
- 5 . THE COMMISSIONER  
KARNATAKA HOUSING BOARD  
CAUVERY BHAVAN  
BENGALURU – 560 009.

6 . THE SPECIAL LAND ACQUISITION OFFICER  
KARNATAKA HOUSING BOARD  
CAUVERY BHAVAN  
BENGALURU – 560 009.

7 . SRI DASAPPA  
LATE SANJEEVAIAH  
AGED ABOUT 71 YEARS  
RESIDING AT NO.40/25  
1<sup>ST</sup> 'A' CROSS  
2<sup>ND</sup> MAIN ROAD, 5<sup>TH</sup> BLOCK  
KRISHNAIAH LAYOUT  
BANASHANKARI 3<sup>RD</sup> STAGE  
BENGALURU – 560 085.

... RESPONDENTS

(BY SMT.RASHMI RAO, HCGP FOR R-1 TO R-4;  
R-5 SERVED;  
SRI H.L.PRADEEP KUMAR, ADVOCATE FOR R-6;  
SRI M.V.VEDACHALA, ADVOCATE FOR R-7)

THIS WRIT PETITION IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA PRAYING TO A) SET-ASIDE THE COMPROMISE DECREE DTD 27.08.2011 PASSED IN OS NO. 591/2011 ON THE FILE OF THE HON'BLE COURT OF THE SENIOR CIVIL JUDGE AND JMFC AT ANEKAL, AS PER ANNEXURE-G; B) QUASH THE ENTIRE PROCEEDINGS IN EXECUTION PETITION NO. 38/2012, PENDING ON THE FILE OF THE HON'BLE COURT OF THE SENIOR CIVIL JUDGE AND JMFC AT ANEKAL AS PER ANNEXURE-H AND ETC.,

THIS WRIT PETITION HAVING BEEN HEARD AND RESERVED FOR ORDERS ON 24.09.2025, COMING ON FOR PRONOUNCEMENT THIS DAY, THE COURT MADE THE FOLLOWING:-

CORAM: **THE HON'BLE MR JUSTICE M.NAGAPRASANNA**

**CAV ORDER**

The petitioners/defendants 1 to 5 who are the judgments debtors are at the doors of this Court calling in question entire proceedings pertaining to compromise decree dated 27-08-2011 passed in O.S.No.591 of 2011 and as a consequence thereof call in question entire execution proceedings in E.P.No.38 of 2012 and also seek a direction to reopen O.S.No.591 of 2011.

2. Heard Sri R.K. Masur, learned counsel appearing for the petitioners, Smt. Rashmi Rao, learned High Court Government Pleader appearing for respondents 1 to 4, Sri H.L.Pradeep Kumar, learned counsel appearing for respondent No.6 and Sri M.V. Vedachala, learned counsel appearing for respondent No.7.

3. Facts, in brief, germane are as follows: -

3.1. Before embarking upon consideration of the issue involved, I deem it appropriate to notice the protagonists to the *lis*. The 1<sup>st</sup> petitioner is one Siddappa, judgment debtor No.1,

repository of the family; petitioner No.2 one Smt. Nagarathamma, judgment debtor No.2 is the wife of the 1<sup>st</sup> petitioner; petitioner No.3, Smt. Nethravathi S, judgment debtor No.3; petitioner No.4, Smt. Nirmalamma, judgment No.4 and petitioner No.5, Smt. Renuka, judgment No.5 are all children of petitioners 1 and 2. Respondent No.7, key protagonist is the father of sister-in-law of petitioner No.2. He is the decree holder. Petitioners 1 and 2 were granted suit schedule lands. Pursuant to issuance of land grant certificates they were to cultivate the lands through saguvali chits. The 1<sup>st</sup> petitioner was granted 30 guntas of land in Sy.No.53/34 and the 2<sup>nd</sup> petitioner was granted 1 acre and 20 guntas of land in Sy.No.53/40. The revenue entries after such grant were mutated in the names of petitioners 1 and 2. They were put in physical possession of the property on the strength of aforesaid saguvali chits. 13 years pass by. The 7<sup>th</sup> respondent/decreed-holder is said to have accepted the request of petitioners 1 and 2 to grant some loan owing to their financial difficulties.

3.2. It is the averment in the petition that the petitioners who were not educated, signed on the document, thinking that it was a

loan document to be executed by them. So, they were taken to the office of the Sub-Registrar and the document is registered in the name of the 7<sup>th</sup> respondent. On two different dates, petitioners 1 and 2 received certain amounts of money from the hands of the 7<sup>th</sup> respondent to be the consideration of the document so executed. A suit then comes to be filed by the 7<sup>th</sup> respondent seeking specific performance of the contract and a consequent direction to the petitioners to execute the sale deed in favour of the 7<sup>th</sup> respondent in terms of the agreement that stood registered on 07-06-2010. Both the parties, four days thereafter, were referred to Lok Adalat and before the Lok Adalat on 27-08-2011 a compromise was arrived at on a compromise petition being preferred. The Lok Adalat accepts the compromise petition and decrees the suit in terms of the compromise entered into between the parties with a direction to draw up a decree on the said score. All these things happen during the period of non-alienation clause.

3.3. When the lands were granted in favour of petitioners 1 and 2, it was indicated that they should not alienate the property prior to the expiry of 15 years. The said period was to expire on

20-05-2012. Sale deed was not executed pursuant to the decree. On 11-10-2012, the 7<sup>th</sup> respondent files execution petition in Execution Petition No.38 of 2012. It is at that juncture the petitioners claim that they came to know about the compromise decree which was not known to them. After issuance of notice in the execution proceedings, on 19-10-2013, the Karnataka Housing Board notifies the subject lands for the purpose of acquisition by issuance of a preliminary notification. Objections were called and final notification was also issued on 12-03-2015.

3.4. The averment in the petition is that the 7<sup>th</sup> respondent, now the legal representative of Sanjeevaiah who was the decree-holder, registers his claim seeking compensation to be paid in respect of the subject property. The 7<sup>th</sup> respondent then files an application before the Tahsildar as well, for change of mutation entries with respect to the lands on the basis of compromise decree. Therefore, mutation proceedings come to be initiated between 19-12-2019 and 04-11-2020. The Tahsildar then passes an order mutating katha in favour of the 7<sup>th</sup> respondent in terms of agreement of sale, compromise decree and a Will of late

Sanjeevaiah. The petitioners then challenge the said order by filing an appeal under Section 136(2) of the Karnataka Land Revenue Act which comes to be dismissed. 5<sup>th</sup> respondent/Karnataka Housing Board issues a revised award notice in terms of the new Act in the names of petitioners 1 and 2 and the 7<sup>th</sup> respondent. The claim in the petition is that the lands should have been only in the names of petitioners 1 and 2 *qua* the award notice and not the 7<sup>th</sup> respondent's name. Now aggrieved by the aforesaid action of the Karnataka Housing Board in indicating the name of the 7<sup>th</sup> respondent in the revised award notice, the petitioners raise a challenge to the compromise decree drawn up on 27-08-2011, entire execution proceedings in Execution Petition No.38 of 2012 and also seek quashment of orders mutating the name of the 7<sup>th</sup> respondent, indicating the 7<sup>th</sup> respondent to be entitled for compensation.

4. The learned counsel appearing for the petitioners would contend that petitioners 1 and 2 were not educated. They did not know what they were signing, whether an agreement of sale or compromise petition. They always thought that it was a loan

document. Though the amount was received before and after entering into compromise decree, all that has transpired behind the back of petitioners 3, 4 and 5. The 7<sup>th</sup> respondent, it is the allegation, took advantage of the financial condition, played fraud and coerced them to appear and sign the document before the Sub-Registrar. The compromise decree was entered into within 4 days of filing of the suit which would clearly indicate that 7<sup>th</sup> respondent had played fraud. The compromise decree does not refer to the contents of the compromise which was not read out to the petitioners/judgment debtors. The contract is *void ab initio*, as 15 years had not yet passed by as per the condition in the saguvali chit when the grant was made. Therefore, the agreement of sale so entered into before 15 years is *void ab initio*.

5. Per contra, the learned counsel appearing for the 7<sup>th</sup> respondent would vehemently refute the submissions in contending that the petitioners have challenged the compromise decree of 27-08-2011 after 13 years. The petitioners have no right, title or interest in the property, as agreement of sale is entered into and entire consideration is paid. The petitioners were granted land

subject to Karnataka Land Grant Rules and registered agreement of sale is executed for a consideration of ₹9/- lakhs, as they needed money for their daughters marriage and on the date of agreement they received ₹5/- lakhs and at the time of execution of agreement ₹1.25 lakhs. Petitioners 1 and 2, up to the date of filing of subject petition, had not challenged any proceeding that took place earlier. For the first time it is contended that compromise arrived at was a fraud. He would contend that the petitioners were very much aware of non-alienation clause and notwithstanding the same had entered into an agreement of sale, but no sale deed even as on today is executed. Therefore, the rigour of the Rules would not become applicable at all.

6. The 7<sup>th</sup> respondent being the only contesting respondent, the remaining respondents to whom the learned High Court Government Pleader appears would only toe the lines of the 7<sup>th</sup> respondent.

7. I have given my anxious consideration to the submissions made by the respective learned counsel and have perused the

material on record. In furtherance thereof, the following issues would arise for consideration:

- (i) Whether the compromise decree entered into between the parties could be set aside in a petition filed under Article 227 of the Constitution of India?**
- (ii) Whether the compromise decree/award is to be declared as void due to the embargo of non-alienation period of 15 years in terms of Section 61 of the Karnataka Land Reforms Act, 1961 ('the Act' for short)?**

**Issue No.1:**

- (i) Whether the compromise decree entered into between the parties could be set aside in a petition filed under Article 227 of the Constitution of India?**

8. To consider the subject issue a few dates and events are necessary to be retraced. Two parcels of lands were granted separately to both the petitioners, one measuring 30 guntas and the other 1 acre and 20 guntas. The conditions in the grant order are as follows:

".... ....

(1). ಪರಂತ್ರು, ಈ ಕಂದಾಯವನ್ನು ಭೂಕಂದಾಯದ ಅಧಿನಿಯಮದ ಉಪಬಂಧದ ಮೇರೆಗೆ ಈ ಸಂಬಂಧದಲ್ಲಿ, ಕಾಲಕಾಲಕ್ಕೆ ನಿಯಮಿಸಿದ ನಿಯಮಗಳ ಮೇರೆಗೆ ಪ್ರತಿಯೊಂದು ಕಂದಾಯ ವರ್ಷಕ್ಕೆ ಸಂದಾಯ ಮಾಡತಕ್ಕುದು; ಮತ್ತು ಅದಕ್ಕೆ ತಪ್ಪಿದರೆ ಅದನ್ನು ಭೂಕಂದಾಯದ ಅಧಿನಿಯಮದಲ್ಲಿ ಮತ್ತು ಅದರ ಮೇರೆಗೆ ರಚಿಸಿದ ನಿಯಮಗಳಲ್ಲಿ ನಿಯಮಿಸಿದ ರೀತಿಯಲ್ಲಿ ಬಲಾತ್ಕಾರ ಕ್ರಮದಿಂದ ವಸೂಲು ಮಾಡತಕ್ಕುದು.

2) ಮತ್ತು ಪರಂತ್ರು. ಈ ಹಕ್ಕುಪತ್ರವು ಸಾಮಾನ್ಯ, ಪೌರಸಭಾ ಅಥವಾ ಇತರ ಸ್ಥಳೀಯ ಉದ್ದೇಶಗಳಿಗಾಗಿ ಕಾನೂನಿನ ಮೂಲಕ ವಿಧಿಸಲಾದಂಥ ಅಥವಾ ವಿಧಿಸಬಹುದಾದಂಥ ಭೂಕಂದಾಯವಲ್ಲದ ಇತರ ದರಗಳ, ಕರಗಳ ಮತ್ತು ಉಪಕರದ ಸಂಬಂಧದಲ್ಲಿ ಮೇಲೆ ಹೇಳಿದ ಭೂಮಿಯ ಹೊಣೆಗಾರಿಕೆಯನ್ನು ಯಾವ ರೀತಿಯಲ್ಲೂ ಬಾಧಿಸುವುದಿಲ್ಲ.

(3) ಮತ್ತು ಪರಂತ್ರು, ಗ್ರಾಮದ ದುರಸ್ತಿ ಮಾಡಲಾದ ದೊಡ್ಡ ಮತ್ತು ಸಣ್ಣ ಕೆರೆಗಳ ಸಂಬಂಧದಲ್ಲಿ, ಸದರಿ ಕೆ.ಒ.ನ ಮೇಲೆ ಅಥವಾ ಸದರಿ ಭೂಮಿಯ ಇತರ ಕಾನೂನುಬದ್ಧ ಒಡೆಯನ ಮೇಲೆ ಅವನು ಸದರಿ ಸರ್ವೆ ನಂಬರಿನ ಅಧಿಭೋಗದಾರ ಅಥವಾ ಇತರ ಕಾನೂನುಬದ್ಧ ಒಡೆಯನಾಗಿರುವ ಕಾರಣದಿಂದಾಗಿ, ಅವುಗಳನ್ನು ಸುಸ್ಥಿತಿಯಲ್ಲಿಡುವ ಬಗ್ಗೆ ರೂಢಿಗತ ಹೊಣೆಯನ್ನು ಹೊರಿಸಲಾಗಿರುವುದರಿಂದ ಅವನು ತನ್ನ ಸ್ವಂತ ವೆಚ್ಚದಲ್ಲಿ ಇನ್ನು ಮುಂದೆ ಎಲ್ಲ ಕಾಲಗಳಲ್ಲೂ ಅವುಗಳನ್ನು ಸುಸ್ಥಿತಿಯಲ್ಲಿ ಇಡತಕ್ಕುದು ಮತ್ತು ಆ ಭೂಮಿಯ ಸುತ್ತ ಮತ್ತು ಅದರಲ್ಲಿ ಮೇಲೆ ಗುರುತುಗಳನ್ನು ನಿಲ್ಲಿಸತಕ್ಕುದು. ದುರಸ್ತಿ ಮಾಡತಕ್ಕುದು ಮತ್ತು ಅವುಗಳನ್ನು ಸುಸ್ಥಿತಿಯಲ್ಲಿ ಇಡತಕ್ಕುದು. ಹಾಗೆ ಮಾಡಲು ತಪ್ಪಿದರೆ, ಸರಕಾರವು ಅವನಿಗೆ ಕ್ರಮಬದ್ಧವಾದ ನೋಟೀಸನ್ನು ಕೊಟ್ಟ ಆನಂತರ ಈ ಬಗ್ಗೆ ಅವನ ಹೊಣೆಗಾರಿಕೆಯಿರುವಷ್ಟರ ಮಟ್ಟಿಗೆ ಸದರಿ ಕರೆಯನ್ನು ಸುಸ್ಥಿತಿಯಲ್ಲಿಡುವಂತೆ ಮತ್ತು ಸದರಿ ಮೇಲೆ ಗುರುತುಗಳನ್ನು ದುರಸ್ತಿ ಮಾಡುವಂತೆ ಮಾಡಲು ಮತ್ತು ಹಾಗೆ ಸುಸ್ಥಿತಿಯಲ್ಲಿ ಇಡುವುದಕ್ಕೆ ಹಾಗೂ ದುರಸ್ತಿ ಮಾಡಿಸುವುದಕ್ಕೆ ತಗುಲುವ ವೆಚ್ಚವನ್ನು ಭೂಕಂದಾಯದ ಬಾಕಿಯಂತೆ ಸದರಿ ಕೆ.ಒ. ನಿಂದ ಅಥವಾ ಇತರ ಕಾನೂನು ಬದ್ಧ ಒಡೆಯನಿಂದ ವಸೂಲು ಮಾಡಲು ರಾಜ್ಯ ಸರಕಾರಕ್ಕೆ ಕಾನೂನು ಬದ್ಧವಾದ ಅಧಿಕಾರವಿರತಕ್ಕುದು.

(4) ಮತ್ತು ಪರಂತ್ರು, ಹಕ್ಕುಪತ್ರದಲ್ಲಿರುವ ಯಾವುದೂ, ಸರಕಾರಕ್ಕೆ ಅಥವಾ ಸದರಿ ಭೂಮಿಗೆ ಲಗತ್ತಾಗಿರುವ ಅಥವಾ ಅದರ ಹತ್ತಿರದಲ್ಲಿರುವ ಭೂಮಿಯ ಮಾಲೀಕರಿಗೆ ಅಥವಾ ಇಡೀ ಗ್ರಾಮಸ್ಥರಿಗೆ ಸದರಿ ಭೂಮಿಯ ಮೂಲಕ ಅಥವಾ ಅದರ ಅಂಚಿನಲ್ಲಿ ಹಾದುಹೋಗುವ ಎಲ್ಲ ರಸ್ತೆಗಳ ಮತ್ತು ದಾರಿಗಳ ಮತ್ತು ಹಳ್ಳಗಳ ಬಗ್ಗೆ ಇರುವ ಅಥವಾ ರೂಢಿಗತವಾದ ಹಕ್ಕುಗಳನ್ನು ಬಾಧಿಸತಕ್ಕುದಲ್ಲ.

(5) ಮತ್ತು ಪರಂತ್ರು, ಸದರಿ ಕೆ.ಒ. ನಿಗೆ ಅವನ ವಾರಸುದಾರರಿಗೆ, ವೈಯಕ್ತಿಕ ಪ್ರತಿನಿಧಿಗಳಿಗೆ ಅಥವಾ ಅವನಿಂದ ಹಕ್ಕು ಪಡೆದವರಿಗೆ, ಸದರಿ ಭೂಮಿಯ ಮೇಲೆ ಅಥವಾ ಅದರಲ್ಲಿ ಅಥವಾ ಅದರ ಯಾವುದೇ ಭಾಗದಲ್ಲಿ ಇದೆಯೆಂದು ತಿಳಿದುಬಂದಿರುವ ಅಥವಾ ಇಲ್ಲಿಂದ ಮುಂದೆ ಯಾವುದೇ ಕಾಲದಲ್ಲಿ ದೊರೆಯಬಹುದಾದ ಅಮೂಲ್ಯ ರತ್ನಗಳು, ಬಂಗಾರ ಮತ್ತು ಇತರ ಲೋಹಗಳು ಅಥವಾ ಕಲ್ಲಿದ್ದಲು ಅಥವಾ ಕಲ್ಲುಗಳು ಅಥವಾ ಅಮೂಲ್ಯ ರತ್ನಗಳನ್ನು, ಬಂಗಾರವನ್ನು ಅಥವಾ ಇತರ ಲೋಹಗಳನ್ನು ಅಥವಾ ಕಲ್ಲಿದ್ದಲನ್ನು

ಹೊಂದಿರುವಂತಹ ಅಥವಾ ಹೊಂದಿವೆಯೆಂದು ಭಾವಿಸಲಾದ ಬಂಡೆಗಳಲ್ಲಿ ಅಥವಾ ಅವುಗಳ ಬಗ್ಗೆ ಯಾವುದೇ ಹಕ್ಕನ್ನು, ಹಕ್ಕು ಮೂಲವನ್ನು ಅಥವಾ ಹಿತಾಸಕ್ತಿಯನ್ನು ಈ ಹಕ್ಕುಪತ್ರವು ಕೊಡುವುದೆಂದು ಅಥವಾ ಯಾವುದೇ ರೀತಿಯಲ್ಲಿ ನಿಹಿತಗೊಳಿಸುವುದೆಂದು ಯಾವ ರೀತಿಯಲ್ಲೂ ಭಾವಿಸತಕ್ಕದ್ದಲ್ಲ. ಈಗ ಜಾರಿಯಲ್ಲಿರುವ ಅಥವಾ ಕಾಲಕಾಲಕ್ಕೆ ಈ ಬಗ್ಗೆ ನಿಯಮಿಸಬಹುದಾದಂಥ ಷರತ್ತುಗಳಿಗೊಳಪಟ್ಟು ಅವುಗಳೆಲ್ಲವನ್ನೂ ರಾಜ್ಯ ಸರ್ಕಾರಕ್ಕೆ ಈ ಮೂಲಕ ಮೀಸಲಾಗಿರಿಸಲಾಗಿದೆ. ಸದರಿ ಭೂಮಿಯ ಮೇಲೆ ಅಥವಾ ಅದರೊಳಗೆ ದೊರೆಯಬಹುದಾದ, ಅದರ ಲೋಹಗಳು ಅಥವಾ ಕಲ್ಲಿದ್ದಲು ಅಥವಾ ಅಮೂಲ್ಯ ರತ್ನಗಳು-ಇವುಗಳನ್ನುಳಿದ ಇತರ ಯಾವುದೇ ಸುಣ್ಣದ ಕಲ್ಲು, ಗ್ರಾನೈಟ್, ಮತ್ತು ಸಾಮಾನ್ಯ ಲೋಹಗಳನ್ನು ಸದರಿ ಕ.ಖ. ಅವನ ವಾರಸುದಾರರು, ವೈಯಕ್ತಿಕ/ಪ್ರತಿನಿಧಿಗಳು ಅಥವಾ ಅವನಿಂದ ಹಕ್ಕು ವಹಿಸಿಕೊಂಡವರು ಯಾವಾಗಲೂ ಅವುಗಳನ್ನು ಉಚಿತವಾಗಿ ಉಪಯೋಗಿಸಲು ಅವಕಾಶವಿರತಕ್ಕದ್ದು. ಆದರೆ ಅವುಗಳನ್ನು ಮಾರುವುದಕ್ಕಾಗಿ ಸಾಗಿಸದೆ ಸದರಿ ಕ.ಖ. ನ್ನು.. ವಾರಸುದಾರರು, ವೈಯಕ್ತಿಕ ಪ್ರತಿನಿಧಿಗಳು ಅವನಿಂದ ಹಕ್ಕು ವಹಿಸಿಕೊಂಡವರು ತಮ್ಮ ನಿಜವಾದ ಖಾಸಗಿ ಉಪಯೋಗಕ್ಕಾಗಿ ವಿನಿಯೋಗಿಸಿಕೊಳ್ಳಬಹುದು.

(6) ಮತ್ತು ಪರಂತು, ರಾಜ್ಯ ಸರ್ಕಾರಕ್ಕೆ ಈ ಮೂಲಕ ಮೀಸಲಾಗಿರುವ ಗಂಧದ ಮರಗಳ ಹಕ್ಕನ್ನು, ಅಂಥ ಮರಗಳ ಲಾಭಾಂಶಗಳನ್ನು ಕೊಡುವ ವಿಷಯದಲ್ಲಿ ಇರುವ ಅಥವಾ ರಚಿಸಲ್ಪಡಬಹುದಾದ ನಿಯಮಗಳು ಅನುಮತಿಸುವ ಮಟ್ಟಿಗಿನ ಹೊರತು. ಸದರಿ ಕ.ಖ.ನಿಗೆ ಅವನ ವಾರಸುದಾರರಿಗೆ, ವೈಯಕ್ತಿಕ ಪ್ರತಿನಿಧಿಗಳಿಗೆ ಅಥವಾ ಅವನಿಂದ ಹಕ್ಕು ವಹಿಸಿಕೊಂಡವರಿಗೆ ಈ ಹಕ್ಕುಪತ್ರವು ಯಾವುದೇ ರೀತಿಯಿಂದ ಕೊಡುವುದು ಅಥವಾ ನಿಹಿತಗೊಳಿಸುವುದು ಎಂದು ಭಾವಿಸತಕ್ಕದ್ದಲ್ಲ.

(7) ಮತ್ತು ಪರಂತು, ಭೂಮಿಯನ್ನು ಸ್ವಾಧೀನಕ್ಕೆ ತೆಗೆದುಕೊಂಡ ದಿನಾಂಕ.19/5/97.ರಿಂದ, ಹದಿನೈದು ವರ್ಷಗಳ (15 ವರ್ಷಗಳ) ಅವಧಿಯವರೆಗೆ ಪರಿಭಾರೆ ಮಾಡತಕ್ಕದ್ದಲ್ಲ.

ವಿವರಣೆ : ಈ ಪರಂತುಕದ ಉದ್ದೇಶಗಳಿಗಾಗಿ ಈ ಕೆಳಗಿನವುಗಳನ್ನು ಪರಿಭಾರೆಯೆಂದು ಪರಿಗಣಿಸತಕ್ಕದ್ದಲ್ಲ.

(ಕ) ಅಂಥ ಭೂಮಿಯನ್ನು ಅಭಿವೃದ್ಧಿಗೊಳಿಸುವುದಕ್ಕಾಗಿ ಅಥವಾ ಅಂಥ ಭೂಮಿಯ ಸಾಗುವಳಿಗಾಗಿ ದನ ಅಥವಾ ಬೇಸಾಯೋಪಕರಣಗಳನ್ನು ಕೊಳ್ಳುವುದಕ್ಕಾಗಿ ತೆಗೆದುಕೊಂಡ ಸಾಲಗಳಿಗೆ ಭದ್ರತೆಯಾಗಿ ರಾಜ್ಯ ಸರ್ಕಾರಕ್ಕೆ ಅಥವಾ ಸಹಕಾರ ಸಂಘಕ್ಕೆ ಅಥವಾ ಭಾರತ ಕಾಫಿ ಮಂಡಲಿಗೆ ಅಥವಾ ಅನುಸೂಚಿತ ಬ್ಯಾಂಕಿಗೆ ಅಥವಾ ಕೃಷಿ ಪುನರ್ವಿತ್ತ ನಿಗಮಕ್ಕೆ ಅಥವಾ ಕರ್ನಾಟಕ ರಾಜ್ಯ ಕೃಷಿ ಕೈಗಾರಿಕಾ ನಿಗಮಕ್ಕೆ ಮಾಡಿದ ಭೂಮಿಯ ಅಡಮಾನ ಮತ್ತು

(ಖ) ಕರ್ನಾಟಕ ಭೂ ಸುಧಾರಣೆಗಳ ಆಧಿನಿಯಮ, 1961ರ ಉಪಬಂಧಗಳಿಗನುಸಾರವಾಗಿ ಭೂಮಿಯನ್ನು ಗೇಣಿಗೆ ಕೊಡುವುದು,

(8) ಮತ್ತು ಪರಂತು, ಮಂಜೂರಾತಿಯು ಸಾಮಾನ್ಯವಾಗಿ ಭೂ ಕಂದಾಯ ಅಧಿನಿಯಮದ ಮತ್ತು ಅದರ ಮೇರೆಗೆ ರಚಿಸಿದ ನಿಯಮಗಳ ಉಪಬಂಧಗಳಿಗೆ ಅಥವಾ ತತ್ಕಾಲದಲ್ಲಿ ಜಾರಿಯಲ್ಲಿರುವ ಇತರ ಯಾವುದೇ ಕಾನೂನಿಗೆ ಸಹ ಒಳಪಟ್ಟಿರತಕ್ಕದ್ದು.

(9) ಭೂಸಾರ ಸಂರಕ್ಷಣಾ ಅಧಿಕಾರಿಯು ನಿರ್ದೇಶಿಸುವಂತೆ ಮಂಜೂರಾತಿ ಪಡೆದವನು ಭೂಸಾರ ಸಂರಕ್ಷಣಾ ಕಾರ್ಯಕ್ರಮಗಳನ್ನು ಕೈಗೊಳ್ಳುವುದಕ್ಕೆ ಬದ್ಧನಾಗಿರತಕ್ಕದ್ದು.”

(Emphasis added)

Clause 7 thereof places an embargo of non-alienation by the petitioners for a period of 15 years with effect from 19-05-1997 and conditions would be subject to the Act. Consequent upon grant of land, the revenue entries were changed in the names of petitioners 1 and 2. These facts are not in dispute. When things stood thus, owing to the need of funds, as is averred in the petition, an agreement of sale is entered into between the 7<sup>th</sup> respondent and petitioners 1 and 2, a registered document. The schedule in the agreement of sale is as follows:

“: ಷೆಡ್ಯೂಲ್ ಸ್ವತ್ತಿನ ವಿವರ :

ಬೆಂಗಳೂರು ನಗರ ಜಿಲ್ಲೆ, ಆನೇಕಲ್ ತಾಲ್ಲೂಕು, ಜಿಗಣಿ ಹೋಬಳಿ, ಕಾಡುಜಕ್ಕನಹಳ್ಳಿ ಗ್ರಾಮದ ಸರ್ವೆ ನಂ. 53/34 ರಲ್ಲಿ 0-30(ಮೂವತ್ತು ಗುಂಟೆ) ಸಿದ್ದಪ್ಪ ಬಿನ್ ಈರಪ್ಪ ರವರ ಬಾಬು ಜಮೀನು ಮತ್ತು ಇದೇ ಕಾಡುಜಕ್ಕನಹಳ್ಳಿ ಗ್ರಾಮದ ಸರ್ವೆ ನಂ.53/40 ರಲ್ಲಿ ವಿಸ್ತೀರ್ಣ-1-ಎಕರೆ 20 ಗುಂಟೆ (ಒಂದು ಎಕರೆ ಇಪ್ಪತ್ತು ಗುಂಟೆ) ಜಮೀನು ಶ್ರೀಮತಿ ನಾಗರತ್ನಮ್ಮ ರವರ ಬಾಬು, ಒಟ್ಟು .ವಿಸ್ತೀರ್ಣ2-10 (ಎರಡು ಎಕರೆ ಹತ್ತು ಗುಂಟೆ) ಗುಂಟೆ ಜಮೀನುಗಳಿಗೆ ಚೆಕ್ಕುಬಂದಿ,

ಚೆಕ್ಕುಬಂದಿ:-

ಪೂರ್ವಕ್ಕೆ : ಸರ್ವೆ ನಂ 96 ರ ಮುನಿವೆಂಕಟಮ್ಮ ರವರ ಸ್ವತ್ತು  
 ಪಶ್ಚಿಮಕ್ಕೆ : ಸರ್ಕಾರಿ ಹಳ್ಳ  
 ಉತ್ತರಕ್ಕೆ : ಮುನಿಯಪ್ಪ ರವರ ಜಮೀನು  
 ದಕ್ಷಿಣಕ್ಕೆ : ಮಾದಪ್ಪ ಮತ್ತು ಮುನಿಯಮ್ಮ ರವರ ಜಮೀನು

ಈ ಮಧ್ಯೆ ಇರುವ ಸ್ವತ್ತು ಮಾತ್ರ ಈ ಕ್ರಯದ ಕರಾರು ಪತ್ರಕ್ಕೆ ಒಳಪಟ್ಟಿರುತ್ತದೆ. ಸದರೀ ಸ್ವತ್ತಿನ ಸ್ವಾಧೀನವನ್ನು ಕ್ರಯ ಪತ್ರದ ನೋಂದಣಿ ವೇಳೆಯ ವರೆಗೂ ನಾವೇ ಉಳಿಸಿಕೊಂಡಿರುತ್ತೇವೆ, ಈ ಕರಾರು ಪತ್ರವನ್ನು ಓದಿ, ಓದಿಸಿ, ಕೇಳಿ ಸರಿಯಾಗಿದೆಯೆಂದು ಒಪ್ಪಿ ಕೆಳಕಂಡ ಸಾಕ್ಷಿದಾರರ ಸಮಕ್ಷಮದಲ್ಲಿ ಸಹಿ ಮಾಡಿರುತ್ತೇವೆ, ಮತ್ತು ಈ ಅಪ್ಪಿಗೆ ಸಂಬಂಗೆ ಪಟ್ಟ ದಾಖಲೆಗಳನ್ನು ಅವದಿ ಮುಗಿದ ನಂತರ ಸಂಬಂಧಪಟ್ಟ ಕಛೇರಿಗಳಿಂದ ಒದಗಿಸಿ ತಮಗೆ ನೋಂದಣಿ ಮಾಡಿಕೊಡಲು ಬದ್ಧರಾಗಿರುತ್ತೇವೆ.

ಸಾಕ್ಷಿದಾರರು

1. M ಮಾದಪ್ಪ s/o ಮಲ್ಲಪ್ಪ

1. LTM of ಸಿದ್ದಪ್ಪ

ಬಗ್ಗನದೊಡ್ಡಿ ಗ್ರಾಮ ಕಸಬಾ

2. LTM of ನಾಗರತ್ನಮ್ಮ

3.. ಸಹಿ/-Nithira

2 A. nagaraja

4. ಸಹಿ/-ನಿರ್ಮಲ

s/o ಅವಲಪ್ಪ  
 ಆನೇಕಲ್ ತಾ||  
 ಆನೇಕಲ್

5..

ಮಾರಾಟಗಾರರು

ಸಹಿ/-

ಸಂಜೀವಯ್ಯ

ಖರೀದಿದಾರರು

Sd/-

K.S.YathiRaj"

Petitioners 1 and 2 affix their thumb impressions before the Sub-Registrar. The agreement did not fructify into execution of sale deed. The father of the 7<sup>th</sup> respondent, late Sanjeevaiah then

institutes O.S.No.591 of 2011 seeking specific performance of contract directing execution of sale deed. The prayer in the suit is as follows:

".... ....

Wherefore, the Plaintiff above named humbly prayed that this Hon'ble Court be pleased to pass a judgment and decree against the defendants for:

- a) For the relief of specific performance of the contract directing the defendants to execute the valid sale deed in favour of the plaintiff under the terms and conditions of the agreement dated 7-06-2010.
- b) If the defendants failed to execute the valid sale deed in favour of the plaintiff, this Hon'ble Court be pleased to execute the valid sale deed in favour of the plaintiff on behalf of the defendants, under the terms and conditions of the agreement.
- c) For consequential relief of permanent injunction, restraining the defendants or their power of attorney holders, agents, supporters or any persons claiming right through or under him from alienating the suit schedule property in favour of any persons in any manner.
- d) To award the costs of the suit, and for such other relief or reliefs as this Hon'ble Court deems fit to be grant under the circumstances of the case in the interest of justice and equity.

### **SCHEDULE**

All the part and parcel of the property bearing Sy.No.53/34 (New Sy.No.53/P34) measuring 30 guntas and Sy.No.53/40 (New Sy.No.53/P40) measuring 1 acre 20 guntas in all 2 acres 10 guntas, abutting each other having common boundary and situated at Kadajakkanahalli village, Jigani Hobli, Anekal Taluk, Bangalore District, bounded on

East by: Munivenkatamma's property in Sy.No.96  
West by: Government Halla.  
North by: Muniyappa's property and  
South by: Madappa and Muniyamma's property."

The suit was filed for two pieces of land, one concerning 30 guntas and the other 1 acre 20 guntas. In the said suit, an application under Order 23 Rule 3 of the CPC for compromise was filed. The contents of the said compromise petition are as follows:

"The plaintiff and defendants above named beg to file the following compromise petition as hereunder:

1. The plaintiff instituted the said suit against the defendants for the relief of specific performance and other consequential reliefs and the said suit is pending on the file of this Hon'ble Court. At the intervention of the villagers, elderly persons of the locality, the dispute involved in between the plaintiff and defendants have been settled out of the court, and the parties hereto intend to enter into this compromise petition as hereunder.

2. The defendants admits they entered into the registered agreement of sale in favour of the plaintiff on 7.06.2010 agreeing to sell the suit schedule property for a total consideration of ₹9,00,000/-. The defendants also admitted that on the very day of the agreement they received a sum of ₹5,00,000/- from the plaintiff by way of cash. The defendants are also agreed to receive balance sale consideration of ₹4,00,000/- at the time of registration. The defendants agreed to execute the sale deed in favour of the plaintiff after getting the necessary documents for registration. As such the time if not essence of the contract. The defendants are also received the additional advance amount a sum of ₹1,25,000/- on 19.08.2011 and also executed the shara on the stamp paper.

**3. The defendants admit that the very property is the granted lands granted in favour of the defendant No.1 and 2 and they required necessary sale permission for executing the registered sale deed. As such the defendants filed necessary application for getting the necessary permission from the Government for transferring and conveying the property and proceedings are pending consideration. In between the plaintiff filed the said suit against the defendants for the relief of specific performance of the contract. For that this defendants have no objection to decree the suit in favour of the plaintiff as prayed for in the plaint. The defendants are also agreed to execute the sale deed in favour of the plaintiff after getting the necessary permission or after relaxing the imposed period for alienation the property. This day the defendants received the balance sale consideration of ₹2,75000/- from the plaintiff in full and final settlement and this day itself the defendants handed over the vacant possession of the suit schedule property in favour of the plaintiff. From this day onwards the plaintiff is entitled to use and enjoy the schedule property as he likes. The plaintiff is entitled to approach the concerned authorities to seek the document in respect of the schedule property in his favour, from the concerned authorities. The defendants have no objection to decree the suit as prayed for by him in the plaint, further this compromise petition is in the interest of both the parties. And as such, it is prayed that this Hon'ble Court be pleased to record the compromise petition and decree the suit in terms of the compromise petition.**

Wherefore, the plaintiff and defendants above named humbly prayed that this Hon'ble Court be pleased to record the compromise petition and decree the suit in terms of the compromise petition, in the interest of justice and equity.

### **SCHEDULE**

All the part and parcel of the property bearing old Sy.No.53/34, New Sy.No.53/P34, measuring 30 guntas and old Sy.No.53/40, New Sy.No.53/P40, measuring 1 acre 20 guntas, in all 2 acres 10 guntas, abutting each other having common boundary and situated at Kadajakkanahalli village, Jigani Hobli,

Anekal Taluk, Bangalore District, bounded on East by: Munivenkatamma's property in Sy.No.96, West by: Government Halla, North by: Muniyappa's property and South by: Madappa and Muniyamma's property.

Sd/-Advocate for Plaintiff  
Sd/-Advocate for Defendants

Sd/- Plaintiff.  
Sd/- Defendants.

**VERIFICATION**

We the Plaintiff and defendants do hereby declare that what is stated above is true and correct to the best of our knowledge, information and belief.

Anekal  
Dated: 27-08-2011

Sd/- Plaintiff  
Sd/- Defendants."

(Emphasis added)

The concerned Court, on the basis of compromise petition, draws up a decree. The compromise decree is as follows:

"Compromise Decree

IN THE COURT OF THE SENIOR CIVIL JUDGE & J.M.F.C. AT  
ANEKAL

O.S.NO.591 of 2011

Plaintiff/s:

Sri Sanjeevaiah,  
S/o Late Muthaiaha,  
Aged about 76 years,  
R/at Uyyalappanahalli Village,  
Maralavadi Hobli, Kanakapura Taluk,  
Ramanagara District.

Vs.

- Defendants:
1. Sri Siddappa,  
S/o late Eerappa  
Aged about 53 years.
  2. Smt. Nagarathamma,  
W/o Sri Siddappa,  
Aged about 46 years,
  3. Smt. Nethravathi,  
D/o Siddappa,  
Aged about 23 years.
  4. Smt. Nirmalamma,  
D/o Sri Siddappa,  
Aged about 21 years.
  5. Renuka,  
D/o Sri Siddappa,  
Aged about 19 years.

All are R/at Bagganadoddi Village,  
Kasaba Hobli, Anekal Taluk,  
Bangalore District.

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Suit filed on: 23-08-2011  
Nature of suit: Specific Performance.

Suit claim:

- a) For the relief of Specific Performance of the contract directing the defendants to execute the valid sale deed in favour of the plaintiff under the terms and conditions of the agreement dated 07-06-2010.
- b) If the defendants failed to execute the valid sale deed in favour of the plaintiff, this Hon'ble Court be pleased to execute the valid sale deed in favour of the plaintiff on behalf of the defendants, under the terms and conditions of the agreement.
- c) For consequential relief of permanent injunction, restraining the defendants or their power of attorney

holders, agents, supporters or any persons claiming right through or under him from alienating the suit schedule property in favour of any persons in any manner.

- d) To award the cost of the suit and grant such other relief/s.

This suit is coming on this day before the Lok-Adalath for disposal before Sri Mahanthappa., A.D., B.A.LL.B., Senior Civil Judge & JMFC, Anekal and Judge Conciliator, Sri Mohan M, Advocate Conciliator, in the presence of Sri Vijayakumar, Advocate for plaintiff, Sri J.Mohan Kumar, Advocate for defendants.

It is ordered and decreed that the suit of the plaintiff is hereby decreed in terms and conditions of compromise petition Under Order 23 Rule 3 of CPC., filed by the plaintiff and defendants before Lok-Adalath on 27-08-2011 as follows:

The plaintiff instituted the said suit against the defendants for the relief of specific performance, and other consequential reliefs, and the said suit is pending on the file of this Hon'ble Court. At the intervention of the villagers, elderly persons of the locality, the dispute involved in between the plaintiff and defendants have been settled out of the court, and the parties hereto intends to enter into this compromise petition as hereunder.

**The defendants admit they entered into the registered agreement of sale in favour of the plaintiff on 07.06.2010 agreeing to sell the suit schedule property for a total consideration of Rs. 9,00,000=00. The defendants also admitted that on the very day of the agreement they received a sum of Rs. 5,00,000=00 from the plaintiff by way of cash. The defendants are also agreed to receive balance sale consideration of Rs.4,00,000=00 at the time of registration. The defendants agreed to execute the sale deed in favour of the plaintiff after getting the necessary documents for registration. As such the time if not essence of the contract. The defendants are also received the additional advance amount a sum of Rs.1,25,000=00 on 19.08.2011 and also executed the shara on the stamp paper.**

The defendants admit that the very property is the granted lands granted in favour of the defendant No.1 and 2 and they required necessary sale permission for executing the registered sale deed. As such the defendants filed necessary application for getting the necessary permission from the Government for transferring and conveying the property and proceedings are pending consideration. In between the plaintiff filed the said suit against the defendants for the relief of specific performance of the contract. For that this defendants have no objection to decree the suit in favour of the plaintiff as prayed for in the plaint. The defendants are also agreed to execute the sale deed in favour of the plaintiff after getting the necessary permission or after relaxing the imposed period for alienation the property. This day the defendants received the balance sale consideration of Rs.2,75,000=00 from the plaintiff in full and final settlement, and this day itself the defendants handed over the vacant possession of the suit schedule property in favour of the plaintiff. From this day onwards the plaintiff is entitled to use and enjoy the schedule property as he likes. The plaintiff is entitled to approach the concerned authorities to seek the document in respect of the schedule property in his favour, from the concerned authorities. The defendants have no objection to decree the suit as prayed for by him in the plaint, further this compromise petition is in the interest of both the parties.

Given under my hand and the seal of the Court, this 27<sup>th</sup> day of August, 2011.

Sd/-  
12.09.2011  
Senior Civil Judge & JMFC  
Anekal.

### **SCHEDULE**

All the part and parcel of the property bearing old Sy.No.53/34, New Sy.No.53/P34, measuring 30 guntas and old Sy.No.53/40, New Sy.No.53/P40, measuring 1 acre 20 guntas, in all 2 acres 10 guntas, abutting each other having common

boundary and situated at Kadajakkanahalli village, Jigani Hobli, Anekal Taluk, Bangalore District, bounded on:

East by: Munivenkatamma's property in Sy.No.96,  
West by: Government Halla,  
North by: Muniyappa's property and,  
South by: Madappa and Muniyamma's property.

Sd/-  
12.09.2011  
Senior Civil Judge & JMFC  
Anekal."

(Emphasis added)

Seeking execution of compromise decree, the 7<sup>th</sup> respondent prefers execution petition, as no sale deed was executed on the strength of the compromise decree. All this happened during the subsistence of 15 years non-alienation clause. Nothing happened thereafter between the parties.

9. The suit schedule property was notified for acquisition by the 5<sup>th</sup> respondent/Karnataka Housing Board. Here begins the problem; not immediately, but when the award or revised award notice comes to be notified notifying the 7<sup>th</sup> respondent along with petitioners 1 and 2 to be entitled for compensation. It is then petitioners 1 and 2 or their children, petitioners 3 to 5 wake up and

file the subject petition calling in question the compromise entered into before the Lok Adalat 13 years ago and today, the matter is heard 14 years thereafter. It is germane to notice that the compromise was entered into between the parties in the year 2011 and execution proceedings were filed in the year 2012. For 12 years no person raised any objection with regard to the compromise as being fraud or otherwise. In such circumstance, whether the compromise decree could be annulled is what is required to be considered. The consideration of which need not detain this Court for long or delve deep into the matter. The Apex Court in the case of **K. SRINIVASAPPA v. M. MALLAMMA**<sup>1</sup>, has held as follows:

“.... .... .”

**33. Section 21 of the Legal Services Authorities Act, 1987 equates an award of the Lok Adalat, to a decree of a civil court and imputes an element of finality to an award of compromise passed by the Lok Adalat. When the Lok Adalat disposes cases in terms of a compromise arrived at between the parties to a suit, after following principles of equity and natural justice, every such award of the Lok Adalat shall be deemed to be a decree of a civil court and such decree shall be final and binding upon the parties. Given the element of finality attached to an award of the Lok Adalat, it also follows that no appeal would lie, under Section 96CPC against such award, vide *P.T. Thomas v. Thomas Job* [*P.T. Thomas v. Thomas Job*, (2005) 6 SCC 478].**

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<sup>1</sup> (2022) 17 SCC 460

**34. While we recognise that a writ petition would be maintainable against an award of the Lok Adalat, especially when such writ petition has been filed alleging fraud in the manner of obtaining the award of compromise, a writ court cannot, in a casual manner, de hors any reasoning, set aside the order of the Lok Adalat. The award of a Lok Adalat cannot be reversed or set aside without setting aside the facts recorded in such award as being fraudulently arrived at.**

**35.** The Latin maxim "*cessante ratione legis cessat ipsa lex*" meaning "reason is the soul of the law, and when the reason of any particular law ceases, so does the law itself" vide *Swamiji of Shri Amar Mutt v. HRCEC, Mysore* [*Swamiji of Shri Amar Mutt v. HRCEC, Mysore*, (1979) 4 SCC 642], is also apposite.

**36.** On the aspect of the duty to accord reasons for a decision arrived at by a court, or for that matter, even a quasi-judicial authority, it would be useful to refer to a judgment of this Court in *Kranti Associates (P) Ltd. v. Masood Ahmed Khan* [*Kranti Associates (P) Ltd. v. Masood Ahmed Khan*, (2010) 9 SCC 496 : (2010) 3 SCC (Civ) 852], wherein after referring to a number of judgments, this Court summarised at para 47 of the judgment the law on the point. The relevant principles for the purpose of this case are extracted as under:

(a) Insistence on recording of reasons is meant to serve the wider principle of justice that justice must not only be done it must also appear to be done as well.

(b) Recording of reasons also operates as a valid restraint on any possible arbitrary exercise of judicial and quasi-judicial or even administrative power.

(c) Reasons reassure that discretion has been exercised by the decision-maker on relevant grounds and by disregarding extraneous considerations.

(d) Reasons have virtually become as indispensable a component of a decision-making process as observing principles of natural justice by judicial, quasi-judicial and even by administrative bodies.

(e) Reasons facilitate the process of judicial review by superior courts.

(f) The ongoing judicial trend in all countries committed to rule of law and constitutional governance is in favour of reasoned decisions based on relevant facts. This is virtually the lifeblood of judicial decision-making justifying the principle that reason is the soul of justice.

(g) Judicial or even quasi-judicial opinions these days can be as different as the Judges and authorities who deliver them. All these decisions serve one common purpose which is to demonstrate by reason that the relevant factors have been objectively considered. This is important for sustaining the litigants' faith in the justice delivery system.

(h) Insistence on reason is a requirement for both judicial accountability and transparency.

(i) If a Judge or a quasi-judicial authority is not candid enough about his/her decision-making process then it is impossible to know whether the person deciding is faithful to the doctrine of precedent or to principles of incrementalism.

(j) Reasons in support of decisions must be cogent, clear and succinct. A pretence of reasons or "rubber-stamp reasons" is not to be equated with a valid decision-making process.

(k) It cannot be doubted that transparency is the sine qua non of restraint on abuse of judicial powers. Transparency in decision-making not only makes the Judges and decision-makers less prone to errors but also makes them subject to broader scrutiny. (See David Shapiro, "*In Defence of Judicial Candor*" [*Defence of Judicial Candor*, (1987) 100 Harvard Law Review 731-37].)

(l) In all common law jurisdictions judgments play a vital role in setting up precedents for the future.

Therefore, for development of law, requirement of giving reasons for the decision is of the essence and is virtually a part of "due process".

(m) The requirement to record reasons emanates from the broad doctrine of fairness in decision-making i.e. adequate and intelligible reasons must be given for judicial decisions.

Though the aforesaid judgment was rendered in the context of a dismissal [*Kranti Associates (P) Ltd. v. Masood Ahmed Khan* Revision Petition No. 2889 of 2007, order dated 31-8-2007 (NCDRC)] of a revision petition by a cryptic order by the National Consumer Disputes Redressal Commission, reliance could be placed on the said judgment on the need to give reasons while deciding a matter particularly as it arises in the instant case.

**37.** In view of the aforesaid discussion, we shall now consider the facts of the present case. The details as to the terms of the compromise as well as the contentions raised at the Bar have been narrated above. On a consideration of the same, the following aspects would emerge:

**37.1.** The Lok Adalat, in its award dated 7-7-2012 recorded that the parties had admitted that the contents of the compromise petition were true and correct, after the terms thereof had been read over and explained to them in Kannada language. Further, it was also noted that the compromise was entered into by Plaintiff 1, on behalf of, and for the benefit of his two minor children, in order to protect their shares. The same was allowed by the Lok Adalat on recognising the terms of the compromise, would protect the interests of Plaintiff 1's minor children. There is no objection raised on behalf of Plaintiff 1 in the instant case.

**37.2.** The Lok Adalat, in its order dated 27-4-2013, rejected the allegations of fraud raised by Plaintiffs 4 to 6, against the defendants and recorded that Plaintiffs 4 to 6 had offered no explanation as to why no objection was raised by any of them on 7-7-2012 before the Lok Adalat. It was further observed that Plaintiffs 4 to 6, could not, after having accepted huge sums of money in terms of the compromise, rescind from the terms thereof.

**37.3. It is not the case of Plaintiffs 4 to 6 that they had not received an amount of Rs 30,00,000 (Rupees thirty lakhs) each, in terms of the compromise. Further, it is not their case that such sum has been returned, in whole or in part, to the defendants.**

**37.4. That although Plaintiff 4, stated that on learning that the proceedings conducted on 7-7-2012 before the Lok Adalat were in relation to a compromise, she had not signed the order sheet, she failed to provide any explanation as to why she did not inform the Lok Adalat on the said date that her signature on the compromise petition was obtained by fraud.**

**37.5. That Plaintiffs 4 to 6 had admitted before the Lok Adalat on 7-7-2012 that the contents of the compromise petition were true and correct, when the same had been read over and explained to them in Kannada.**

**37.6. That Plaintiffs 4 to 6 specifically admitted that they had received a sum of Rs 30,00,000 (Rupees thirty lakhs) each, as mentioned in the compromise petition in lieu of relinquishing their rights, title and interest in the other suit schedule properties.**

**37.7. That if, in fact, the signatures of Plaintiffs 4 to 6 had been obtained by fraud, they ought to have returned the amount of Rs 30,00,000 (Rupees thirty lakhs) each, paid to them in accordance with the terms of the compromise. Having not done so, Plaintiffs 4 to 6 had failed to establish that any fraud was practiced upon them, by the defendants, with a view to obtain their signatures on the compromise petition.**

....                      ....                      .....

**38. The learned Single Judge of the High Court in the impugned judgment [*K. Sugunamma v. K. Devaraj*, 2015 SCC OnLine Kar 9700] has not considered the aforesaid facts of the case in the context of setting aside the award of the Lok Adalat dated 7-7-2012. The learned Single Judge has also not considered the reasoning given in the order dated 27-4-2013 by which the objections**

raised by Plaintiffs 4 to 6 to the decree of the Lok Adalat had been rejected.

39. This Court in *Ruby Sales and Services (P) Ltd. v. State of Maharashtra* [*Ruby Sales and Services (P) Ltd. v. State of Maharashtra*, (1994) 1 SCC 531] observed that a consent decree is a creature of an agreement and is liable to be set aside on any of the grounds which will invalidate an agreement. Therefore, it would follow that the level of circumspection, which a court of law ought to exercise while setting aside a consent decree or a decree based on a memo of compromise, would be at least of the same degree, which is to be observed while declaring an agreement as invalid.

40. In *Pushpa Devi Bhagat v. Rajinder Singh* [*Pushpa Devi Bhagat v. Rajinder Singh*, (2006) 5 SCC 566] , this Court held that since no appeal would lie against a compromise decree, the only option available to a party seeking to avoid such a decree would be to challenge the consent decree before the court that passed the same and to prove that the agreement forming the basis for the decree was invalid. It is therefore imperative that a party seeking to avoid the terms of a consent decree has to establish, before the Court that passed the same, that the agreement on which the consent decree is based, is invalid or illegal.

41. It is a settled position of law that where an allegation of fraud is made against a party to an agreement, the said allegation would have to be proved strictly, in order to avoid the agreement on the ground that fraud was practiced on a party in order to induce such party to enter into the agreement. Similarly, the terms of a compromise decree, cannot be avoided, unless the allegation of fraud has been proved. In the absence of any conclusive proof as to fraud on the part of the objectors, the High Court could not have set aside the compromise decree in the instant case.

42. Having considered the aforesaid facts of the present case, we are of the view that no ground was made out warranting the decision of the High Court to set aside the order

of the Lok Adalat dated 7-7-2012, wherein compromise was recorded between the parties. The High Court's decision to set aside the order of the Lok Adalat, without entering into a discussion as to the findings in such order, cannot be sustained. Such decision of the High Court runs contrary to established principles of law which seek to protect the sanctity and finality of orders based on a compromise or consent between parties."

(Emphasis supplied)

The Apex Court holds that the Court exercising jurisdiction to annul compromise decree should approach with certain circumspection. The Apex Court holds that question of fraud would not arise when the terms of the compromise are read over to the parties and explained; where the parties had not filed any objections soon after recording the compromise; where the parties were in receipt of amounts in terms of the compromise and the said receipt is not disputed; where the parties have signed on the order sheet; where the parties had admitted to the contents of the compromise and when after allegation of fraud has been alleged any attempt is made to return the money. The Apex Court holds that the High Court exercising jurisdiction to set aside a compromise decree should bear in mind the above conditions. If the contents of the compromise or the link in the chain of events between the parties is

considered, on the bedrock of the principles so laid down by the Apex Court what would unmistakably emerge is, that there is no challenge to the compromise immediately after entering into it and amounts are received in terms of the compromise decree without any demur. There is no attempt to return the money that was received as a part of the compromise. Therefore, most of the conditions stipulated by the Apex Court to desist from annulling a compromise decree do exist in the case at hand. Therefore, this Court by a stroke of pen, without any content, cannot annul the compromise decree.

10. It becomes apposite to notice the judgments of the Apex Court, wherein the Apex Court holds that the award of the Lok Adalat does not mean any independent verdict or opinion arrived at by any decision-making person. The making of an award is merely an administrative act of incorporating the terms of settlement or compromise agreed between the parties in the presence of the Lok Adalat. Therefore, to challenge the same would be only on extremely limited grounds. The Apex Court laid down these grounds

in the case of **STATE OF PUNJAB v. JALOUR SINGH**<sup>2</sup>, wherein it is held as follows:

“.... .... ”

**7. A reference to relevant provisions will be of some assistance, before examination of the issues involved. Section 19 of the Legal Services Authorities Act, 1987 (“the LSA Act”, for short) provides for organisation of the Lok Adalats. Section 19(5)(i) of the LSA Act provides that a Lok Adalat shall have jurisdiction to determine and to arrive at a compromise or settlement between the parties to a dispute in respect of any case pending before any court for which the Lok Adalat is organised.** Section 20 relates to cognizance of cases by the Lok Adalats. Sub-section (1) refers to the Lok Adalats taking cognizance of cases referred to by courts and sub-section (2) refers to the Lok Adalats taking cognizance of matters at pre-litigation stage. The relevant portions of other sub-sections of Section 20, relating to cases referred by courts, are extracted below:

“20. (3) Where any case is referred to a Lok Adalat under sub-section (1) ... the Lok Adalat shall proceed to dispose of the case ... *and arrive at a compromise or settlement between the parties.*”

(4) Every Lok Adalat shall, while determining any reference before it under this Act, act with utmost expedition to arrive at a compromise or settlement between the parties and shall be guided by the principles of justice, equity, fair play and other legal principles.

(5) Where no award is made by the Lok Adalat on the ground *that no compromise or settlement could be arrived at between the parties, the record of the case shall be returned by it to the court, from which the reference has been received* under sub-section (1) for disposal in accordance with law.

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<sup>2</sup> (2008) 2 SCC 660

(7) Where the record of the case is returned under sub-section (5) to the court, such court shall proceed to deal with such case from the stage which was reached before such reference under sub-section (1)."

(emphasis supplied)

**8. It is evident from the said provisions that the Lok Adalats have no adjudicatory or judicial functions. Their functions relate purely to conciliation. A Lok Adalat determines a reference on the basis of a compromise or settlement between the parties at its instance, and puts its seal of confirmation by making an award in terms of the compromise or settlement. When the Lok Adalat is not able to arrive at a settlement or compromise, no award is made and the case record is returned to the court from which the reference was received, for disposal in accordance with law. No Lok Adalat has the power to "hear" parties to adjudicate cases as a court does. It discusses the subject-matter with the parties and persuades them to arrive at a just settlement. In their conciliatory role, the Lok Adalats are guided by the principles of justice, equity and fair play. When the LSA Act refers to "determination" by the Lok Adalat and "award" by the Lok Adalat, the said Act does not contemplate nor require an adjudicatory judicial determination, but a non-adjudicatory determination based on a compromise or settlement, arrived at by the parties, with guidance and assistance from the Lok Adalat. The "award" of the Lok Adalat does not mean any independent verdict or opinion arrived at by any decision-making process. The making of the award is merely an administrative act of incorporating the terms of settlement or compromise agreed by parties in the presence of the Lok Adalat, in the form of an executable order under the signature and seal of the Lok Adalat.**

...

...

...

**12. It is true that where an award is made by the Lok Adalat in terms of a settlement arrived at between the parties (which is duly signed by parties and annexed to the award of the Lok Adalat), it becomes final and binding on the parties to the settlement and becomes executable as if it is a decree of a civil court, and no**

**appeal lies against it to any court. If any party wants to challenge such an award based on settlement, it can be done only by filing a petition under Article 226 and/or Article 227 of the Constitution, that too on very limited grounds. But where no compromise or settlement is signed by the parties and the order of the Lok Adalat does not refer to any settlement, but directs the respondent to either make payment if it agrees to the order, or approach the High Court for disposal of appeal on merits, if it does not agree, is not an award of the Lok Adalat. The question of challenging such an order in a petition under Article 227 does not arise. As already noticed, in such a situation, the High Court ought to have heard and disposed of the appeal on merits."**

(Emphasis supplied)

The said judgment is followed in the case of **BHARGAVI CONSTRUCTIONS v. KOTHAKAPU MUTHYAM REDDY**<sup>3</sup>, wherein it is held as follows:

".... ....

**22. The question arose before this Court (three-Judge Bench) in *State of Punjab [State of Punjab v. Jalour Singh, (2008) 2 SCC 660: (2008) 1 SCC (Civ) 669: (2008) 1 SCC (Cri) 524: (2008) 1 SCC (L&S) 535]* as to what is the remedy available to the person aggrieved of the award passed by the Lok Adalat under Section 20 of the Act.** In that case, the award was passed by the Lok Adalat which had resulted in disposal of the appeal pending before the High Court relating to a claim case arising out of the Motor Vehicles Act. One party to the appeal felt aggrieved of the award and, therefore, questioned its legality and correctness by filing a writ petition under Articles 226/227 of the Constitution of India. The High Court dismissed the writ petition holding it to be not maintainable. The aggrieved party,

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<sup>3</sup> (2018) 13 SCC 480

therefore, filed an appeal by way of special leave before this Court. This Court, after examining the scheme of the Act allowed the appeal and set aside the order of the High Court. This Court held that the High Court was not right in dismissing the writ petition as not maintainable. **It was held that the only remedy available with the aggrieved person was to challenge the award of the Lok Adalat by filing a writ petition under Article 226 or/and Article 227 of the Constitution of India in the High Court and that too on very limited grounds.** The case was accordingly remanded to the High Court for deciding the writ petition filed by the aggrieved person on its merits in accordance with law.”

(Emphasis supplied)

In the light of the afore-noticed judgements of the Apex Court, the challenge to the award of the Lok Adalat is only on extremely limited grounds of fraud or coercion. Fraud is not found in the case at hand for the reasons indicated hereinabove. All that the petitioners contend is lack of awareness, in the entire petition, to challenge the award of the Lok Adalat. This again suffers from want of tenability in the light of the judgment rendered by the High Court of Kerala in the case of **SAJITHA v. BALDBOSE**<sup>4</sup>, wherein it is held as follows:

“... ..

**4.** Having heard the learned counsel on either side, I hold that there is no infirmity in Ext.P2 award passed for the reasons

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<sup>4</sup> **2023 SCC OnLine Ker.5257**

to follow. **There is no allegation of fraud committed or alleged in the petition. The ground that she was not aware of the contents of the compromise and that she was not communicated about the same by her counsel cannot be accepted. At any rate, the same cannot be a ground to challenge the award of the Lok Adalat. It is also pointed out by the parties though there is a stipulation that no maintenance would be claimed, subsequently, the petitioner approached the family court for maintenance. This shows that Lok Adalat has not prevented the right of the first petitioner to claim maintenance, and all that could be understood from the relevant term is that, at that point in time, no maintenance was being claimed. It is also to be seen that the petitioner had received the benefit of the first condition regarding the return of gold ornaments, and therefore, she is not aggrieved by all the terms but only against the selective ones. The petitioner cannot be allowed to approbate and reprobate at the same time. It is trite that the award of the Lak Adalath can be challenged only on very limited grounds,** as held by the Courts, including the Apex Court reported in *K. Srinivasappa v. M. Mallamma* [AIR 2022 SC 238], which held as follows:

**"29. While we recognise that a Writ Petition would be maintainable against an award of the Lok Adalat, especially when such writ petition has been filed alleging fraud in the manner of obtaining the award of compromise, a writ court cannot, in a casual manner, de hors any reasoning, set aside the order of the Lok Adalat.** The award of a Lok Adalat cannot be reversed or set aside without setting aside the facts recorded in such award as being fraudulent arrived at.

"34. In *Pushpa Devi Bhagat (dead) through LR. Sadhna Rai v. Rajinder Singh* - [(2006) 5 SCC 566], this Court held that since no appeal would lie against a compromise decree, the only option available to a party seeking to avoid such a decree would be to challenge the consent decree before the Court that passed the same and to prove that the agreement forming the basis 22 for the decree was invalid. It is therefore imperative that a party seeking to avoid the terms of a consent decree has to

establish, before the Court that passed the same, that the agreement on which the consent decree is based, is invalid or illegal.

XXXXX

**35. It is a settled position of law that where an allegation of fraud is made against a party to an agreement, the said allegation would have to be proved strictly, in order to avoid the agreement on the ground that fraud was practiced on a party in order to induce such party to enter into the agreement. Similarly, the terms of a compromise decree, cannot be avoided, unless the allegation of fraud has been proved. In the absence of any conclusive proof as to fraud on the part of the objectors, the High Court could not have set aside the compromise decree in the instant case."**

(Emphasis supplied)

The High Court of Kerala holds that once having signed the document and later to come up in a challenge contending that signatories lack awareness of law and were not aware of consequences of signing of the document cannot be entertained, unless fraud is palpable or demonstrable. I am in respectful agreement with the judgment rendered by the High Court of Kerala. Therefore, issue No.1 with regard to challenge to the Lok Adalat award tumbles down and is held against the petitioners.

**Issue No.2:**

- (ii) **Whether the compromise decree/award is to be declared as void due to the embargo of non-alienation period of 15 years in terms of Section 61 of the Karnataka Land Reforms Act, 1961 ('the Act' for short)?**

11. Heavy reliance is placed upon the condition imposed in the saguvali chit quoted *supra*, which was not to alienate the subject lands prior to the expiry of 15 years, as obtaining under Section 61 of the Act. Section 61 of the Act reads as follows:

**"61. Restriction on transfer of land of which tenant has become occupant.—(1) Notwithstanding anything contained in any law, no land of which the occupancy has been granted to any person under this Chapter shall, within fifteen years from the date of the final order passed by the Tribunal under sub-section (4) or sub-section (5) or sub-section (5A) of Section 48-A] be transferred by sale, gift, exchange, mortgage, lease or assignment; but the land may be partitioned among members of the holder's joint family.**

(2) Notwithstanding anything contained in sub-section (1), it shall be lawful for the occupant registered as such or his successor-in-title to take a loan and mortgage or create a charge on his interest in the land in favour of the State Government, a financial institution, a co-operative land development bank, a co-operative society or a company as defined in section 3 of the Companies Act, 1956 in which not less than fifty one per cent of the paid-up share capital is held by the State Government or a Corporation owned or controlled by the Central Government or the State Government or both for development of land or improvement of agricultural practices or for raising educational loan to prosecute the higher studies of

the children of such person; and without prejudice to any other remedy provided by any law, in the event of his making default in payment of such loan in accordance with the terms and conditions on which such loan was granted, it shall be lawful to cause his interest in the land to be attached and sold and the proceeds to be utilised in the payment of such loan.

*Explanation.*—For the purpose of this sub-section, “Higher studies” means the further studies after Pre-university Examination or 12th Standard Examination conducted by CBSE or ICSE or any Diploma courses.

(3) Any transfer or partition of land in contravention of sub-section (1) shall be invalid and such land shall vest in the State Government free from all encumbrances and shall be disposed in accordance with the provisions of Section 77.”

(Emphasis supplied)

Section 61 has conditions that one should not alienate but can mortgage the property for loan or otherwise. The issue is whether petitioners 1 and 2 have alienated the properties prior to the expiry of 15 years.

12. The dates and link in the chain are all narrated hereinabove, which would not require any reiteration. The land is granted on 19-05-1997. The compromise decree is passed on 27-08-2011; 14 years and 3 months after the grant. No sale deed is executed. The expiry of 15 years comes about on 20-5-2012.

Even on that date, there is no alienation, as there is no sale deed executed. After the expiry of 15 years, execution proceedings are initiated, seeking execution of sale deed in terms of the compromise decree. Therefore, even if the sale deed is executed in furtherance of execution proceedings, it would be after expiry of 15 years. A coordinate Bench of this Court in the case of **B.S. LAKSHMAN v. PUTTASHETTY**<sup>5</sup>, on identical circumstance, considering this very issue, holds that until sale, the non-alienation clause would not kick in. The coordinate Bench has held as follows:

"... .."

**23.** Having heard the learned counsel appearing for the respective parties and also keeping the substantive questions of law framed by this Court, this Court has to analyse the material on record. This Court has framed the substantive questions of law in keeping the PTCL Act that whether the plaintiff is not entitled for discretionary relief of specific performance is perverse. Having taken note of Ex.P2 and also the submission of respective counsel, it is clear that there is a grant under the Land Revenue Act and question of invoking PTCL Act does not arise. Though this Court considered the judgment reported in ILR 2020 Kar 4723 invoking of PTCL Act while framing substantive question of law that whether the Trial Court was justified in holding that the subject matter of suit is hit by the provisions of PTCL Act, the evidence on record indicates that it was granted under the provisions of Inams Abolition Act. I have already pointed out that the document at Ex.P2 is very clear that it is a grant under the Land Revenue Act and not under the PTCL Act and the same is not disputed by the counsel appearing for the respective parties. Thus, the question of invoking Section

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<sup>5</sup> **2025 SCC OnLine Kar.4491**

4 of PTCL Act does not arise and hence, the finding of both the Courts is contrary to the material on record and this Court has to answer that both the Courts have committed an error holding that the subject matter of suit is hit by the provisions of PTCL Act and the same is against the very document at Ex.P2. Hence, I answer the substantive questions of law accordingly holding that both the Courts have committed an error.

**24.** Now, this Court has to examine that whether the appellant is entitled for the relief of specific performance. The main focus is with regard to Section 61 of the Karnataka Land Reforms Act. Hence, this Court would like to extract Section 61 of the Karnataka Land Reforms Act, 1961, which reads as under:

**"61. Restriction on transfer of land of which tenant has become occupant.—(1)** Notwithstanding anything contained in any law, no land of which the occupancy has been granted to any person under this Chapter shall, within fifteen years from the date of the final order passed by the Tribunal under sub-section (4) or sub-section (5) or sub-section (5A) of section 48A be transferred by sale, gift, exchange, mortgage, lease or assignment; but the land may be partitioned among members of the holder's joint family.

(2) Notwithstanding anything contained in subsection (1), it shall be lawful for the occupant registered as such or his successor-in-title to take a loan and mortgage or create a charge on his interest in the land in favour of the State Government, a financial institution, a co-operative land development bank, a co-operative society or a company as defined in section 3 of the Companies Act, 1956 in which not less than fifty one per cent of the paid-up share capital is held by the State Government or a Corporation owned or controlled by the Central Government or the State Government or both for development of land or improvement of agricultural practices or for raising educational loan to prosecute the higher studies of the children of such person and without prejudice to any other remedy provided by any law, in the event of his making default in payment of such loan in accordance with the terms and conditions on which such loan was granted, it shall be lawful to cause his interest in the land to be

attached and sold and the proceeds to be utilised in the payment of such loan.

**Explanation.-** For the purpose of this subsection, "Higher studies" means the further studies after Pre-university Examination or 12<sup>th</sup> Standard Examination conducted by CBSE or ICSE or any Diploma courses.

(3) Any transfer or partition of land in contravention of sub-section (1) shall be invalid and such land shall vest in the State Government free from all encumbrances and shall be disposed in accordance with the provisions of section 77."

**25. It is also important to note that having read Section 61 of the Act and also the judgment of the First Appellate Court, it discloses that the First Appellate Court while answering fourth point for consideration comes to the conclusion that Ex.P1 agreement of sale was executed within 15 years from the date of grant and the same is hit by Section 61 of the Karnataka Land Reforms Act. No doubt, the judgment of the Apex Court in the case of NARAYANAMMA referred supra referred by the counsel for the respondents is very clear with regard to hit by Section 61 of the Karnataka Land Reforms Act. In that judgment, it has to be noted that predecessor-in-title executed the registered mortgage deed in favour of the plaintiff but in the case on hand, there is no any such mortgage deed and there was no any transfer and only an agreement is executed and in the said judgment, having executed the registered mortgage deed in favour of the plaintiff, again executed the sale agreement when already there was a mortgage deed. But in the case on hand, only sale agreement is executed.**

**26.** The counsel for the respondents mainly relies upon Section 5 of the Transfer of Property Act. Hence, this Court would like to extract Section 5 of the Transfer of Property Act, 1882, which reads thus:

"5. "Transfer of property" defined.— In the following sections "transfer of property" means an act by which a living person conveys property, in present or in future, to one or more other living persons, or to himself, [or to

himself] and one or more other living persons; and "to transfer property" is to perform such act.

In this section "living person" includes a company or association or body of individuals, whether incorporated or not, but nothing herein contained shall affect any law for the time being in force relating to transfer of property to or by companies, associations or bodies of individuals."

**27.** The counsel for the respondents also relies upon Section 9 of the Specific Relief Act. Hence, this Court also would like to extract Section 9 of the Specific Relief Act, 1963, which reads thus:

**"9. Defences respecting suits for relief based on contract.**— Except as otherwise provided herein where any relief is claimed under this Chapter in respect of a contract, the person against whom the relief is claimed may plead by way of defence any ground which is available to him under any law relating to contracts."

**28.** It is important to note that in the case on hand, only sale agreement is executed and parties have also having conscious about the fact that there was a non-alienation clause in the grant. It is also not in dispute that the land was granted in the year 1997 and the sale agreement was executed in the year 2000. It is important to note that not only the grantee, even his wife and children have joined in the execution of the sale agreement. Having perused the sale agreement at Ex.P1, it is very clear with regard to the receipt of the entire sale consideration of Rs. 1,06,000/-. It is important to note that Ex.P1 discloses the reason for selling the property as to meet the legal necessities as well as to clear the loan and in the document itself it is referred that in the year 1999, availed the loan of Rs. 25,000/- from PLD Bank, Aaluru and Rs. 50,000/- from PCRDB Society. It is also important to note that the agreement was entered in the month of April 2000 and having received the sale consideration, the very same loan was cleared and given the clearance certificate in favour of the plaintiff. Though clearance certificate is in the name of the defendants but both the Courts failed to take note of the fact that having cleared the loan, clearance certificates are handed over to the plaintiff. Apart from that all the original documents were handed over to the plaintiff and hence, it is clear that having conscious

about the non-alienation clause in the grant, specific time is not mentioned in the agreement and agreed to execute the sale deed immediately after completion of the non-alienation clause of 15 years.

**29. In the case on hand, it has to be noted that after the completion of 15 years, issued notice and reply was given wherein denial was made totally that no such sale agreement was executed and hence, the Court has to take note of the conduct of the defendants when each member of the family have signed the document but denied the very execution of the document. It is important to note that having conscious about the non-alienation clause only received the entire sale consideration and agreed to execute the sale deed. It is also important to note that the suit is filed only after the completion of period of 15 years.**

**30. This Court would like to refer the judgment of the Apex Court in the case of *BALWANT VITHAL KADAM* referred supra wherein it is held that when a suit is filed for the relief of specific performance and prohibition is only for the sale that is agreement between the parties to sell the land, itself not creating any interest of buyer in land, nor amounting to sale, it is held that agreement to sale simply enabling buyer to claim specific performance of agreement on proving terms, 'sale', creating interest in land once accomplished, distinct from agreement to sale, sale agreement between parties cannot be treated as actual alienation or transfer of land, State agreement not executed in contravention of Section 48(d) of 1961 Act, specific performance of agreement can be granted to buyer. When such finding is given by the Apex Court, the First Appellate Court committed an error in relying upon Section 61 of the Karnataka Land Reforms Act and Section 61 of the said Act is only in respect of sale but in the case on hand, no such sale is taken place.**

**31. The counsel for the respondents also relied upon the judgment of this Court passed in **R.S.A. No. 1597/2013** referred supra. No doubt, wherein also this Court relied upon the judgment of *NARAYANAMMA* referred supra in**

paragraph 16 and the same will not help to the respondents as there is no such sale and there is only an agreement of sale.

**32. It is important to note that the Division Bench of this Court in a similar set of facts and circumstances in the case of *SYED ZAHEER* referred supra, in a case for specific performance, only discussed both Section 20 as well as 23 of the Contract Act. The counsel for the respondents also pressed into service of Section 23 while arguing the case and in the judgment it is held that appellants seeking non-enforceability of the agreement, grievance of the appellant was that the specific performance has been sought prior to the expiry of the non-alienation clause and held that at the time of grant, non-alienation clause for a period of 15 years was imposed and it is only after the lapse of said period, the suit for specific performance was filed by the respondent. Therefore, it cannot be said that there has been a breach of the non-alienation clause or that the specific performance has been sought prior to the expiry of the non-alienation clause. This Court even further held that in the instant case and the agreement of sale specifically mentions that the sale deed would be executed after the period of non-alienation is completed. Therefore, the agreement in question cannot be held to be null and void or hit by Section 23 of the contract. Having considered the principles laid down in the judgment of the Division Bench, the very facts and circumstances is fit into the case on hand and though there was a grant and non-alienation clause of 15 years, it has to be noted that the specific term was made in the sale agreement that sale deed would be executed after the completion of 15 years. When such condition is not violated, the said sale agreement is not null and void and not hit by Section 23 of the Contract Act as held by the Division Bench of this Court.**

**33.** At this juncture, this Court would like to extract Section 23 of the Indian Contract Act, 1872, which reads thus:

**"23. What considerations and objects are lawful, and what not.** - The consideration or object of an agreement is lawful, unless—

it is forbidden by law;

or is of such a nature that, if permitted, it would defeat the provisions of any law;

or is fraudulent; or involves or implies, injury to the person or property of another;

or the Court regards it as immoral, or opposed to public policy.

In each of these cases, the consideration or object of an agreement is said to be unlawful. Every agreement of which the object or consideration is unlawful is void."

**34.** The counsel for the appellant also relied upon the judgment in the case of *ABDUL HAMMED* referred supra wherein also this Court discussed regarding having purchased the property and investment made by the subsequent purchaser and comes to the conclusion that having regard to the circumstances of the case, the State can be estopped in law from acting at this late point of time having regard to the over all complexion of the case. It is also held that this Court do not propose to lay down that this proposition is to be construed as a licence to trade in such lands, but this Court elaborately set out the facts and circumstances that are before the Court in the present writ petitions and the essence of doing justice would require that complete justice is done to the party who is entitled to it. This Court taken note of the equity also while considering the same.

**35. In the case on hand also having conscious that there is a bar of non-alienation clause entered into an agreement of sale and received the entire sale consideration and even put the condition in the agreement at Ex.P1 that going to execute the sale deed either by themselves or by their legal representatives after completion of 15 years of non-alienation clause and even delivered the original records as well as possession. When such being the case, the Court has to take note of the said fact into consideration. It is important to note that the Court has to take note of the conduct of the**

**parties wherein they though denied in the reply notice as well as in the written statement, but material emerges regarding execution of the sale agreement and the Trial Court comes to the conclusion that sale agreement was executed and also in the cross-examination, even denied the very signature in the vakalath as well as in the written statement, the same is nothing but an attempt to make wrongful gain totally denying the very sale transaction.**

**36.** This Court would like to refer the judgment of the Apex Court reported in (1999) 6 SCC 104 in the case of *K S SATYANARAYANA v. V R NARAYANA RAO* wherein also the Apex Court referred Sections 70 and 72 of the Contract Act, 1872 with regard to the undue enrichment and lack of privity of contract and circumstances and comes to the conclusion that an attempt is made by the defendant to make wrongful gain denying the vakalath and also the signature found in the written statement and the said facts and circumstances is also applicable to the case on hand. The Apex Court also invoked Section 73 and 45 of the Evidence Act and held that where defendant denied signature on various exhibited docs and also on vakalatnama and written statement, the Trial Court could have compared the signatures under Section 73 of the Evidence Act.

**37. No doubt, the counsel for the respondents relied upon the judgment in the case of *G T GIRISH* referred supra and brought to notice of this Court paragraph 91 wherein held that whatever may be intention of the parties, a contract which is expressly or impliedly prohibited by a statute, may not be enforced by the Court. No doubt, no dispute with regard to the principles laid down in the judgment and here is a case that there is no any sale but only an agreement of sale. Though contract is entered between the parties and consciously entered into an agreement stating that they are going to execute the sale deed after the completion of 15 years of non-alienation clause and the same would not amounts to any violation and hence, question of obtaining any permission also does not arise after the completion of the period non-alienation clause of 15 years and hence, the facts and circumstances of the case on hand and also the**

principles laid down in the judgments, same will not come to the aid of the respondents.

38. No doubt, the counsel for the respondents also relied upon the case of *SATISH KUMAR* referred supra wherein in paragraph 8, it is held that the jurisdiction to order specific performance of contract is based on the existence of a valid and enforceable contract. Where a valid and enforceable contract has not been made, the Court will not make a contract for them. Specific performance will not be ordered if the contract itself suffers from some defect which makes the contract invalid or unenforceable. But in the case on hand also though there was a non-alienation clause and sale agreement was entered during that period but made it clear that going to execute the sale deed after completion of non-alienation clause and no document of sale as defined is executed. When such being the case, the very contention of the counsel for the respondents cannot be accepted.

39. This Court would like to refer the recent judgment of the Apex Court dated 07.01.2025 in a case of *INDIAN OVERSEAS BANK v. M.A.S SUBRAMANIAN* wherein also in paragraph 6 it is held that it is well settled that an agreement for sale in respect of an immovable property does not transfer title in favour of the purchaser under the agreement. In view of Section 54 of the Transfer of Property Act, 1882 an agreement for sale does not create any interest in the property. The only mode by which an immovable property worth more than Rs. 100/- can be sold is by a sale deed duly registered in accordance with the Indian Registration Act, 1908. In the case on hand also no such sale was taken place and only an agreement of sale is entered.

40. In the judgment of the Apex Court in the case of *M S ANANTHAMURTHY v. J MANJULA* in CIVIL APPEAL Nos. 3266-3267/2025 [arising out of SLP Nos. 13618-13619/2020) dated 27.02.2025 in paragraph 47 held that it is a settled law that a transfer of immovable property by way of sale can only be by a deed of conveyance. An

**agreement to sell is not a conveyance. It is not a document of title or a deed of transfer of deed of transfer of property and does not confer ownership right or title.**

**41. Having considered the principles laid down in the judgments referred supra and also the discussions made by this Court with regard to the document at Ex.P1 that there was a sale agreement and entire sale consideration has been received and also all the family members including the grantee and his wife and children have joined in the execution of the sale agreement and hence, all of them having the conscious and knowledge that there is a non-alienation clause in the grant and also agreed to execute the sale deed after the completion of 15 years of non-alienation clause and notice was issued by the plaintiff after the complete to 15 years and reply was given denying the sale agreement but both the Courts have comes to the conclusion that there was an agreement of sale but erroneously held that it attracts PTCL Act since no such grant under the PTCL Act and First Appellate Court comes to the conclusion that it attracts Section 61 of the Karnataka Land Reforms Act. Having considered both oral and documentary evidence and the principles laid down in the judgments referred supra, it disclose that there was an agreement of sale and there was no any conveyance or sale as contained in Section 61 of the Land Reforms Act, hence, the contention of the respondents' counsel cannot be accepted. The very agreement in terms of Ex.P1 is very clear that received the entire sale consideration and executed the document consciously knowing about the non-alienation clause, this Court comes to the conclusion that Section 61 of Land Reforms Act will not attract as there was no sale, mortgage or any debt or conveyance as indicated in Section 61 of the Act. Thus, both the Courts have committed an error in declining to grant the relief of specific performance. Therefore, I answer the substantive questions of law accordingly holding that both the Courts have committed an error in dismissing the suit and confirming the same in the appeal regarding specific performance though the First Appellate Court reversed the finding of the Trial Court regarding sale agreement as**

**well as readiness and willingness, committed an error in invoking Section 61 of the Act... "**

(Emphasis supplied)

If the law as held by the coordinate Bench is considered *qua* the facts obtaining in the case at hand, it would clearly indicate that no sale deed was executed prior to expiry of 15 years and non-alienation clause would operate only after execution of the sale deed. Therefore, the invocation of Section 61 of the Act by the petitioners is thoroughly misplaced.

13. In yet another judgment, another coordinate Bench in the case of **MR.MOHAMMED MURTUZA v. MR.V.C.GOVARDHAN**<sup>6</sup>, refuses to set aside the compromise decree on the score that it was entered into prior to the expiry of non-alienation clause as obtaining under Section 61 of the Act. The coordinate Bench has held as follows:

".... .... "

2. The suit in OS.No.89/2013 was filed for specific performance of an agreement of sale deed dated 12.02.2013. The suit was contested. Later, the parties agreed to settle the

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<sup>6</sup> **W.P.No.53622 of 2016 decided on 08-08-2022**

dispute amicably and thus the case was referred to Lok-Aadalat. **A compromise petition was filed under Order XXIII Rule 3 of Code of Civil Procedure before the Lok-Aadalat by which the dispute was settled between the parties and the suit was disposed of on 23.10.2013. Long thereafter i.e., on 07.12.2015 an application was filed by the defendant under order XXIII Rule 3-A R/w Section 151 and 152 of Code of Civil Procedure contending that the suit property was granted to him by the Tahsildar, Mudigere on 17.02.2004, which was followed by a Saguvali chit dated 05.06.2004. He contended that, the grant was subject to non-alienation for a period of 15 years and therefore he submitted that the compromise could not have been accepted. He claimed that the compromise was forcibly imposed on him by the plaintiff. The trial Court in terms of its order impugned in this writ petition, rejected the application. Being aggrieved by the said order, the present petition is filed.**

**3. The learned counsel for the petitioner submits that the compromise could not have been recorded by the Lok-Aadalat as on that day, the defendant was not in a position to enter into an compromise in respect of the suit property as there was a clear bar against alienation. He however did not dispute his signature and also the fact that he had appeared before the Lok-Aadalat and admitted the compromise.**

**4. Learned counsel for the respondent on the other hand submitted that the ground urged by the defendant to set aside the compromise is not maintainable as there are provisions in the land grant rules which provide for condonation of any violation of the conditions attached to the grant. He therefore submitted that the order passed by the Lok-Aadalat, be not disturbed.**

**5. The defendant did not dispute the fact that he appeared before the Lok-Aadalat and admitted of the compromise before the Lok-Aadalat. He also did not dispute the terms of the compromise, the defendant has now attempted to resile from the compromise contending**

**that the compromise had the effect of violating a term of the grant, should not have been accepted.”**

(Emphasis supplied)

14. In the light of the judgments rendered by the coordinate Benches quoted *supra*, the contention that the agreement of sale is in violation of Section 61 of the Act or the compromise decree is vitiated on account of conditions in Section 61 is unacceptable. In that light, finding no merit in the petition, the petition deserves to be rejected. It is accordingly ***rejected***.

**Sd/-  
(M.NAGAPRASANNA)  
JUDGE**

bkp  
CT:MJ