[2025] 7 S.C.R. 190 : 2025 INSC 772

Vinod Infra Developers Ltd.
v.
Mahaveer Lunia & Ors.

(Civil Appeal No. 7109 of 2025)

23 May 2025

[J.B. Pardiwala and R. Mahadevan,* JJ.]

Issue for Consideration

Whether the High Court erred in rejecting the plaint filed by the appellant u/Or.VII, r.11, CPC, 1908.

Headnotes†

Code of Civil Procedure, 1908 – Or.VII, r.11 – Registration Act, 1908 – ss.17, 49, 23 – Transfer of Property Act, 1882 – s.54 – Appellant-company (owner of the subject property) filed suit for declaratory reliefs alleging that despite the revocation of the agreement to sell and the power of attorney authorising Respondent No.1 to sell the subject property, Respondent No.1 executed the impugned sale deeds in respect of the subject property – Respondents filed application u/Or.VII,r.11, dismissed by Trial Court – High Court allowed the application and rejected the plaint in its entirety – Interference with:

Held: A plaint cannot be rejected in its entirety merely because one of the prayers or reliefs sought is legally untenable, so long as other reliefs are maintainable and based on independent causes of action – Selective severance of reliefs is impermissible where different causes of action are independently pleaded and supported by distinct facts – High Court's wholesale rejection of the plaint without appreciating that the reliefs claimed flowed from multiple and distinct causes of action was an improper application of Or.VII, r.11 – On facts, serious triable issues arise which must be adjudicated by a competent civil court – Impugned order set aside, order of the trial court restored. [Paras 9.5, 9.6, 14]

Code of Civil Procedure, 1908 – Or.VII, r.11 – Rejection of plaint – Law with respect to, stated. [Para 8]

Rajasthan Tenancy Act, 1955 – s.207 – When not applicable – Plea of the respondents that u/s.207, suits relating to khatedari rights and recovery of possession based on tenancy or

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mortgage issues fall within the exclusive jurisdiction of the revenue courts and as the appellant themselves claimed to be khatedari tenants seeking restoration of such rights upon cancellation of the sale deeds hence, the suit lied outside the jurisdiction of the civil court:

Held: Issues relating to title of immovable property fall exclusively within the jurisdiction of civil courts and not revenue authorities – Revenue entries are administrative in nature and intended only for fiscal purposes – Issues raised in the plaint pertain to ownership, validity of sale deeds, and declaration of title, which are civil in nature and, therefore, triable exclusively by a civil court – In view of this, the applicability of s.207 which bars the jurisdiction of civil courts in matters relating to khatedari rights and recovery of possession based on tenancy does not arise in the present case – However, by rejecting the plaint and reversing the trial Court's well-reasoned order, the High Court assumed jurisdiction not vested in it at this preliminary stage committing a jurisdictional error. [Para 10]

Case Law Cited

Central Bank of India v. Prabha Jain, **2025 INSC 95 : [2025] 2 SCR 263;** *Suraj Bhan v. Financial Commissioner* **[2007] 5 SCR 155 : (2007) 6 SCC 186;** *Jitendra v. State of Madhya Pradesh and Others,* **2021 SCC OnLine SC 802;** *S. Kaladevi v. V.R. Somasundaram* **[2010] 4 SCR 515 : (2010) 5 SCC 401;** *Muruganandam v. Muniyandi (Died) through LRs,* **2025 SCC OnLine SC 1067;** *Suraj Lamp & Industries (P) Ltd. v. State of Haryana* **[2011] 11 SCR 848 : (2012) 1 SCC 656;** *Cosmos Co. Operative Bank Ltd v. Central Bank of India & Ors.,* **2025 SCC OnLine SC 352;** *Tajender Singh Ghambhir and Another v. Gurpreet Singh and Others* **[2014] 10 SCR 527 : (2014) 10 SCC 702 – relied on.**

Pyare Lal v. Shubhendra Pilania and Others **[2019] 1 SCR 717 : (2019) 3 SCC 692 – referred to.**

List of Acts

Code of Civil Procedure, 1908; Transfer of Property Act, 1882; Rajasthan Tenancy Act, 1955.

List of Keywords

Order VII Rule 11 of CPC; Rejection of plaint; Triable issues; Multiple and distinct causes of action; Independent causes

of action; Unregistered documents; Inadmissible in evidence; Power of attorney; Agreement to sell; Revocation of power of attorney; Impugned sale deeds executed; Competent civil court; Unregistered agreement to sell, Power of attorney; Security for the loan; Redeem the mortgaged property; Mutation; Revenue records; Transfer of ownership; Mortgage; Sections 17, 23 and 49 of the Registration Act, 1908; Suit for specific performance not filed; Jurisdiction of civil courts; Insufficient court fee; High Court assumed jurisdiction not vested in it; Preliminary stage, Jurisdictional error; Khatedari rights; Recovery of possession based on tenancy or mortgage.

Case Arising From

CIVIL APPELLATE JURISDICTION: Civil Appeal No. 7109 of 2025

From the Judgment and Order dated 31.01.2025 of the High Court of Judicature for Rajasthan at Jodhpur in SBCRP No. 99 of 2023

Appearances for Parties

Advs. for the Appellant:
C. Aryaman Sundaram, Dr. Manish Singhvi, Sr. Advs., Apurv Singhvi, Zafar Inayat, Ms. Shalini Haldar, D.K. Devesh.

Advs. for the Respondents:
Dr. Abhishek Singhvi, Sr. Adv., Sumit Chander, Yash Johri, Saransh Vij, Gurdeep Chauhan, Ms. Barnali Basak, Ms. Mahak Dua, Amit Agarwal, Nitin Mishra.

Judgment / Order of the Supreme Court

Judgment

R. Mahadevan, J.

Leave granted.

2. Aggrieved by the order dated 31.01.2025 passed by the High Court of Judicature for Rajasthan at Jodhpur[1] in S. B. Civil Revision Petition No. 99/2023, the appellant / plaintiff has preferred the present Civil Appeal. By the said order, the High Court allowed the Civil Revision

1 Hereinafter referred to as "the High Court"

Petition filed by Respondent Nos. 1 to 4, set aside the order dated 14.07.2023 passed by the Additional District Judge No. 7, Jodhpur, and rejected the plaint under Order VII Rule 11 of the Code of Civil Procedure, 1908 (**"CPC"**).

3. The facts of the case as projected by the appellant are as follows:

3.1. The appellant company claims to be the owner of the agricultural land purchased in the year 2013, comprising Khasra No.175, 175/2, 175/4, 175/5, 175/6, 175/7 admeasuring 18 bighas 15 biswas situated in Village Pal, District Jodhpur (**"subject property"**), and they obtained a loan of Rs.7,50,00,000/- from Respondent No.1. On 23.05.2014, the Board of Directors of the appellant company passed a resolution authorising their Managing Director Mr. Vinod Singhvi, and authorised representative Mr. Mahaveer Lunia (Respondent No.1), to sell the subject property. Pursuant to the said Board resolution, on 24.05.2014, Mr. Vinod Singhvi executed unregistered power of attorney and agreement to sell in favour of Respondent No.1, concerning the subject property.

3.2. Subsequently, on 12.08.2015, the original sale deeds through which the appellant company had purchased the subject property were impounded by the Collector of Stamps for insufficient stamp duty. The appellant company challenged this action by filing a revision petition before the Rajasthan Tax Board, which allowed the revision and remanded the matter to the Collector of Stamps for re-adjudication. In the meanwhile, the appellant company handed over the original documents pertaining to the suit property to the private respondents as security for the loan obtained by them.

3.3. In April, 2022, when the appellant company approached the private respondents to settle the loan and retrieve the original documents, the respondents failed to respond. Consequently, on 24.05.2022, the Board of Directors of the appellant company passed a resolution revoking the authority granted to Respondent No.1, thereby invalidating all the actions related thereto and declaring them as *non-est*. Accordingly, the power of attorney was also revoked on 27.05.2022.

3.4. Despite the same, Respondent No.1 executed sale deeds dated 13.07.2022 and 14.07.2022 which were registered on

19.07.2022 in his favour and Respondent Nos.2 to 4 in respect of the subject property. Based on these sale deeds, their names were also mutated in the revenue records.

3.5. Aggrieved, the appellant company instituted Original Civil Suit bearing No.122 of 2022 before the District Court, Jodhpur, against Respondent Nos.1 to 4, as well as concerned government authorities, and developer, seeking the reliefs of declaration, possession, and permanent injunction in respect of the subject property.

3.6. During the pendency of the aforesaid suit, Respondent Nos.1 to 4 filed an application under Order VII Rule 11 CPC seeking rejection of the plaint, which was dismissed by the Additional District Judge No.7, Jodhpur Metropolitan, by order dated 14.07.2023. Challenging this order, Respondent Nos.1 to 4 filed S.B. Civil Revision Petition No.99 of 2023 before the High Court, which was allowed by the impugned order dated 31.01.2025, thereby rejecting the plaint. Aggrieved by the same, the appellant has preferred this appeal before us.

4. The contentions of the learned counsel for the appellant are summarized as under:

4.1. The High Court erred in rejecting the plaint under Order VII Rule 11 CPC. It is settled law that a plaint can only be rejected if it is manifestly vexatious or does not disclose any right to sue. In the present case, the cause of action concerning the sale deeds dated 13.07.2022 and 14.07.2022 which were registered on 19.07.2022 subsequent to the cancellation of power of attorney, clearly raises triable issues of title and fraud, which cannot be dismissed as 'academic'.

4.2. The suit was based on two separate and distinct causes of action: (i) the unregistered agreement to sell dated 24.05.2014 being in the nature of a mortgage; and (ii)the execution of the sale deed(s) dated 13.07.2022 and 14.07.2022, which were registered on 19.07.2022, subsequent to the revocation of the power of attorney on 27.05.2022. The High Court erroneously treated the entire plaint as unsustainable based on the alleged invalidity of the first cause of action, without adjudicating upon the second.

4.3. The Board Resolution and the General Power of Attorney executed in favour of Respondent No.1 were revoked on 24.05.2022 and 27.05.2022, respectively. Hence, the execution of sale deeds thereafter is *non-est* in law and raises serious questions of validity, which must be tried by a civil court.

4.4. Under sections 17, 23 and 49 of the Registration Act, 1908, an unregistered agreement to sell is inadmissible in evidence for the purpose of transferring title. No steps were taken to register the agreement to sell dated 24.05.2014, nor was any suit for specific performance filed by the private respondents. Thus, the document has no legal sanctity in establishing ownership or rights in immovable property.

4.5. It is well settled that title to immovable property can only be adjudicated by a competent civil court and not by revenue authorities. Reliance was placed on ***Suraj Bhan v. Financial Commissioner***[2] and ***Jitendra v. State of Madhya Pradesh and Others***[3], wherein it was held that revenue entries are for fiscal purposes and do not confer title.

4.6. The appellant has specifically pleaded that the transaction represented by the agreement to sell was in fact a mortgage arrangement. This brings the case within the exceptions to Section 92 of the Indian Evidence Act, 1892 thereby permitting oral and extrinsic evidence to establish the true nature of the transaction.

4.7. The appellant was and remains willing to repay Rs. 19 crores in order to redeem the mortgaged property. The refusal of Respondent No. 1 to co-operate and his unilateral execution of sale deeds amounts to an infringement of the appellant's substantive rights.

4.8. The appellant relies on the decision of this Court in ***Central Bank of India v. Prabha Jain***[4], which holds that if even one cause of action in a plaint survives, the entire plaint must be tried. The doctrine of severance does not apply to reject an entire plaint based on a partial defect.

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2 (2007) 6 SCC 186

3 2021 SCC OnLine SC 802

4 2025 INSC 95

With these submissions, the learned counsel seeks to allow this appeal by setting aside the impugned order passed by the High Court and restoring the plaint to its original position on the file.

5. Per contra, the learned counsel for Respondent Nos.1 to 4 made the following submissions:

5.1. All documents executed between the parties, including the agreement to sell dated 24.05.2014, clearly reflect a sale transaction. There is no reference to a mortgage or loan in any document between 2014 and 2022. The claim that the transaction was a mortgage is an afterthought, introduced only at the time of filing the civil suit in November, 2022. Thus, the plaint discloses no cause of action, as the entire narrative is based on an unregistered agreement to sell.

5.2. The High Court rightly held that the plaint was drafted in a manner intended to abuse the judicial process by disguising a completed sale transaction as a mortgage and claiming reliefs without proper pleadings or court fee.

5.3. As per Section 207 of the Rajasthan Tenancy Act, 1955, suits relating to *khatedari* rights and recovery of possession based on tenancy or mortgage issues fall within the exclusive jurisdiction of the revenue courts. The appellant themselves claimed to be *khatedari* tenants seeking restoration of such rights upon cancellation of the sale deeds. Hence, the suit lies outside the jurisdiction of the civil court.

5.4. The appellant has merged the claim for redemption of mortgage into declaratory reliefs without separately praying for redemption or paying the necessary court fee. This improper pleading supports the High Court's conclusion that the suit is not maintainable.

5.5. Regarding mutation entries in the respondents' favour, it is submitted that once the sale deeds are validly executed and registered, the corresponding mutation is a natural administrative consequence.

5.6. The High Court's view is consistent with binding precedents including ***Pyare Lal v. Shubhendra Pilania and Others***[5],

5 (2019) 3 SCC 692

wherein, it was held that suits for declaration of *khatedari* rights must be adjudicated by revenue courts.

5.7. The High Court correctly exercised its jurisdiction under Order VII Rule 11 CPC in rejecting the plaint at the threshold, given the absence of a valid cause of action, jurisdictional infirmities, and procedural impropriety in the reliefs sought by the appellant.

Thus, the learned counsel submitted that the impugned order passed by the High Court does not warrant any interference by this Court.

6. We have heard the learned counsel appearing for both sides and perused the materials available on record.

7. Seemingly, the appellant, claiming ownership of the subject property (agricultural land), instituted a suit for declaratory reliefs, primarily asserting that despite the revocation of the power of attorney, Respondent No.1 proceeded to execute sale deeds in respect of the subject property. Elaborating further, the appellant stated that they had borrowed Rs. 7,50,00,000/- from Respondent No. 1 in May, 2014. In connection with this loan, the appellant executed a board resolution, a power of attorney, and an agreement to sell in favour of Respondent No. 1, which were all unregistered documents. The appellant contended that these documents were not intended to effect transfer of ownership, but were executed as security for the loan, thereby constituting a mortgage in substance, and that, the board resolution and power of attorney were revoked on 24.05.2022 and 27.05.2022 respectively. It was further stated that the appellant is ready and willing to repay Rs. 19 crores to redeem the property. The appellant also sought a declaration that the sale deeds dated 13.07.2022 and 14.07.2022 (registered on 19.07.2022) executed by Respondent No. 1 in his favour and in favour of Respondent Nos. 2 to 4, are void and ineffective, having been executed on the basis of the revoked instruments. Further, a decree for possession was prayed for, along with a permanent injunction restraining Respondent Nos. 1 to 4 and Respondent No. 7 (developer) from alienating, altering, or undertaking any construction or agricultural activity on the property.

7.1. During the pendency of the suit, Respondent Nos. 1 to 4 filed an application under Order VII Rule 11 CPC seeking rejection of the plaint on the grounds that it disclosed no cause of action, no mortgage existed, the valuation was incorrect, and the requisite court fee had not been paid.

7.2. The trial Court (Additional District Judge, Jodhpur) dismissed the Order VII Rule 11 application, holding that triable issues were raised. However, the High Court allowed the application and rejected the plaint in its entirety, resulting in the present appeal.

8. The position of law is that rejection of a plaint under Order VII Rule 11 CPC is permissible only when the plaint, on its face and without considering the defence, fails to disclose a cause of action, is barred by any law, is undervalued, or is insufficiently stamped. At this preliminary stage, the court is required to confine its examination strictly to the averments made in the plaint and not venture into the merits or veracity of the claims. If any triable issues arise from the pleadings, the suit cannot be summarily rejected. Keeping in mind this settled principle of law, we proceed to examine whether the High Court was justified in rejecting the plaint under Order VII Rule 11 CPC.

9. Admittedly, the appellant is the owner of the subject property. As stated in the plaint, the appellant received Rs. 7.5 crores from Respondent No. 1 in 2014 through cheques, in consideration of which, unregistered power of attorney and agreement to sell were executed, purportedly based on a board resolution. Subsequently, those documents were revoked by the appellant on 24.05.2022 and 27.05.2022 respectively. Despite the revocation and the fact that the documents were unregistered, Respondent No. 1 executed sale deeds on 13.07.2022 and 14.07.2022, which were registered on 19.07.2022, in his favour and in favour of Respondent Nos. 2 to 4. As per the settled law, in the absence of registration, such documents do not confer valid authority to transfer title. Sections 17 and 49 of the Registration Act, 1908, clearly state that unregistered documents required to be registered are inadmissible in evidence for the purpose of conveying title or completing a sale transaction, and can only be admitted for collateral purposes or in a suit for specific performance. This legal position has been well established in ***S. Kaladevi v. V.R. Somasundaram***[6]*,* wherein, it was held as follows:

> *"10. Section 17 of the 1908 Act is a disabling section. The documents defined in clauses (a) to (e) therein require registration compulsorily. Accordingly, sale*

6 (2010) 5 SCC 401

of immovable property of the value of Rs.100 and more requires compulsory registration. Part X of the 1908 Act deals with the effects of registration and non- registration.

11. Section 49 gives teeth to Section 17 by providing effect of non-registration of documents required to be registered. Section 49 reads thus:

"S.49. Effect of non-registration of documents required to be registered.- No document required by Section 17 or by any provision of the Transfer of Property Act, 1882 (4 of 1882), to be registered shall-

(a) affect any immovable property comprised therein, or

(b) confer any power to adopt, or

(c) be received as evidence of any transaction affecting such property or conferring such power,

unless it has been registered:

Provided that an unregistered document affecting immovable property and required by this Act or the Transfer of Property Act, 1882 (4 of 1882), to be registered may be received as evidence of a contract in a suit for specific performance under Chapter II of the Specific Relief Act, 1877 (1 of 1877), or as evidence of any collateral transaction not required to be effected by registered instrument."

12. The main provision in Section 49 provides that any document which is required to be registered, if not registered, shall not affect any immovable property comprised therein nor such document shall be received as evidence of any transaction affecting such property. The proviso, however, would show that an unregistered document affecting immovable property and required by the 1908 Act or the Transfer of Property Act, 1882 to be registered may be received as an evidence to the contract in a suit for specific performance or as evidence of any

collateral transaction not required to be effected by registered instrument. By virtue of proviso, therefore, an unregistered sale deed of an immovable property of the value of Rs.100 and more could be admitted in evidence as evidence of a contract in a suit for specific performance of the contract. Such an unregistered sale deed can also be admitted in evidence as an evidence of any collateral transaction not required to be effected by registered document. When an unregistered sale deed is tendered in evidence, not as evidence of a completed sale, but as proof of an oral agreement of sale, the deed can be received in evidence making an endorsement that it is received only as evidence of an oral agreement of sale under the proviso to Section 49 of the 1908 Act.

13. Recently in K.B. Shah and Sons (P) Ltd v. Development Consultant Ltd, this Court noticed the following statement of Mulla in his Indian Registration Act, (7th Edn., at p. 189):

"The High Courts of Calcutta, Bombay, Allahabad, Madras, Patna, Lahore, Assam, Nagpur, Pepsu, Rajasthan, Orissa, Rangoon and Jammu & Kashmir; the former Chief Court of Oudh; the Judicial Commissioner's Court of Peshawar, Ajmer and Himachal Pradesh and the Supreme Court have held that a document which requires registration under Section 17 and which is not admissible for want of registration to prove a gift or mortgage or sale or lease is nevertheless admissible to prove the character of the possession of the person who holds under it....."

This Court then culled out the following principles: (K.B. Saha Case, SCC p. 577, para 34)

"1. A document required to be registered, if unregistered is not admissible into evidence under Section 49 of the Registration Act.

2. Such unregistered document can however be used as an evidence of collateral purpose as provided in the proviso to Section 49 of the Registration Act.

3. A collateral transaction must be independent of, or divisible from, the transaction to effect which the law required registration.

4. A collateral transaction must be a transaction not itself required to be effected by a registered document, that is, a transaction creating, etc. any right, title or interest in immovable property of the value of one hundred rupees and upwards.

5. If a document is inadmissible in evidence for want of registration, none of its terms can be admitted in evidence and that to use a document for the purpose of proving an important clause would not be using it as a collateral purpose."

To the aforesaid principles, one more principle may be added, namely, that a document required to be registered, if unregistered, can be admitted in evidence as evidence of a contract in a suit for specific performance."

The aforementioned decision was followed by this Court in ***Muruganandam v. Muniyandi (Died) through LRs***[7], wherein the following passage is pertinent:

"9. Having considered the matter in detail, we are of the opinion that the prayer of the appellant in the interlocutory application falls under proviso to Section 49 of the Registration Act which provides that an unregistered document affecting immovable property may be received as evidence of a contract in a suit for specific performance. The proviso also enables the said document to be received in evidence of a collateral transaction. Section 49 reads as follows:

"49. Effect of non-registration of documents required to be registered.- No document required by section 17 [or by any provision of the Transfer of Property Act, 1882, to be registered shall –

7 2025 SCC OnLine SC 1067

(a)affect any immovable property comprised therein, or

(b)confer any power to adopt, or

(c)be received as evidence of any transaction affecting such property or conferring such power, unless it has been registered:

Provided that an unregistered document affecting immovable property and required by this Act or the Transfer of Property Act, 1882 to be registered may be received as evidence of a contract in a suit for specific performance under Chapter II of the Specific Relief Act, 1877 or as evidence of any collateral transaction not required to be effected by registered instrument."

10. In Kaladevi (supra), this Court has held that an unregistered document may be received as evidence of a contract in a suit seeking specific performance. …"

In the present case, Respondent No.1 has not instituted any suit for specific performance. Moreover, the power of attorney relied upon was unregistered and had already been revoked prior to the execution of the sale deeds. Therefore, Respondent No.1 cannot rely on the unregistered documents to assert any proprietary rights and had no valid authority to execute the impugned sale deeds.

9.2. Additionally, Section 54 of the Transfer of Property Act, 1882, categorically provides that a contract for the sale of immovable property does not, by itself, create any interest in or charge on such property. In the present case, the appellant has contended that the agreement to sell dated 24.05.2014 was, in substance, a transaction executed as security for the loan amount received from Respondent No. 1, and was effectively in the nature of a mortgage, and they are now ready and willing to repay the loan amount and redeem the mortgaged property. As already stated, the agreement to sell, power of attorney, and other connected documents relied upon by Respondent No. 1 were unregistered, and therefore, in law, cannot confer any title,

interest, or ownership rights in respect of the subject property. It is also significant to note that these documents were expressly revoked by the appellant on 24.05.2022 and 27.05.2022 – prior to the execution of the impugned sale deeds. Moreover, Respondent No. 1 has not filed any suit for specific performance of the alleged agreement to sell, which further renders his claim untenable. In the absence of a suit for specific performance, the agreement to sell cannot be relied upon to claim ownership or to assert any transferable interest in the property. This legal position has been conclusively laid down by this Court in ***Suraj Lamp & Industries (P) Ltd. v. State of Haryana***[8], wherein, it was held that unregistered agreements to sell, even if coupled with possession, do not convey title or create any interest in the immovable property. It was further clarified that such documents are insufficient to complete a sale unless duly registered and followed by appropriate conveyance. The relevant paragraphs of the said judgment are extracted below:

> *"16. Section 54 of TP Act makes it clear that a contract of sale, that is, an agreement of sale does not, of itself, create any interest in or charge on such property. This Court in Narandas Karsondas v. S.A. Kamtam and Anr. (1977) 3 SCC 247, observed: (SCC pp.254-55, paras 32-33 & 37)*
>
> > *"32. A contract of sale does not of itself create any interest in, or charge on, the property. This is expressly declared in Section 54 of the Transfer of Property Act. See Rambaran Prasad v. Ram Mohit Hazra [1967]1 SCR 293. The fiduciary character of the personal obligation created by a contract for sale is recognised in Section 3 of the Specific Relief Act, 1963, and in Section 91 of the Trusts Act. The personal obligation created by a contract of sale is described in Section 40 of the Transfer of Property Act as an obligation arising out of*

8 (2012) 1 SCC 656

contract and annexed to the ownership of property, but not amounting to an interest or easement therein.

33. In India, the word `transfer' is defined with reference to the word `convey'. The word `conveys' in Section 5 of Transfer of Property Act is used in the wider sense of conveying ownership...

37....that only on execution of conveyance, ownership passes from one party to another...."

17. In Rambhau Namdeo Gajre v. Narayan Bapuji Dhotra [2004 (8) SCC 614] this Court held:

"10. Protection provided under Section 53-A of the Act to the proposed transferee is a shield only against the transferor. It disentitles the transferor from disturbing the possession of the proposed transferee who is put in possession in pursuance to such an agreement. It has nothing to do with the ownership of the proposed transferor who remains full owner of the property till it is legally conveyed by executing a registered sale deed in favour of the transferee. Such a right to protect possession against the proposed vendor cannot be pressed in service against a third party."

18. It is thus clear that a transfer of immovable property by way of sale can only be by a deed of conveyance (sale deed). In the absence of a deed of conveyance (duly stamped and registered as required by law), no right, title or interest in an immovable property can be transferred.

19. Any contract of sale (agreement to sell) which is not a registered deed of conveyance (deed of sale) would fall short of the requirements of Sections 54 and 55 of the TP Act and will not confer any title nor

transfer any interest in an immovable property (except to the limited right granted under Section 53-A of the TP Act). According to the TP Act, an agreement of sale, whether with possession or without possession, is not a conveyance. Section 54 of the TP Act enacts that sale of immovable property can be made only by a registered instrument and an agreement of sale does not create any interest or charge on its subject-matter.

Scope of power of attorney

20. A power of attorney is not an instrument of transfer in regard to any right, title or interest in an immovable property. The power of attorney is creation of an agency whereby the grantor authorizes the grantee to do the acts specified therein, on behalf of grantor, which when executed will be binding on the grantor as if done by him (see section 1A and section 2 of the Powers of Attorney Act, 1882). It is revocable or terminable at any time unless it is made irrevocable in a manner known to law. Even an irrevocable attorney does not have the effect of transferring title to the grantee.

21. In State of Rajasthan v. Basant Nehata [2005 (12) SCC 77], this Court held:

"13. A grant of power of attorney is essentially governed by Chapter X of the Contract Act. By reason of a deed of power of attorney, an agent is formally appointed to act for the principal in one transaction or a series of transactions or to manage the affairs of the principal generally conferring necessary authority upon another person. A deed of power of attorney is executed by the principal in favour of the agent. The agent derives a right to use his name and all acts, deeds and things done by him and subject to the limitations contained in the said deed, the same shall be read as if done by the donor. A power of attorney is, as is well known, a document of convenience.

…

52. Execution of a power of attorney in terms of the provisions of the Contract Act as also the Powers of Attorney Act is valid. A power of attorney, we have noticed hereinbefore, is executed by the donor so as to enable the donee to act on his behalf. Except in cases where power of attorney is coupled with interest, it is revocable. The donee in exercise of his power under such power of attorney only acts in place of the donor subject of course to the powers granted to him by reason thereof. He cannot use the power of attorney for his own benefit. He acts in a fiduciary capacity. Any act of infidelity or breach of trust is a matter between the donor and the donee."

An attorney holder may however execute a deed of conveyance in exercise of the power granted under the power of attorney and convey title on behalf of the grantor.

Scope of Will

22. A will is the testament of the testator. It is a posthumous disposition of the estate of the testator directing distribution of his estate upon his death. It is not a transfer inter vivos. The two essential characteristics of a will are that it is intended to come into effect only after the death of the testator and is revocable at any time during the life time of the testator. It is said that so long as the testator is alive, a will is not be worth the paper on which it is written, as the testator can at any time revoke it. If the testator, who is not married, marries after making the will, by operation of law, the will stands revoked. (see sections 69 and 70 of Indian Succession Act, 1925). Registration of a will does not make it any more effective.

Conclusion

23. Therefore, a SA/GPA/WILL transaction does not convey any title nor create any interest in an immovable property. The observations by the Delhi

High Court, in Asha M. Jain v. Canara Bank [94 (2001) DLT 841], that the "concept of power of attorney sales have been recognized as a mode of transaction" when dealing with transactions by way of SA/GPA/ WILL are unwarranted and not justified, unintendedly misleading the general public into thinking that SA/ GPA/WILL transactions are some kind of a recognized or accepted mode of transfer and that it can be a valid substitute for a sale deed. Such decisions to the extent they recognize or accept SA/GPA/WILL transactions as concluded transfers, as contrasted from an agreement to transfer, are not good law.

24. We therefore reiterate that immovable property can be legally and lawfully transferred/conveyed only by a registered deed of conveyance. Transactions of the nature of `GPA sales' or `SA/GPA/WILL transfers' do not convey title and do not amount to transfer, nor can they be recognized or valid mode of transfer of immoveable property. The courts will not treat such transactions as completed or concluded transfers or as conveyances as they neither convey title nor create any interest in an immovable property. They cannot be recognized as deeds of title, except to the limited extent of section 53-A of the TP Act. Such transactions cannot be relied upon or made the basis for mutations in Municipal or Revenue Records. What is stated above will apply not only to deeds of conveyance in regard to freehold property but also to transfer of leasehold property. A lease can be validly transferred only under a registered assignment of lease. It is time that an end is put to the pernicious practice of SA/GPA/WILL transactions known as GPA sales."

9.3. This Court reaffirmed the same position in ***Cosmos Co. Operative Bank Ltd v. Central Bank of India & Ors***[9], where it was reiterated that title and ownership of immovable property

9 2025 SCC OnLine SC 352

can only be conveyed by a registered deed of sale. The following observations are significant:

> *"25. The observations made by this Court in Suraj Lamp (supra) in paras 16 and 19 are also relevant.*
>
> *.....*
>
> *26. Suraj Lamp (supra) later came to be referred to and relied upon by this Court in Shakeel Ahmed v. Syed Akhlaq Hussain, 2023 SCC OnLine SC 1526 wherein the Court after referring to its earlier judgment held that the person relying upon the customary documents cannot claim to be the owner of the immovable property and consequently not maintain any claims against a third-party. The relevant paras read as under:—*
>
> *"10. Having considered the submissions at the outset, it is to be emphasized that irrespective of what was decided in the case of Suraj Lamps and Industries (supra) the fact remains that no title could be transferred with respect to immovable properties on the basis of an unregistered Agreement to Sell or on the basis of an unregistered General Power of Attorney. The Registration Act, 1908 clearly provides that a document which requires compulsory registration under the Act, would not confer any right, much less a legally enforceable right to approach a Court of Law on its basis. Even if these documents i.e. the Agreement to Sell and the Power of Attorney were registered, still it could not be said that the respondent would have acquired title over the property in question. At best, on the basis of the registered agreement to sell, he could have claimed relief of specific performance in appropriate proceedings. In this regard, reference may be made to sections 17 and 49 of the Registration Act and section 54 of the Transfer of Property Act, 1882.*
>
> *11. Law is well settled that no right, title or interest in immovable property can be conferred without a*

registered document. Even the judgment of this Court in the case of Suraj Lamps & Industries (supra) lays down the same proposition. Reference may also be made to the following judgments of this Court:

(i). Ameer Minhaj v. Deirdre Elizabeth (Wright) Issar (2018) 7 SCC 639

(ii). Balram Singh v. Kelo Devi Civil Appeal No. 6733 of 2022

(iii). Paul Rubber Industries Private Limited v. Amit Chand Mitra, SLP(C) No. 15774 of 2022.

12. The embargo put on registration of documents would not override the statutory provision so as to confer title on the basis of unregistered documents with respect to immovable property. Once this is the settled position, the respondent could not have maintained the suit for possession and mesne profits against the appellant, who was admittedly in possession of the property in question whether as an owner or a licensee.

13. The argument advanced on behalf of the respondent that the judgment in Suraj Lamps & Industries (supra) would be prospective is also misplaced. The requirement of compulsory registration and effect on non-registration emanates from the statutes, in particular the Registration Act and the Transfer of Property Act. The ratio in Suraj Lamps & Industries (supra) only approves the provisions in the two enactments. Earlier judgments of this Court have taken the same view."

9.4. Furthermore, in *M.S. Ananthamurthy v. J. Manjula,* this Court undertook a comprehensive analysis of the statutory provisions and precedents, and reaffirmed that an unregistered agreement to sell does not and cannot by itself create or transfer any right, title, or interest in immovable property. The following paragraphs are pertinent in this regard:

"47. 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. In Suraj Lamp (supra) this Court had reiterated that an agreement to sell does not meet the requirements of Sections 54 and 55 of the TPA to effectuate a 'transfer'.

…

51. Section 17(1)(b) prescribes that any document which purports or intends to create, declare, assign, limit or extinguish any right, title or interest, whether vested or contingent, of the value of one hundred rupees and upwards to or in immovable property is compulsorily registerable. Whereas, section 49 prescribes that the documents which are required to be registered under Section 17 will not affect any immovable property unless it has been registered.

….

53. Even from the combined reading of the POA and the agreement to sell, the submission of the appellants fails as combined reading of the two documents would mean that by executing the POA along with agreement to sell, the holder had an interest in the immovable property. If interest had been transferred by way of a written document, it had to be compulsorily registered as per Section 17(1)(b) of the Registration Act. The law recognizes two modes of transfer by sale, first, through a registered instrument, and second, by delivery of property if its value is less than Rs. 100/-."

Accordingly, it is abundantly clear that the unregistered agreement to sell dated 24.05.2014 cannot, under any circumstance, create or convey any right, title or interest in favour of Respondent No.1 under Section 54 of the Transfer of Property Act, 1882. The subsequent revocation of authority further nullifies any claim to title based on such documents.

9.5. Furthermore, Section 23 of the Registration Act mandates that any document required to be registered must be presented for

registration within four months from the date of its execution. This requirement has not been fulfilled in the present case, as the power of attorney and the agreement to sell, both executed in 2014, remain unregistered. Despite the execution of the agreement to sell on 24.05.2014, no attempt was made by Respondent No.1 to have it registered within the stipulated period. This inaction further supports the appellant's contention that the said agreement is not only inadmissible under Sections 17 and 49 of the Act, but also legally ineffective due to non-compliance with the mandatory requirement of timely registration. The failure to seek specific performance or register the document within the period prescribed under Section 23 renders the foundational document unenforceable in law. That apart, the revocation of the Board Resolution and Power of Attorney prior to the execution of the impugned sale deeds vitiates the authority under which those deeds were executed by Respondent No.1. Accordingly, serious triable issues arise, which must be adjudicated by a competent civil court.

9.6. However, the High Court erred in treating the second cause of action – pertaining to the sale deeds registered on 19.07.2022 – as merely "academic", and proceeded to reject the plaint in its entirety without undertaking a judicial examination of this distinct issue. This approach is contrary to the well settled legal principle that a plaint may be rejected under Order VII Rule 11 CPC only if, on a plain reading of the plaint, it discloses no cause of action or falls within the other narrowly defined grounds under the said provision, such as under-valuation, insufficient court fees, or bar by any law. In this context, we may place reliance on the judgment in *Central Bank of India* (supra), wherein, this Court while examining the jurisdiction of civil courts in disputes involving immovable property and proceedings under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, held that a plaint cannot be rejected in its entirety merely because one of the prayers or reliefs sought is legally untenable, so long as other reliefs are maintainable and based on independent causes of action. The relevant paragraphs are extracted below:

"15. The plaintiff in her suit has prayed for 3 reliefs:

a) The first relief is in relation to a sale deed executed by Sumer Chand Jain in favour of Parmeshwar Das Prajapati.

b) The second relief is in relation to a mortgage deed executed by Parmeshwar Das Prajapati in favour of the bank.

c) The third relief is for being handed over the possession of the suit property.

24. Even if we would have been persuaded to take the view that the third relief is barred by Section 17(3) of the SARFAESI Act, still the plaint must survive because there cannot be a partial rejection of the plaint under Order VII, Rule 11 of the CPC. Hence, even if one relief survives, the plaint cannot be rejected under Order VII, Rule 11 of the CPC. In the case on hand, the first and second reliefs as prayed for are clearly not barred by Section 34 of the SARFAESI ACT and are within the civil court's jurisdiction. Hence, the plaint cannot be rejected under Order VII Rule 11 of the CPC.

25. If the civil court is of the view that one relief (say relief A) is not barred by law but is of the view that Relief B is barred by law, the civil court must not make any observations to the effect that relief B is barred by law and must leave that issue undecided in an Order VII, Rule 11 application. This is because if the civil court cannot reject a plaint partially, then by the same logic, it ought not to make any adverse observations against relief B."

Therefore, the High Court's wholesale rejection of the plaint, without appreciating that the reliefs claimed flowed from multiple and distinct causes of action – particularly one arising after the revocation of the power of attorney – amounts to an improper application of Order VII Rule 11 CPC. Selective severance of reliefs is impermissible where different causes of action are independently pleaded and supported by distinct facts.

9.7. Although the private respondents contend that the power of attorney was notarized, a consent letter was executed, and the transaction was reflected in the income tax records – while also asserting possession over the subject property and alleging that the suit was instituted merely to harass and disturb such possession – these are all matters that require adjudication during trial. Such factual disputes cannot be resolved at the stage of considering an application under Order VII Rule 11 CPC. Therefore, these contentions, even if raised, do not furnish a valid ground for rejection of the plaint at the threshold.

10. The appellant further contends that the mutation of the respondents' names in the revenue records, based on disputed sale deeds, cannot be treated as conclusive proof of title, which is a matter for adjudication by a competent civil court. It is well settled that issues relating to title of immovable property fall exclusively within the jurisdiction of civil courts and not revenue authorities. Revenue entries are administrative in nature and intended only for fiscal purposes. This position has been consistently upheld by this court, including in *Suraj Bhan v. Financial Commissioner* and *Jitendra v. State of Madhya Pradesh (surpa).* It is also to be reiterated that the issues raised in the plaint pertain to ownership, validity of sale deeds, and declaration of title, which are civil in nature and, therefore, triable exclusively by a civil court. In view of this, the applicability of Section 207 of the Rajasthan Tenancy Act, 1955 – which bars the jurisdiction of civil courts in matters relating to khatedari rights and recovery of possession based on tenancy – does not arise in the present case. However, by rejecting the plaint and reversing the trial Court's well-reasoned order, the High Court assumed jurisdiction not vested in it at this preliminary stage, thereby committing a jurisdictional error.

11. Another contention raised by the appellant is that the suit cannot be dismissed merely on the ground of insufficient court fee. The law mandates that the plaintiff be afforded an opportunity to rectify such deficiency. Only upon failure to comply, can the plaint be rejected. This principle was affirmed by a three-Judge Bench of this Court in ***Tajender Singh Ghambhir and another v. Gurpreet Singh and Others***[10], wherein, it was held as follows:

10 (2014) 10 SCC 702

"7. While referring to the provisions of sub-sections (2) and (3) of Section 6, we shall refer to "plaint" which for the purposes of this discussion may be read to include "memorandum of appeal" as well. Sub-section (2) of section 6 provides that in plaint in which sufficient court fee has not been paid, such plaint shall not be acted upon unless the plaintiff makes good the deficiency in court fee within such time as may from time to time be fixed by the court. Sub-section (3) provides that if a question of deficiency in court fee in respect of any plaint is raised and the court finds that the court fee paid is insufficient, it shall ask the plaintiff to make good the deficiency within the time which may be granted and in case of default, the plaint shall be rejected. The main provision of sub-section (3) mandates the court to record a finding whether court fee paid is sufficient on the question being raised by the officer concerned under section 24-A. It further provides that in answer to that question if the court finds that court fee paid is deficient, the court may allow the plaintiff to make up that deficiency within time so fixed by the court. Then there is a proviso appended to sub-section (3) which provides that the court may, for sufficient reasons to be recorded, proceed with the suit if security is given by the plaintiff for payment of the deficiency in court fee within time that may be granted by the court. It, however, requires the court not to deliver the judgment till such time deficiency is not recovered and if the deficiency in court fee is not made good within such time as the court may from time to time allow, the court may dismiss the suit or appeal.

8. The scheme of the above provisions is clear. It casts duty on the court to determine as to whether or not court fee paid on the plaint is deficient and if the court fee is found to be deficient, then give an opportunity to the plaintiff to make up such deficiency within the time that may be fixed by the court. The important thread that runs through sub-sections (2) and (3) of section 6 of the 1870 Act is that for payment of court fee, time must be granted by the court and if despite the order of the court, deficient court fee is not paid, then consequence as provided therein must follow."

12. Furthermore, the contention of the private respondents that the appellant handed over the impounded documents, based on which the sale deeds were executed and mutation effected, are again factual matters to be examined at trial and not at the stage of Order VII Rule 11 CPC. That apart, the decisions relied upon by the respondents are of no assistance as they are factually distinguishable.

13. In light of the above, we find that the trial court rightly held that the issues are triable and that the application filed under Order VII Rule 11 CPC was without merit. In contrast, the High Court erred in overturning this finding and rejecting the plaint in its entirety.

14. Accordingly, the appeal is allowed. The impugned order of the High Court is set aside, and the order of the Additional District Judge is restored. Consequently, the plaint is directed to be taken on the file of the trial Court, which shall proceed with the suit in accordance with law, uninfluenced by any observations made in this judgment. The parties shall bear their own costs.

15. Connected Miscellaneous Application(s), if any, shall stand closed.

Result of the case: Appeal allowed.

†*Headnotes prepared by:* Divya Pandey