

**IN THE SUPREME COURT OF INDIA
CIVIL APPELLATE JURISDICTION
CIVIL APPEAL NO..... OF 2025**

@ ARISING OUT OF SLP(C) NO.5732/2025

SRI BOYENEPALLY

SRIJAYAVARDHAN

...APPELLANT

VERSUS

V. NIRUPAMA REDDY

& ORS.

...RESPONDENTS

ORDER

1. Leave granted.
2. The Plaintiff-Appellant before this Court is assailing the correctness of the judgment and order dated 10.01.2025 passed by the Division Bench of the Telangana High Court, whereby the Appeal Suit No.19 of 2024 preferred by the Appellant assailing the order passed by the Trial Court dated 30.10.2023 rejecting the plaint instituted by the Appellant under Order VII Rule 11 of the Code of Civil Procedure, 1908¹ has been dismissed.
3. The facts relevant for proper adjudication of the appeal are as follows:

¹ For short "CPC"

3.1. The dispute relates to the following property described in Schedule A and B of the plaint.

“PLAINT-A SCHEDULE PROPERTY

All that the agriculture lands to an extent of Ac.15-03 Gts., out of Sy. No.49, situated at Raikunta Maktha, Golkonda Kalan Village, Shamshabad Mandal, Ranga Reddy District, Telangana and bounded by:

North: Lands in Sy. No.21
South: Lands in Sy. No.48
East: Lands in Sy. No.45
West: Lands in Sy. No.50

PLAINT – B SCHEDULE PROPERTY

All that the agriculture lands to an extent of Ac.71-07 Gts., out of Sy. Nos. 45, 44, 43, 33, 36 and 35, situated at Raikunta Maktha, Golkonda Kalan village, Shamshabad Mandal, Ranga Reddy District, Telangana and bounded by:

North: 30 Feet Wide Road
South: Lands in Sy. Nos.46,41,42 and Neighbours
East: Sy. No.34 & 35
West: Sy. No.49 & 42”

3.2. Schedule ‘A’ Property was purchased by the father of the Defendant No.1 (Respondent No.6 herein) namely L.V. Subba Reddy under registered sale deed dated 01.08.1969 bearing document no.552 of 1969, whereas Schedule B property was purchased under a registered sale deed of even date by the mother of the Respondent No.6 namely L. Ammani Reddy

bearing document no.550 of 1969. Respondent No.6, being the only child of her parents, was their sole legal heir. Upon the death of her mother in 2004 and father in 2010, she inherited Schedule A and Schedule B properties and became the absolute owner.

- 3.3. Respondent No.6 was in need of money to clear her debts payable to M/s Shriram City Union Finance Limited, Vara Prasad Complex, Trunk Road, Ongole, Prakasham District and to other individuals as well as for her personal needs. She agreed to sell Schedule A and Schedule B properties to the Appellant for a total sale consideration of Rs. 4,00,00,000/- (Rupees Four Crores Only). An agreement to sell was executed *inter se* parties on 23.08.2018 and at that stage, the Appellant paid an amount of Rs. 8,00,000/- (Rupees Eight Lakhs Only) as advance by way of cheque dated 23.08.2018 drawn on Axis Bank. The copy of the agreement to sell is filed as Annexure-P15. It would be relevant to note here that the agreement to sell did not contain any timeline for payment of the balance consideration and execution of the sale-deed.

- 3.4. Subsequently, the Appellant paid an additional amount Rs.2,00,000/- (Rupees Two Lakh Only) vide cheque dated 27.10.2018 drawn on HDFC Bank and a further sum of Rs.2,00,000/- (Rupees Two Lakh Only) vide cheque dated 02.01.2019 drawn on the Axis Bank. The said amounts have been accepted by Respondent No.6. Thus, total advance money paid was Rs.12,00,000/- (Rupees Twelve Lakhs only).
- 3.5. The Appellant, vide notice dated 18.05.2023 issued through his advocate, called upon Respondent No.6 to receive the balance sale consideration and to execute the sale deed or any other document conveying title to him and deliver vacant physical possession of the Plaint Schedule A and Schedule B properties. The notice contained all other necessary ingredients including the Appellant's willingness to bear the expenses of the execution and the registration of the sale deed.
- 3.6. On 05.06.2023, the Appellant again requested the Respondent No.6 for execution of the sale deed when he was informed that she had entered into an understanding with the third parties being Defendant Nos. 2 to 6 (Respondent Nos.1 to 5) and a separate understanding with Defendant No.7, who

has since died, and not a party to the proceedings before this Court. This understanding had been entered into by way of a compromise in two separate suits for permanent injunction instituted by Respondent Nos.1 to 5 and Defendant No.7 separately registered as O.S. No.42 of 2014 and O.S. No.43 of 2014, before the Civil Court in Ranga Reddy District. Based on the understanding between the parties to the suit, a compromise decree was drawn on 02.01.2023. Accordingly, Respondent No.6 denied to comply with the terms of the contract under the agreement to sell dated 23.08.2018.

- 3.7. The Appellant, having had no knowledge of the two suits of 2014, wherein the compromise decree had been passed, upon learning the same collected the relevant documents and thereafter instituted a suit for specific performance of contract based on the agreement dated 23.08.2018 and impleaded the Respondent No.6 as Defendant No.1, Respondent Nos.1 to 5 as Defendant Nos.2 to 6 and the Defendant No.7 who was plaintiff in O.S. No.43 of 2014. The above suit was registered as O.S. No.414 of 2023 in the Court of 10th Additional District

Judge, Ranga Reddy. The reliefs claimed in the said suit were:

“Prayer:

Hence prayed to decree the plaintiffs suit as follows:

- a) That the Defendants No.1 to 7 be directed to execute a registered sale deed/s in favor of the plaintiff or his nominee(s) in respect of plaint A and B Schedule properties.
- b) That in the event of the defendants No.1 to 7 failing to execute a register sale deed/s in favor of the plaintiff or his nominee(s), in respect of the plaint A & B schedule properties, the Hon’ble Court may be pleased to execute the sale deed/s in favor of the plaintiff or his nominee(s) and get the same registered, as provided under law.
- c) That the defendants No.1 to 7 be further directed to deliver the possession of plaint A & B Schedule properties to the plaintiff.
- d) That the defendants No.1 to 7 may be permanently restrained from alienating or creating third party interests in respect of the Plaint A & B schedule properties, to any other.
- e) That the compromise decree/s passed in O.S. No.42 /2014 and O.S. No.43/2014 on the file of Hon’ble X Additional District and Sessions Judge, Ranga Reddy District may be cancelled.
- f) Costs of the suit may be awarded.

- g) Any other alternative relief or additional relief to which the plaintiff is entitled, may be awarded.”

3.8. Respondent Nos. 1 to 5 filed an application praying for rejection of plaint under Order VII Rule 11 CPC, primarily on the grounds that:

- i. there was no privity of contract between the Appellant and Respondent Nos.1 to 5 as such no relief could have been claimed against them;
- ii. the compromise decree declaring Respondent Nos.1 to 5 to be the owners in possession of the plaint Schedule properties, was between Respondent Nos.1 to 5 and Respondent No.6 in the said proceedings;
- iii. the Appellant was not a party and therefore he could not have applied for cancellation of the said compromise decree which would be barred under Order XXIII Rule 3A CPC;
- iv. Respondent Nos.1 to 5 had instituted the suit prior to the agreement to sell and therefore had not acquired any right subsequent to the agreement to sell;

- v. No relief could be claimed to execute sale deed in favor of the Plaintiff by Respondent Nos.1 to 5.
- vi. In view of the above, it was alleged that no cause of action arose for instituting the suit and therefore the plaint was liable to be rejected.

3.9. The appellant filed his objections to the said application under Order VII Rule 11 CPC. The Trial Court, *vide* order dated 30.10.2023, rejected the objections of the appellant and allowed the application under Order VII Rule 11 CPC resulting into rejection of the plaint, on the following findings:

- a) The plaint lacked pleadings as to the maintainability of the relief for directing the Defendant 2-6 to execute registered sale deed in favor of the plaintiff.
- b) That there was no pleading for justifying specific performance of the agreement of sale.

3.10. Aggrieved by the aforesaid order, the Appellant preferred an appeal before the High Court which was registered as Appeal Suit No.19 of 2024. The High Court, by the impugned order, has dismissed the appeal. The High Court noted that the reasoning given by the Trial Court may not have been

appropriate but nevertheless, it concurred with the final conclusions on its own separate findings and reasonings. As such we are not going into the reasoning given by the Trial Court for rejecting the plaint since the High Court itself has found them to be improper. We will examine the findings and reasonings given by the High Court and whether or not they could be sustained in law.

3.11. The High Court was of the view that the suit was barred by law in view of Section 19 of Specific Relief Act, 1963, and Order XXIII Rule 3A of the CPC. Secondly, the plaint did not contain any pleadings with respect to cause of action against Defendant Nos. 2 to 6.

4. We have heard learned senior counsels for the parties and have perused the material on record.
5. The specific case of the Appellant is apparent from the plain reading of the plaint which is that Defendant No. 1 executed an agreement to sell on 23.08.2018 after accepting Rs. 8 lakhs by way of cheque dated 23.08.2018 to sell the property in the question for a total sale consideration of Rs 4 crores. Later on, the Appellant had paid an additional amount of 4 lakhs by way of 2 separate cheques 27.10.2018, and 2.01.2019.

The Appellant was seeking a relief of specific performance of the contract on the basis of the aforementioned agreement to sell executed by Respondent 6.

6. But for the compromise decree dated 02.01.2023 the Respondent Nos 1-5 would not come into the picture. The Appellant, upon learning about the two suits for injunction filed by the Respondent Nos.1 to 5 and Defendant No. 7 against Respondent No. 6 only and the compromise decree based on the Memorandum of Understanding inter se parties to the two suits, it became necessary for the appellant to not only implead Defendant Nos. 2 to 7 but also claim relief for cancellation of the compromise decree. The issue as to whether the compromise decree requires cancellation or can be ignored under law would be triable and adjudicated upon the basis of evidence led by the parties.
7. In any case, the enforcement of the agreement to sell by way of a decree of specific performance against Respondent No.6, could still be tried by the Trial Court independent of the alleged rights claimed by Defendant Nos. 2 to 7. If the appellant ultimately succeeds in either getting a decree of specific performance, or maybe for refund of the advance amount, in that event,

the Defendant Nos. 2 to 7 would not be fixed by any liability. Additionally, the lis in so far as the advance amount is concerned would be between the Appellant and Respondent No.6. In a suit for specific performance, the plaintiff can always claim or be entitled to refund of the advance amount as decreed in his favor, based upon the evidence on record. By rejecting the plaint under Order VII Rule 11 CPC relying upon the fact that no relief could be claimed against Defendant Nos. 2 to 7, the plaintiff is deprived of his right to recover the advance amount, if at all he was entitled to it. The cause of action for the said relief was always pleaded, and since the payment was made by cheques, the burden would lie upon Respondent No.6 to prove that either he had returned the said amount, or that the said amount paid as advance was for some other purpose unrelated to the property in question. Another issue which would be required to be decided before granting any relief to the Appellant in the suit would be as to whether the agreement to sell was actually executed or not, and if executed, whether it could be enforced in law or not.

8. Insofar as Defendant Nos. 2 to 7 are concerned, they had filed the O.S. No. 42 of 2014 and O.S. No. 43 of 2014 seeking relief of permanent injunction only. No

relief of declaration was sought in the said suits. The declaration, under the compromise decree, was solely based upon the MoU entered into between the Defendant Nos. 2 to 7 and the Defendant No.1. Whether or not it was collusive or unlawful would be decided in the suit, subject to appropriate issues being framed and evidence led by the parties.

9. The Respondent No. 6, in her written statement originally filed in O.S. 42 and 43 of 2014, categorically denied the ownership and exclusive possession of Respondent Nos 1-5, and Defendant No.7 over the suit schedule properties. She asserted that the unregistered sale deeds dated 21.08.1970, 15.07.1970 and 10.11.1969 alleged to have been obtained by the Respondent Nos 1-5, and Defendant No.7 are forged and fabricated and further contended that they had merely acted in the capacity of supervisors. Despite such denial, Respondent No.6 subsequently entered into a compromise decree with Respondent Nos. 1-5 and Defendant No.7, thereby accepting their ownership over suit schedule properties for reasons best known to them.
10. It is a well-settled principle of law that where out of many reliefs claimed in the plaint, the plaintiff is found entitled to even one of them, the plaint cannot be

rejected under Order VII Rule 11 CPC. In such circumstances, the suit must be tried on the basis of evidence led by the parties. Reliance may be placed upon the following judgments:

10.1. The case of **Sejal Glass Limited vs. Navilan Merchants Private Limited**², is directly on the point. Para 8 of the report reads as follows:

“This cannot elevate itself into a rule of law, that once a part of a plaint cannot proceed, the other part also cannot proceed, and the plaint as a whole must be rejected under Order VII Rule 11. In all such cases, if the plaint survives against certain defendants and/or properties, Order VII Rule 11 will have no application at all, and the suit as a whole must then proceed to trial.”

10.2. This principle was reiterated in **Central Bank of India & Anr. vs. Smt. Prabha Jain & Ors.**³, wherein it was held in para 24 of the report as follows:

“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

² (2018) 11 SCC 780

³ 2025 INSC 95

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.”

10.3 The Court clarified the scope of examination at the stage of Order VII Rule 11 in **Vinod Infra Developers Ltd. vs. Mahaveer Lunia & Ors**⁴, wherein it was held in para 8 of the report as follows:

“8. 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.”

⁴ 2025 INSC 772

11. In view of the above discussion, we are of the view that the Trial Court and the High Court committed an error in rejecting the plaint under Order VII Rule 11 CPC. The appeal is accordingly allowed, and the impugned orders are set aside. The Trial Court shall proceed with the trial in accordance to law.

.....J.
[VIKRAM NATH]

.....J.
[SANDEEP MEHTA]

NEW DELHI
JULY 29, 2025