



CNR: KAHC010561832019

NC: 2026:KHC:43016
W.P. No.878/2020

IN THE HIGH COURT OF KARNATAKA AT BENGALURU
DATED THIS THE 13TH DAY OF AUGUST, 2026
BEFORE
THE HON'BLE MR. JUSTICE VIJAYKUMAR A. PATIL
WRIT PETITION NO.878/2020 (GM-CPC)

BETWEEN:

SRI. G. MUNI REDDY
S/O GOVINDA REDDY
AGED 36 YEARS
R/AT UPPARA HALLI VILLAGE
MASTI HOBLI, MALUR TALUK
KOLAR DISTRICT.

...PETITIONER

(BY SRI. T. SESHAGIRI RAO, ADV.,)

AND:

1. SRI. T. BABU REDDY
S/O THIMMA REDDY
AGED 52 YEARS.
2. SMT. S. VEENA
W/O SRI. T. BABU REDDY
AGED 42 YEARS.
3. MASTER DRUVIN REDDY .B
S/O SRI. T. BABU REDDY
AGED 11 YEARS
SINCE MINOR REP BY HIS
FATHER AND NATURAL GUARDIAN
SRI. T. BABU REDDY.

R1 TO R3 ARE R/AT NO.25
9TH CROSS, BELLANDUR VILLAGE
BELLANDUR POST

Digitally signed
by RUPA V
Location: HIGH
COURT OF
KARNATAKA



CNR: KAHC010561832019

NC: 2026:KHC:43016
W.P. No.878/2020

OPPOSITE CITY MEDICALS
BENGALURU-560 103.

4. SMT. VIMALA P.N.
W/O LATE B.T. VENKATESH REDDY
AGED 57 YEARS.
5. SRI. V. LOKESH
S/O LATE B.T. VENKATESH REDDY
AGED 38 YEARS.
6. SRI. GOPINATH .V
S/O LATE B.T. VENKATESH REDDY
AGED ABOUT 35 YEARS.

R4 TO R6 ARE R/AT
SY.NO.89/5, GOPI NILAYA
GROUND FLOOR
BEHIND KARNATAKA BANK
BELLANDURU, BENGALURU-560 103.

7. SMT. SARASWATHI
W/O SRI. RAMESH
AGED 46 YEARS
R/AT NO.03, 7TH CROSS
KACHARAKANAHALLI
HENNUR MAIN ROAD
BENGALURU-560 084.
8. SMT. SAROJAMMA
W/O LATE KRISHNA REDDY
AGED 73 YEARS
R/AT NO.32/23-24, 6TH CROSS
BELLANDUR, VARTHUR HOBLI
BENGALURU-560103.
9. SRI. KANTHA REDDY
S/O LATE KRISHNA REDDY
AGED 48 YEARS
R/AT NO.31, 1ST AVENUE



NC: 2026:KHC:43016
W.P. No.878/2020

CNR: KAHC010561832019

SHUBH ENCLAVE, HARALUR ROAD
BENGALURU-560 012.

10. SRI. NAGARAJ REDDY
S/O LATE KRISHNA REDDY
AGED 46 YEARS
R/AT NO.17/1, HDFC BANK ROAD
AMBALIPURA
SARJAPUR MAIN ROAD
BENGALURU-560 102.
11. SRI. ANANTH REDDY
S/O LATE KRISHNA REDDY
AGED 44 YEARS
R/AT NO.32/23-24
6TH CROSS
BELLANDRU, VARTHUR HOBLI
BENGALURU-560 103.
12. SMT. B.K. DHANALAKSHMI
W/O SRI. UMESH REDDY
AGED 41 YEARS
R/AT NO.416, 21ST B CROSS
24TH MAIN, 2ND SECTOR
HSR LAYOUT, BENGALURU-560 102.

...RESPONDENTS

(BY SRI. P.K. SHRIKARA, ADV., FOR
SRI. B.M. MOHAN KUMAR, ADV., FOR R1 TO R3 & R7
SMT. APEKSHA G.M. ADV., FOR
SMT. VEENA SHETTY, ADV., FOR R4 TO R6
V/O/DTD:05.03.2021, NOTICE TO R8, R9, R11, R12 ARE H/S
V/O/DTD:05.03.2021, NOTICE TO R10 IS D/W)

THIS W.P. IS FILED UNDER ARTICLE 226 AND 227 OF
THE CONSTITUTION OF INDIA, PRAYING TO QUASH THE
ORDER DTD.7.12.2019 ONE PASSED BY THE XLIV ADDL. CITY
CIVIL AND SESSIONS JUDGE, BANGALORE IN MISC
NO.318/2018 FOUND AT ANNEXURE-R TO THE W.P. & ETC.



CNR: KAHC010561832019

**NC: 2026:KHC:43016
W.P. No.878/2020**

THIS PETITION HAVING BEEN HEARD AND RESERVED ON 06.08.2026, COMING ON FOR PRONOUNCEMENT OF ORDER, THIS DAY, THE COURT MADE THE FOLLOWING:

CORAM: HON'BLE MR. JUSTICE VIJAYKUMAR A. PATIL

CAV ORDER

This writ petition is filed challenging the order dated 07.12.2019 passed in Misc.No.318/2018 by the XLIV Additional City Civil and Sessions Judge, Bengaluru (for short, 'the Trial Court').

2. Sri.T.Seshagiri Rao, learned counsel for the petitioner submits that Sri.T.Rama Reddy was the owner of the land bearing Sy.No.34/2 measuring 4 acres 11 guntas situated at Kariyammana Agrahara Village, Varthur Hobli, Bengaluru East, who acquired the same under the partition. The owner executed a power of attorney (for short, 'the GPA') in favour of his elder brother Sri.T.Krishna Reddy authorising him to sell the subject property. He also executed an agreement of sale by receiving a sum of Rs.90,000/- in the form of an affidavit.



It is submitted that Sri.T.Krishna Reddy, being the power of attorney holder of the owner, executed an agreement of sale in favour of the petitioner and received Rs.2,10,00,000/- out of total consideration of Rs.2,70,00,000/-. It is further submitted that Sri.T.Krishna Reddy failed to execute the sale deed and hence, the petitioner filed a suit in O.S.No.5861/2015 for specific performance of the agreement. The suit summons was served on Sri.T.Krishna Reddy, he appeared and on 11.09.2015, he filed a written statement. The Trial Court referred the matter to the Mediation Centre, the matter came to be settled and a memorandum of agreement was signed by the parties. It is also submitted that based on such memorandum of agreement, the suit came to be decreed and even then, Sri.T.Krishna Reddy did not come forward to execute the sale deed. Hence, an execution petition was filed and on 20.02.2017, the sale deed was executed in favour of the petitioner through the Court Commissioner.



3. It is contended that the respondent Nos.1 to 7 claiming to be the legatees under the Will executed by Sri.T.Rama Reddy, filed an application under Order XXIII Rule 3A and Order IX Rule 13 read with Section 151 of the Code of Civil Procedure, 1908 (for short, 'the CPC') seeking to set aside the judgement and decree, which came to be allowed by setting aside the decree as well as the sale deed, without appreciating the material on record in its proper perspective. It is further contended that setting aside the decree by the Court is only on the ground that the decree is passed against a dead person, without appreciating the fact that the death of Sri.T.Rama Reddy was never informed by Sri.T.Krishna Reddy. It is also contended that the respondent Nos.1 to 7 should first establish that they have a right over the property under the Will and without there being any right, they could not have maintained the application for setting aside the decree, which has not been appreciated by the Trial Court.



4. It is submitted that on the date of filing of the application by the respondent Nos.1 to 7, the right of the petitioner had already crystallised on execution of the registered sale deed, which could not have been displaced solely based on the request of the respondent Nos.1 to 7 whose rights are disputed as the petitioner is disputing the Will. It is further submitted that the Trial Court has failed to appreciate that if the executant of the GPA dies, the acts done by the agents would not be vitiated. Hence, the GPA holder had participated in the proceedings, received the entire consideration, executed the sale deed through the process of the Court and delivered the possession of the property to the petitioner. Hence, the right of the petitioner has been fully protected under Section 202 of the Indian Contract Act, 1872 (for short, 'the Act'). It is also submitted that the GPA holder becomes an assignee of the owner of the property and based on such an



CNR: KAHC010561832019

assignment, the GPA holder participated in the proceedings and the sale deed was executed.

5. It is contended that the GPA holder can also be considered as an ostensible owner, who has lawfully transferred the right of the immovable property to the petitioner and the same cannot be interfered with solely because of the death of the executant of the GPA. It is further contended that after the passing of the impugned order, some of the respondents have executed a registered confirmation of deed, which indicates that the transfer in favour of the petitioner is valid. It is also contended that the Trial Court has not assigned any reason on fraud and it has proceeded to set aside the decree and even without any prayer, has also set aside the registered sale deed. In support of his contentions, he placed reliance on the decisions of the High Court of Delhi in the case of ***RAMESH CHAND Vs. SURESH CHAND***



AND ANOTHER¹ and in the case of **HARDIP KAUR Vs. KAILASH AND ANOTHER²**. Hence, he seeks to allow the petition.

6. *Per contra*, Sri.P.K.Shrikara, learned counsel appearing on behalf of Sri.B.M.Mohan Kumar, learned counsel for the respondent Nos.1 to 3 and 7 and Smt.Apeksha G M, learned counsel appearing on behalf of Smt.Veena Shetty, learned counsel for the respondent Nos.4 to 6, support the impugned order of the Trial Court and submit that the Trial Court has passed the impugned order after considering the material on record in its proper perspective. In support of his contentions, he placed reliance on the decision of the Hon'ble Supreme Court in the case of **M.S.ANANTHAMURTHY AND ANOTHER Vs. J.MANJULA AND OTHERS³**. Hence, they seek to dismiss the petition.

¹ ILR (2012) V Delhi 48

² 2012 SCC Online Del 2937

³ (2025) 10 SCC 596



NC: 2026:KHC:43016
W.P. No.878/2020

CNR: KAHC010561832019

7. I have heard the arguments of the learned counsel for the petitioner, the learned counsels for the respondents and meticulously perused the material available on record.

8. The material on record indicates that Sri.T.Rama Reddy was the absolute owner of the suit schedule property. The said Sri.T.Rama Reddy allegedly entered into an agreement of sale with Sri.T.Krishna Reddy-his brother, in return for a consideration of Rs.90,000/- and also executed a GPA dated 20.12.1986 in his favour. Sri.T.Krishna Reddy as the GPA holder entered into an agreement of sale dated 06.06.2008 with the petitioner for a sale consideration of Rs.2,70,00,000/-. However, Sri.T.Krishna Reddy did not execute the sale deed and the petitioner filed a suit in O.S.No.5861/2015 seeking to execute the sale deed. During the pendency of the said suit, Sri.T.Rama Reddy passed away on 05.07.2015. However, subsequent to the death of the



NC: 2026:KHC:43016
W.P. No.878/2020

CNR: KAHC010561832019

executor of the GPA, the executee i.e. Sri.T.Krishna Reddy has proceeded to file the written statement in the aforesaid suit on 11.09.2015 and also entered a compromise on 20.04.2016. Furthermore, despite the compromise decree, Sri.T.Krishna Reddy did not execute the sale deed and hence, the petitioner filed an execution proceeding in Ex.No.2090/2016. The Execution Court, in the said proceedings appointed a Court Commissioner and the sale deed was executed through the Court Commissioner by Sri.T.Krishna Reddy in favour of the petitioner on 20.02.2017.

9. Subsequent to the execution of the sale deed, the respondents filed an application in Misc.No.318/2018 before the Trial Court seeking to declare the judgment and decree dated 21.04.2016 and 25.04.2016, settlement agreement dated 20.04.2016 as null and void, to declare that the GPA and the affidavit dated 20.12.1986 as not executed by Sri.T.Rama Reddy, hence, null and void, to



declare that the sale deed dated 20.02.2017 is null and void, along with the relief of injunction. The Trial Court, on consideration of the said petition, proceeded to allow the same on the ground that the compromise was entered into before the Trial Court by misrepresentation and without bringing the fact of death of Sri.T.Rama Reddy and the sale deed executed in pursuance of the said decree was also declared as null and void.

10. In order to appreciate the contentions of the learned counsels for both the parties, it would be useful to refer to Sections 201 and 202 of the Act, which is extracted as below:

"201. Termination of agency.—*An agency is terminated by the principal revoking his authority; or by the agent renouncing the business of the agency; or by the business of the agency being completed; or by either the principal or agent dying or becoming of unsound mind; or by the principal being adjudicated an insolvent under the provisions of any Act for the time being in force for the relief of insolvent debtors.*



CNR: KAHC010561832019

NC: 2026:KHC:43016
W.P. No.878/2020

202. Termination of agency, where agent has an interest in subject-matter.—Where the agent has himself an interest in the property which forms the subject-matter of the agency, the agency cannot, in the absence of an express contract, be terminated to the prejudice of such interest.”

(emphasis supplied)

11. It would further be useful to refer to the decision of the Hon’ble Supreme Court in the case of **M.S.ANANTHAMURTHY AND ANOTHER**, referred *supra*, wherein it was held as under:

**“(ii) Independent reading of the general power of attorney and the agreement to sell
(a) “Interest” in power of attorney**

32. It was submitted on behalf of the appellants that the GPA read with the agreement to sell categorically states that PoA was executed for a consideration, and the possession of the suit property was delivered to the holder. It was further submitted that since both the documents were executed on the same day, in favour of the same person, they should be read together and construed harmoniously. It is because of this



CNR: KAHC010561832019

NC: 2026:KHC:43016
W.P. No.878/2020

reason that PoA holder (agent) has an interest in the subject-matter of the agency and the PoA is coupled with interest which makes the agency irrevocable by virtue of Section 202 of the Contract Act.

33. *Section 201 of the Contract Act prescribes various ways of revocation of authority given by the principal to his agent. A principal can terminate the contract of agency unless such revocation is precluded by Section 202 of the Contract Act. Section 202 of the Contract Act, as an exception to the general rule under Section 201, prescribes that where an agent has himself an interest in the property which forms the subject-matter of the agency, the agency cannot be terminated to the prejudice of such interest unless there is an express stipulation to the contrary.*

34. *Illustration (a) to Section 202 of the Contract Act states that A (principal) has given authority to B (agent) to sell A's land, and to pay himself i.e. the agent, from the proceeds the debt which is due to him from A. Illustration (b) states that A (principal) has consigned 1000 bales of cotton to B (agent), who has given an advance on the bales of cotton. Now, A wishes B to sell the cotton and recover his advance from the sale*



CNR: KAHC010561832019

NC: 2026:KHC:43016
W.P. No.878/2020

proceeds. In both the cases, A can neither revoke the authority nor agency will be terminated by his insanity or death. It is important to take a note that in both the cases, the agent has an interest vested in the subject-matter of the agency. The factum of interest or security of the agent, in both cases, does not imply that the agent's right to remuneration constitutes an interest in the subject-matter of the agency; rather, it extends beyond the mere advancement of remuneration or commission. Where PoA is coupled with an interest, it metamorphosises to an irrevocable agency unless expressly stated otherwise. There an agent's right to remuneration is not an interest in the subject-matter of the agency.

35. *Therefore, the essentials of Section 202 of the Contract Act are, first, there shall be a relationship in the capacity of "principal and agent" between the parties and secondly, there shall be agent's interest in the subject-matter of the agency. If both the conditions are fulfilled the agency becomes irrevocable and cannot be terminated unilaterally at the behest of the principal. As the first condition is satisfied in the present case, we shall now proceed to examine whether from the reading of the GPA, the holder of*



NC: 2026:KHC:43016
W.P. No.878/2020

CNR: KAHC010561832019

PoA had an interest in the subject-matter of the agency, namely, the suit property."

12. The statutory scheme, as per the provisions of the Act and the law as settled by the Hon'ble Supreme Court, states that an agency relationship generally terminates upon revocation by the principal, renunciation by the agent, completion of the undertaking, or the death, unsoundness of mind, or insolvency of either party. However, Section 202 creates an exception for agencies coupled with an interest. Where the agent holds a legal or financial interest in the subject matter of the agency, such authority cannot, in the absence of an express contract to the contrary, be revoked to the detriment of that interest, even upon the death of the principal.

13. In the instant case, it is admitted that the principal i.e. Sri.T.Rama Reddy died on 05.07.2015, whereas the settlement agreement was entered into by the agent i.e. Sri.T.Krishna Reddy with the petitioner and the compromise decree was delivered subsequent to the



death of the principal. Therefore, as per Section 201 of the Act, the agency was terminated on the death of the principal and the subsequent agreement entered into by the GPA holder is null and void. Insofar as the contention by the learned counsel for the petitioner that Sri.T.Krishna Reddy had an interest in the subject matter of the agency and is an ostensible owner, is concerned, the same cannot be considered by this Court at this stage. The said contentions with regard to the rights of the respondents and the nature of the agency is concerned, the same is required to be gone into by the Trial Court after framing the issues and considering the evidence on record as the interest of the agent in the subject matter of the agency cannot be presumed on mere assertion.

14. The decisions of the Delhi High Court relied on by the learned counsel for the petitioner are not applicable to the instant case, as the interest of the agent i.e. Sri.T.Krishnareddy, in the subject matter, is not proved.



Hence, I am of the considered view that the Trial Court has rightly considered the material on record, which does not call for any interference.

15. However, it is to be noticed that though the Trial Court has set aside the compromise decree as well as the sale deed dated 20.02.2017, the Trial Court has erred in not restoring the suit in O.S.No.5861/2015 and the same is required to be restored.

16. For the aforementioned reasons, I proceed to pass the following:

ORDER

- (i) The writ petition is ***disposed of***, by upholding the impugned order dated 07.12.2019 passed in Misc.No.318/2018 by the XLIV Additional City Civil and Sessions Judge, Bengaluru.
- (ii) O.S.No.5861/2015 is restored to file and the Trial Court shall decide the suit on merits.



NC: 2026:KHC:43016
W.P. No.878/2020

17. In view of the disposal of the writ petition, the pending interlocutory application does not survive for consideration and is accordingly disposed of.

No order as to costs.

Sd/-
(VIJAYKUMAR A. PATIL)
JUDGE

RV
List No.: 1 Sl No.: 1