HC-KAR

NC: 2026:KHC:61118
CRP No. 38 of 2026

CNR: KAHC010029802026

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 3RD DAY OF NOVEMBER, 2026

BEFORE

THE HON'BLE SMT. JUSTICE LALITHA KANNEGANTI

CIVIL REVISION PETITION NO. 38 OF 2026 (IO)

BETWEEN:

1. SRI. G.N. NAGENDRA KUMAR
S/O LATE G. NAGARAJA RAO,
AGED 50 YEARS,
R/AT NO.55, 5TH MAIN,
3RD CROSS, I. W. LAYOUT,
SHANKAR NAGAR,
NANDINI LAYOUT POST,
BENGALURU-560 096

R/AT SAI BABA P.G. ACCOMMODATION,
2ND MAIN ROAD, SHIVANAGAR,
NEAR WARRIOR BAKERY, RAJAJINAGAR,
BENGALURU - 560 010

Digitally signed by SUVARNA T
Location: HIGH COURT OF KARNATAKA

2. SMT. K.V.LALITHA,
W/O LATE G. NAGARAJA RAO,
AGED ABOUT 78 YEARS
RESIDING AT NO. 55, 5TH MAIN,
3RD CROSS, I. W. LAYOUT,
SHANKAR NAGAR,
NANDINI LAYOUT POST,
BENGALURU-560 096

3. SMT. G.N.VANAJA,
D/O LATE G. NAGARAJA RAO,
AGED ABOUT 54 YEARS
RESIDING AT NO. 55, 5TH MAIN,
3RD CROSS, I. W. LAYOUT,
SHANKAR NAGAR,
NANDINI LAYOUT POST,

BENGALURU-560 096

…PETITIONERS

(BY SRI. MOHAN KUMAR B M., ADVOCATE)

AND:

1. G.RAMESH,
   AGED ABOUT 12 YEARS,
   S/O LATE GUNDU RAO,
   AGED ABOUT 73 YEARS

2. R.KUSUMA,
   W/O G.RAMESH,
   AGED ABOUT 69 YEARS

   RESPONDENTS ARE RESIDING AT
   NO. 113, AJITHAYA,
   BEHIND 80FT MAIN ROAD,
   ITI LAYOUT, MALLATHALLI,
   NAGARBHAVI 2ND STAGE,
   BENGALURU- 560 056

…RESPONDENTS

(BY SRI. MAMATHA D.N., ADVOCATE)

THIS CRP FILED U/S. 115 OF CPC PRAYING TO SET ASIDE THE ORDER DATED 15.10.2025, PASSED ON IA NO. II IN OS NO. 1696/2023 ON THE FILE OF THE XXIV ADDITIONAL CITY CIVIL AND SESSIONS JUDGE, BENGALURU, REJECTING THE IA NO. II FILED U/O 7 RULE 11(a) AND (d) R/W SEC. 151 OF CPC FOR REJECTION OF PLAINT.

THIS PETITION HAVING BEEN HEARD AND RESERVED ON 07.10.2026, COMING ON FOR PRONOUNCEMENT OF ORDER THIS DAY, THE COURT PRONOUNCED THE FOLLOWING:

CORAM: HON'BLE SMT. JUSTICE LALITHA KANNEGANTI

CNR: KAHC010029802026

CAV ORDER

Aggrieved by the order dated 15.10.2025 passed in I.A.No.2 in O.S.No.1696/2023 by the XXIV Addl. City Civil and Sessions Judge, Bengaluru City (CCH-6), the petitioner/defendant is before this Court.

2. The respondents herein are the son-in-law of the petitioner herein and his father. After the death of the father, his legal representatives (LRs) were brought on record. The suit is filed seeking the relief of directing defendant Nos. 1 and 2 to pay an amount of Rs.40,00,000/- along with interest at 24% per annum on the said amount from the date of possession/lawful occupation of the plaintiffs at the schedule property, since December 2012, and to grant the costs of the suit.

3. It is the specific case of the plaintiffs that defendant No.1 is the son of defendant No.2. The plaintiff' s daughter married defendant No.1 on 12.08.2005, and they were blessed with a child. Until 2020, they were residing at the matrimonial home. Due to mental harassment meted out to the plaintiff’ s daughter and the child, the plaintiff’ s daughter, along with the

grandchild, left the matrimonial home in August 2020 and has since been residing with the plaintiffs and defendant No. 1. On 23.01.2003, defendant No. 1 purchased the schedule property, which was then a vacant site bearing No. 113, old No. 2521, measuring 2, 625 sq. ft., situated at ITI Layout, Mallathahalli Village, within the BBMP limits, Bangalore. In September 2011, the plaintiffs sold their house property at Lake View Apartment, Kengeri Satellite Town, for Rs. 26,00,000/- and, along with the retirement benefits received by plaintiff No. 2 and their other savings, planned to use the said amount to lease a house or invest in an alternative property. However, defendant No. 1, with an ulterior motive, convinced the plaintiffs to invest their savings from the sale of their apartment and to use the same to construct a building on the vacant land standing in the name of defendant No. 1. Defendant No. 1 told the plaintiffs that, as their daughter was his wife, after the plaintiffs' death the said house would belong to their daughter and grandson, and hence there was no need for any written agreement or transfer of title to the property in respect of the said offer. The plaintiffs believed this, as their daughter and grandson were residing with defendant No.1 at the said time. Hence, the plaintiffs

thought that, after their death, the house property would remain with their daughter and grandson and that their investment would not be wasted, which would ultimately benefit their daughter and grandson. Defendant No.1 further promised that, if any financial need arose for the plaintiffs, he would repay the amount spent on construction by the plaintiffs. Defendant No.1 further assured the plaintiffs that they could reside in the said house as long as they were alive and that defendant Nos.1 and 2 would not disturb their peaceful possession of the schedule property. Believing the false promises made by the defendants and considering their daughter' s future, the plaintiffs decided to invest their hard-earned money and construct a house on the schedule property.

4. It is stated that the plaintiffs have spent an amount of Rs.40,00,000/- towards the construction of the house by obtaining a house plan from an architect in May 2012, along with quotations and other documents required for construction. They have spent an amount of Rs. 30,00,000/- towards construction and Rs. 10,00,000/- towards the interiors of the house through cash, NEFT and cheques. Even if defendant No.1

had made any payment, plaintiff No.1 immediately returned the said amount to defendant No.1 by way of cash. Defendant No.1 initially promised the plaintiffs that he would invest money towards completing the interiors of the house, but defendant No.1 failed to keep up his promise, and hence, the plaintiffs were also forced to spend money to complete the interiors of the house by further investing some more of their hard-earned money. The Gruha Pravesham ceremony of the house was celebrated on 30.11.2012. The plaintiffs also bore the costs of the Gruha Pravesham rituals, amounting to Rs. 5,00,000/-, and they themselves performed the Gruha Pravesham ceremony. Since 2012, they have regularly paid taxes, electricity bills and water bills and have taken care of the repairs and maintenance of the schedule property. The plaintiffs have produced certain documents, receipts, invoices and purchase orders generated during the construction. They are searching for other bills generated during the construction, which were misplaced while shifting the house, and once the plaintiffs get hold of the same, they will produce them. Due to the marital dispute between defendant No.1 and the plaintiffs' daughter, the plaintiffs' daughter and grandson left the matrimonial home and started

residing with the plaintiffs at the schedule property in August 2020. The first and second defendants are aware of the fact that there are three cases pending before the Family Court at Bangalore relating to the matrimonial dispute between defendant No.1 and the plaintiffs' daughter. The plaintiffs' daughter has filed M.C. No. 3281/2020 for divorce against defendant No.1, and defendant No.1 has filed M.C. No. 4791/2020 for restitution of conjugal rights. The plaintiffs' daughter and son have filed a petition for maintenance and criminal miscellaneous proceedings. Defendant No.1 had executed a gift deed in respect of the schedule property in favour of defendant No.2 and further instigated defendant No.2 with an ulterior motive by making false claims. Defendant No.2 sent two legal notices dated 23.01.2021 and 28.01.2021 to the plaintiffs, seeking to purchase the schedule property from the plaintiffs. The plaintiffs sent befitting replies to both the legal notices issued by defendant No.2. Thereafter, they started abusing the plaintiffs and demanding that they hand over the documents relating to the house, such as electricity bills, water bills, tax-paid receipts, etc., and created a huge nuisance by abusing the plaintiffs in vulgar language. In that regard, a

complaint was filed by the plaintiffs. Even though defendant Nos. 1 and 2 are well aware of the fact that the plaintiffs have invested their hard-earned money to the tune of Rs. 40,00,000/- to construct a residential building over the schedule property, defendant No.1 executed a gift deed in favour of defendant No.2. The plaintiffs are senior citizens, and they have only one daughter and nobody to support them. Further, they have invested all their life savings to construct a residential building over the schedule property and are left with very little savings for their livelihood in their old age. Both the plaintiffs are senior citizens and, in their old age, are suffering from age-related diseases. In the said situation, defendant Nos.1 and 2 have cheated the plaintiffs and instituted a false case against them. The plaintiffs have suffered financially after investing their money and entire life savings in the construction of the residential building over the schedule property, and now they are in need of funds to lead a decent life in their old age. At present, they have also taken on the burden of looking after their daughter and grandson, who are residing at the schedule property. Defendant No.1 had initially promised the plaintiffs that he would repay the construction expenses when a financial

need arose for the plaintiffs. The plaintiffs orally requested defendant No.1 many times to return their money, but the defendants refused to do so.

5. It is stated that when the defendants refused to return the amount of Rs. 40,00,000/- spent by the plaintiffs towards construction, the plaintiffs got issued a legal notice dated 17.12.2022 to the defendants, demanding that both the defendants return the amount of Rs. 40,00,000/- along with interest to the plaintiffs, which they had spent towards the construction of the house over the schedule property. However, the defendants gave an untenable and false reply dated 30.12.2022 to the legal notice sent by the plaintiffs and refused to comply with the demand made by the plaintiffs in the legal notice dated 17.12.2022. Hence, the plaintiffs are constrained to file the suit for recovery of money from the defendants.

6. In the said suit, an application is filed by the defendants under Order VII Rule 11 of the CPC, seeking rejection of the plaint. It is the specific case of the defendants that there was no verbal discussion, signed agreement, contract or any document whatsoever between the plaintiffs and the

defendants regarding the construction of the residential house or contribution of money by the plaintiffs. No financial transactions whatsoever have taken place between the plaintiffs and the defendants. The plaintiffs have failed to substantiate all the averments made in the plaint regarding the amounts of money mentioned in various paragraphs, without producing any pertinent, supporting, corroborative or any other legal documentary evidence to substantiate their claim. There is no factual analysis to corroborate the basis of the plaintiffs' claim of having spent up to Rs. 50,00,000/-. The plaintiffs have allegedly averred in the plaint that certain documents were misplaced while shifting the house and that once they get hold of the same, they will produce them, which clearly shows that there are no documents. It is stated that the cause of action is a bundle of facts, which the plaintiffs are required to prove before the court of law in order to succeed in obtaining a particular relief, and the issuance of a legal notice or giving a reply would not constitute a cause of action. It is submitted that, as per Article 22 of the Limitation Act, any suit for recovery has to be filed within three years from the date on which the cause of action arose. The said period of limitation

cannot be condoned. It is stated that the plaintiffs spent the money in the year 2012, whereas the notice was issued in 2022, and it cannot be said that the cause of action arose then. It is submitted that the plaint is liable to be rejected.

7. The Trial Court , by the order impugned, rejected the application. While rejecting the application, the Trial Court observed that, as per the provisions of Order VII Rule 11 CPC, while considering an application for rejection of the plaint, the Court has to consider only the plaint averments and other documents produced by the plaintiffs. The defence taken by the defendants and the documents produced by the defendants cannot be considered while adjudicating the application under Order VII Rule 11 CPC. Moreover, in the present case, on perusal of the plaint averments, there is a clear cause of action made out by the plaintiffs for adjudicating the matter on merits. Further, it is a well-settled principle of law that the issue of limitation is a mixed question of law and facts. On a plain reading of the plaint averments, it does not appear that the suit is barred by limitation. The question as to whether the suit is barred by limitation or whether the cause of action

actually arose to the plaintiffs after the issuance of the legal notice needs to be considered only after a full-fledged trial of the case.The contention of the defendants that the suit does not disclose a cause of action and that it is barred by limitation is liable to be rejected, as it does not hold any water. Accordingly, the Trial Court rejected the application. Aggrieved thereby, the defendants are before this Court.

8. Learned counsel appearing for the defendants submits that the Trial Court has failed to consider the application filed by the defendants and, in a mechanical manner, without appreciating any of the facts, dismissed the application. It is submitted that the impugned order is unsustainable and the same needs to be set aside. It is stated that the Court has failed to appreciate the plaint averments, which are wrapped in a bundle of facts ingeniously stated to bring the cause of action within the period of limitation, which is otherwise barred by limitation. On a bare perusal of the plaint averments, it is clear that the cause of action is illusory and has been stated through averments intelligently drafted to camouflage an illusory cause of action as a real cause of action. The impugned order is not

sustainable in law, and the plaint is liable to be rejected. It is submitted that the Court has failed to exercise its discretion under Order VII Rule 11 CPC to reject the plaint, as the suit is prima facie vexatious and frivolous, when the suit itself is not maintainable as the reliefs sought are barred by limitation. It is submitted that, according to the defendants, the plaintiffs spent the money in the year 2012 and the suit was filed on 10.03.2023, and thus, the suit is hopelessly barred by limitation. It is submitted that the plaint does not disclose a cause of action and that the Trial Court has failed to consider all these aspects. Hence, the impugned order needs to be set aside.

9. Learned counsel appearing for the respondents submits that the Trial Court has rightly considered all the aspects and rightly rejected the application as the limitation is a pure question of fact and law and there are no grounds to interfere with the well-considered order passed by the Trial Court and the CRP is liable to be dismissed.

10. Having heard the learned counsel on either side, perused the material on record. In the light of the submissions, the question that falls for consideration is before this Court is:

> ***"Whether the plaintiff's right to recover the construction expenditure arose in 2012, or whether the subsequent execution of the gift deed in 2020, allegedly defeating the assurances upon which the construction was undertaken, could give rise to a cause of action within the limitation?"***

11. The scope of enquiry under Order VII Rule 11 CPC is well settled. The Court must examine the plaint as a whole, accepting the material facts pleaded therein as true. It cannot undertake an enquiry into the correctness of those allegations or consider the defence of the defendants. At the same time, the Court must ascertain whether the pleaded facts disclose an enforceable cause of action and whether the suit is barred by any law. The Hon'ble Apex Court has repeatedly emphasized the necessity of a meaningful reading of the plaint and reiterated that, where the bar of limitation is apparent from the plaint itself, rejection of the plaint under Order VII Rule 11(d) CPC is warranted.

12. Coming to the present case, the plaintiffs claim to have undertaken the construction of a house on land belonging to their son-in-law upon certain oral assurances. The assurances, as pleaded, relate not merely to the repayment of money but also to their residence in the house during their lifetime and the future enjoyment of the property. The transaction, therefore, cannot be examined in isolation as though the plaintiffs had simply advanced money to the defendant in 2012. It is not unusual for parents to invest their savings in establishing a home for their daughter, relying upon assurances made within the family. Such arrangements are often founded upon trust rather than formal documentation. The law does not refuse to recognise an obligation merely because it arises from an oral understanding between family members. Whether the assurances were actually made, whether they created enforceable rights, and related matters require proof. At this stage, the Court must proceed on the basis that the assurances pleaded were given. The construction was completed, and Gruha Pravesham was performed on 30.11.2012. The expenditure sought to be recovered had, therefore, been incurred by that date. However, the date on which the

expenditure was incurred does not necessarily determine when every right arising from the arrangement became unenforceable. If the defendant had undertaken an unconditional obligation to repay the construction expenditure, limitation would have to be determined with reference to the date on which the obligation became due. If, on the other hand, repayment was connected with the continued enjoyment of the house or the fulfilment of the other assurances, the alleged failure of those assurances may have a bearing upon the accrual of the cause of action. The execution of the gift deed on 20.12.2020 assumes significance in this context. The plaintiffs' case is that they constructed the house believing that they would be permitted to reside therein throughout their lifetime and that the property would thereafter go to their daughter. The subsequent transfer of the property in favour of the defendant's father is alleged to have defeated the arrangement upon which they acted. Whether that transaction amounted to a breach of an enforceable obligation is a matter to be determined, but it cannot be ignored when examining the plaint. The plaintiffs have chosen to seek recovery of the construction expenditure rather than enforcement of the

assurances concerning the property. The relief sought must undoubtedly have a legal foundation. However, the fact that the plaintiffs seek recovery of money does not necessarily mean that their claim must be treated as a simple loan or an unconditional demand for reimbursement arising in 2012. The substance of the transaction, as disclosed in the plaint, must determine the nature of the claim. Article 23 of the Limitation Act, 1963, prescribes three years for recovery of money payable to the plaintiff for money paid by the defendant, commencing from the date of payment, where the claim is founded upon a breach of a contractual obligation. Article 55 may be relevant, prescribing three years from the date when the contract is broken. The applicability of either provision depends upon the true nature of the obligations pleaded. The Court cannot select an article of limitation merely by referring to the year in which the construction was completed, without considering the arrangement upon which the expenditure was allegedly incurred. The plaintiffs have also sought interest at 12% per annum from 2012. These circumstances are relevant but not conclusive. The date from which interest is claimed does not necessarily determine the date on which the right to

sue accrued. Whether the plaintiffs are entitled to interest for the period claimed is a separate question that must be determined in accordance with the terms of the alleged agreement and the applicable law. The legal notice issued in 2022 does not, by itself, create a fresh cause of action. A demand notice cannot ordinarily revive a claim that has already become barred by limitation. However, the plaintiffs do not rely on the notice in isolation. They refer to the matrimonial disputes and, more particularly, the gift deed executed on 20.12.2020, as the circumstances that led them to seek recovery. The legal significance of those events must be examined in the context of that period. The distinction between the date of expenditure and the date of breach is important. A person may incur expenditure under an arrangement intended to operate over a period of time. Where the arrangement is subsequently breached, the right to seek an appropriate remedy may arise upon such breach. Whether recovery of the expenditure is an available remedy in the present case is a question that cannot be conclusively determined merely by examining the date on which the money was spent.

13. The gift deed was executed on 20.12.2020, and the suit was instituted on 10.03.2023. Thus, if the plaintiffs' monetary claim is legally founded on the alleged breach of the oral arrangement occasioned by the gift deed, the suit was instituted within three years of that event. In such circumstances, the plaint cannot be held to be barred by limitation merely because the construction was completed in 2012. The petitioner ultimately has to establish that the promise to repay was unconditional and that the amount became recoverable in 2012 itself. The plaintiffs may contend that their right to seek recovery arose only when the assurances concerning the house were defeated. The resolution of these competing positions depends upon the precise nature of the oral arrangement and the legal consequences flowing from it. These matters cannot be finally adjudicated in an application under Order VII Rule 11 CPC if the plaint reasonably supports such a contention. It is also necessary to distinguish the maintainability of the suit from the plaintiffs' entitlement to a decree. The plaintiffs must establish the expenditure, the assurances allegedly given, the obligation arising therefrom, and the basis upon which they seek reimbursement. The mere

fact that the money was spent on the property belonging to their son-in-law does not automatically entitle them to recover it. Equally, the execution of the gift deed does not, by itself, establish liability. These questions remain open for adjudication. The Trial Court was, therefore, justified in declining to reject the plaint, as it discloses a claim for recovery arising from the alleged failure of the oral arrangement following the execution of the gift deed. At this stage, the Court cannot conclude that the suit is barred by limitation without determining the nature of the obligation and the event which rendered it enforceable. This Court is conscious that litigation arising out of strained family relationships often carries grievances extending beyond the immediate relief sought. However, the adjudication must remain confined to the legal rights asserted. The plaintiffs cannot succeed merely because their expectations are disappointed, and the defendants cannot secure rejection of the plaint merely because the expenditure was incurred several years before the alleged breach. The rights of the parties must be determined upon the agreement pleaded, the evidence adduced, and the applicable law. In these circumstances, this Court finds no reason to interfere

with the well-considered order passed by the Trial Court. Hence, this Court is passing the following:

ORDER

i. Accordingly, the Civil Revision petition is ***dismissed***.

ii. However, it is made clear that the Trial Court shall proceed with the matter uninfluenced by any of the observations made by this Court, which are only for the purpose of deciding the present application.

iii. All I.As. in this petition shall stand closed.

SD/-
(LALITHA KANNEGANTI)
JUDGE

PKN
List No.: 1 Sl No.: 3
*AK