

Dr.K.DHAMODHARAN, M.L., Ph.D (Law)

Advocate & Visiting Professor

Mob:9443306768 E-Mail: sssesn@yahoo.co.in

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CASE LAW ANALYSIS

Giriappa & Anr v. Kamalamma & Ors. (2024)

(Download the Judgment)

Conditions to Invoke Section 53A

Background of the Case:

The respondents (plaintiffs) filed a suit seeking declaration of title and recovery of possession of a property.

The Trial Court ruled in favor of the respondents, confirming their ownership.

The petitioners (defendants) challenged the decision by filing a Regular First Appeal, which was dismissed.

They then filed a Regular Second Appeal, which was also dismissed by the High Court of Karnataka.

Key Legal Issue:

The High Court framed a key legal question:

Can the defendants claim protection under Section 53A of the Transfer of Property Act, 1882 (TPA) based on an unregistered sale agreement?

Findings of the High Court:

The petitioners failed to prove that a valid sale agreement existed.

The property was lawfully possessed by the respondents.
The lower court rulings were supported by strong evidence.

Appeal to the Supreme Court:

The petitioners (defendants) then filed a Special Leave Petition (SLP) before the Supreme Court of India, challenging the Karnataka High Court's dismissal.

Observations of the Supreme Court:

Section 53A of TPA is meant to protect transferees who take possession under a sale agreement that is later found to be invalid due to technicalities (such as lack of registration). However, for invoking protection under Section 53A, the following conditions must be fulfilled:

There must be a written contract for the transfer of property, signed by the transferor.

The transferee must have taken possession of the property or continued possession under the contract.

The transferee must have acted in furtherance of the contract and be willing to perform their part.

In this case, the petitioners failed to prove the existence of a valid, executed sale agreement.

Final Judgment:

The Supreme Court dismissed the petition, stating that since the petitioners could not prove the execution of the sale agreement, they could not claim the protection under Section 53A of TPA.

Key Takeaways for LLB Students:

Section 53A protects transferees only if all conditions are satisfied.

An unregistered agreement cannot be used as a defense under Section 53A.

Possession alone does not guarantee protection if the agreement itself is unproven.

The burden of proof lies on the person claiming protection under Section 5

Important Case Laws on Section 53A

Here are some landmark judgments explaining the application of Section 53A in different situations.

1. Probodh Kumar Das v. Dantra Tea Company Ltd. (1939)

Legal Principle: Section 53A does not give ownership rights, only possession protection.

The Privy Council held that Section 53A does not give the transferee any right to sue for ownership.

It is only a defensive right, meaning the transferee can use it to protect his possession but cannot file a suit to claim ownership.

Illustration

If Mr. A agrees to sell his shop to Mr. B and allows him to occupy it, but later Mr. A denies the sale, Mr. B can defend his possession but cannot demand ownership under Section 53A.

2. Arun Kumar Tandon v. Akash Telecom Pvt. Ltd. (2010)

Legal Principle: An unregistered agreement cannot be used under Section 53A.

The Supreme Court held that Section 53A protection is only available if the agreement is registered.

Unregistered documents cannot be used in court to claim protection.

Illustration

Mr. D sells a house to Mr. E under an unregistered agreement. If Mr. D later denies the agreement, Mr. E cannot claim protection under Section 53A because the document is not registered.

3. Shrimant Shamrao Suryavanshi v. Pralhad Bhairoba Suryavanshi (2002)

Legal Principle: Section 53A can be used as a defense even if the suit for specific performance is time-barred.

The Supreme Court ruled that limitation laws do not stop a person from using Section 53A as a defense.

A person can still claim protection under Section 53A even if they cannot file a suit for specific performance due to time limits.

Illustration

Mr. K agreed to buy a plot from Mr. L but did not file a suit for ownership within the legal time limit. Later, Mr. L tried to evict Mr. K. The court held that Mr. K can still use Section 53A as a defense to stay in possession.

Limitations of Section 53A

No ownership rights: The transferee does not become the owner, only possession is protected.

Only a defense, not an action: The transferee cannot file a suit based on Section 53A.

Agreement must be in writing and registered: **Oral agreements and unregistered documents are not valid under Section 53A.**

Transferee must be ready to perform his part: If the transferee refuses to pay the remaining amount, he cannot claim protection under Section 53A.

Conclusion

Section 53A of the Transfer of Property Act, 1882 ensures that a person in possession under an agreement is protected from eviction by the transferor. However, it does not grant ownership rights. Courts have repeatedly emphasized that only a registered agreement allows protection under Section 53A.

Understanding Section 53A is crucial for law students, property lawyers, and real estate professionals to protect buyers in possession of property based on contracts.