If the original sale agreement remained unregistered, then it cannot result in a valid title merely on the ground that a subsequent transaction based on the said unregistered sale deed was registered

Observing that an unregistered sale agreement does not confer valid title upon the person, the Supreme Court in the case of Mahnoor Fatima Imran vs. Visweswara Infrastructure Pvt Ltd [2025 INSC 646] dated May 07, 2025, held that if original sale agreement remained unregistered, then it cannot result in a valid title merely on the ground that a subsequent transaction based on the said unregistered sale deed was registered. The Court, therefore, refused to grant protection from dispossession to a person who sought title and possession based on an unregistered sale agreement.

As per the background of the case, the respondents (purchasers) claimed ownership based on a 1982 sale agreement executed by a General Power of Attorney holder of the original landowners. However, the sale agreement was not registered despite being a compulsorily registrable document under the Registration Act, 1908. The Respondent sought protection from dispossession by the Telangana State Industrial Infrastructure Corporation Ltd. (TSIIC). When the matter reached the Telangana High Court, it questioned the title and ownership of the various land possessors along with the Respondent over the suit property vide common order, stating that the question of title cannot be decided in writ proceedings but in a civil trial. The appellants (legal heirs of original landowners) challenged the High Court's order that restrained the TSIIC from dispossessing the respondents.

The Supreme Court set aside the findings of the High Court and held that unregistered agreements do not confer a valid title. Since the 1982 agreement was not registered, the Respondent cannot be said to have conferred with a good title over the suit property, barring him from claiming protection from dispossession.

Observing that the agreement of 1982, the original one and the revalidated one, cannot result in a valid title, merely for reason that the subsequent instrument had been registered, the Court noted that the defect of non-registration of a 1982 sale agreement cannot be cured upon its validation in 2006 without taking into fresh transaction. Section 23 of the Registration Act prescribes four months' time for presenting a document for registration from the date of its execution, and the proviso to Section 34 also enables the Registrar to condone the delay, if the document is presented within a further period of four months, on payment of a fine.

Thus, the Apex Court concluded that the High Court had erred in granting protection to the Respondent based on the unregistered agreement to sell.