



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 06-08-2026

CORAM

**THE HONOURABLE MR JUSTICE N. SATHISH KUMAR
AND
THE HONOURABLE MR.JUSTICE M.JOTHIRAMAN**

**AS Nos. 37, 33 & 172 of 2013
and MP.No.1 of 2013**

A.S.No37 of 2013

1. S.Subramaniam(Died)

2.Saroja

3.Thalapathi

4.Kousalya

(1st Appellant Died. A2 To 4 Brought
On Record As Lrs Of The Deceased
Sole Appellant Viz.,(S.Subramaniam)
vide court order dated 30.09.2022 made
in CMP.No.15647 of 2021 in AS.No.37
of 2013 by (SSSRJ and NMJ).

Appellant(s)

Vs

1. Ct.S.Chidambaram (died)

2.N.Bulla Reddy

3.B.Yagalla Appajee Praveen

4.Patel Enginerring Limiteed

Rep By Its Authorized Signatory

M.Muthuraj H.No.8-2-293/82/a76 Road

No.9a Jubilee Hills Hyderabad

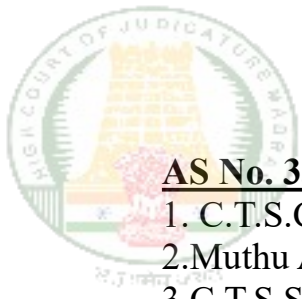
(Cause Title amended vide order of
Court dated 04.12.2024 made in
CMP.No.5237/2023 in AS.No.37/2013
(RSMJ And CKJ)

5.Muthu Achi

6.C.T.S. Shanmugam

(R1 Died. R5 and R6 are brought on
record as LRS of deceased R1 vide
court order dated 30.03.2026 made in
CMP.No.31660, 31657, 31653 of 2025
in AS.No.37/2013 (CVKJ and KRSJ)

Respondent(s)



AS No. 33 of 2013

1. C.T.S.Chidambaram (died)
2.Muthu Achi
3.C.T.S.Shanmugam
Sole Appellant Died. A2 and A3 are
brought on record as LRS of deceased
Sole Appellant vide court order dated
08.07.2026 made in CMP.No.14500,
14503, 14508 of 2026 in AS.No.
33/2013 (NSKJ and MJRJ)

Appellant(s)

Vs

1. S.Subramaniyan
2.N.Bulla Reddy
3.B.Yagalla Appajee Praven
4.Patel Enginerring Limited
Rep By Tis Authorised Signatory
M.Muthuraj S/o Muthusamy H.No.8-2-
293/82/a/76 Road No.9a Jubilee Hills
Hyderabad Ap
Cause Title amended vide order dated
04/12/2024 made In CMP.No.5228 of
2023 in AS.No.33 of 2013
(RSMJ and CKJ)

Respondent(s)

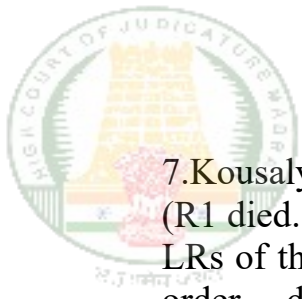
AS No. 172 of 2013

1. Patel Engineering Limited
Rep By Its Authorized Signatory M.
Muthuraj, Muthuraj, S/o Muthusamy
H. No 8-2-293/82/a/76, Rd No. 9a,
Jubilee Hills, Hyderabad 500 033
(Cause Title amended vide order of
Court dated 04/12/2024 made in
CMP.No.5231/2023 in AS.No.172/2013
(RSMJ & CKJ)

Appellant(s)

Vs

1. S. SUBRAMANIYAM(died)
2.Ct.S. Chidambaram (died)
3.N. Bulla Reddy
4.B. Yagalla Appajee Praveen
5.Saroja
6.Thalapathi



7.Kousalya

(R1 died. R5 to R7 brought on record as LRs of the deceased 1st respondent vide order dated 30.9.2022 made in CMP.No.2582 of 2022 in AS.No.172 of 2013 by SSSJ & NMJ)

8.Muthu Achi

9.C.T.S. Shanmugam

R2 Died. R8 and R9 are brought on record as LRS of deceased R2 vide court order dated 20.04.2026 in AS.No.172/2013 (CMP.No's. 31660, 31657, 31653 of 2025 in AS.No.37/2013)

Respondent(s)

Common Prayer: Appeal Suits are filed under Section 96 of CPC as against the judgment and decree dated 11.12.2012 in O.S.No.3 of 2010.

A.S.No.37 of 2013

For Appellant(s): Mr.AR.L.Sundaresan, Senior Counsel
assisted by
Ms.R.Priyadharshini
for Mr.L.Palanimuthu

For Respondent(s): Mr.V.Raghavachari, Senior Counsel
for Mr.Ma.P.Thangavel for R5&R6
Mr.S.Rajasekar for R4

A.S.No.33 of 2013

For Appellant(s): Mr.V.Raghavachari, Senior Counsel
for Mr.Ma.P.Thangavel

For Respondent(s): Mrs.A.L.Ganthimathi, Senior Counsel
assisted by
Ms.R.Priyadharshini
for Mr.L.Palanimuthu
Mr.S.Rajasekar for R4

A.S.No.172 of 2013

For Appellant(s): Mr.S.Rajasekar

For Respondent(s): Mr.V.Raghavachari, Senior Counsel
for Mr.Ma.P.Thangavel for R8 & R9



Mrs.A.L.Ganthimathi, Senior Counsel
assisted by
Ms.R.Priyadharshini
for Mr.L.Palanimuthu for R1

COMMON JUDGMENT
(Common Judgment made by N.Sathish Kumar J.)

Challenge has been made in these three appeals as against the judgment made in O.S.No.3 of 2010 dated 11.12.2012. A.S.No.37 of 2013 is filed by the plaintiff as against the dismissal of the suit for specific performance to enforce the agreement dated 03.01.2010. A.S.No.33 of 2013 is filed by the first defendant and against the judgment and decree granting alternative relief of refund of advance amount of Rs.28,47,200/- with simple interest @ 9% p.a., from the date of Ex.A1 . A.S.No.172 of 2013 has been filed by the subsequent purchaser of the properties arrayed as the fourth defendant in the suit challenging the decree and judgment creating the charge over the properties till the date of realisation of refund of advance amount along with 9% simple interest.

2. Since all these appeals arise out of same judgment and decree, we are inclined to dispose of all the appeals by way of this common judgment.

3. For the sake of convenience, the parties are arrayed to as per their own ranking before the Trial Court.



4. With the above background, the following are the brief facts for disposal of all the appeals:-

4.a. It is the case of the plaintiffs that the first defendant is the owner of 54 acre 12 cents by virtue of his purchase dated 21.11.2009. The first defendant has agreed to sell the entire suit property to the plaintiff at Rs.60,000/- per acre and entered the sale agreement on 03.01.2010 for a total sale consideration at Rs.32,47,200/- out of which on the date of agreement for sale, the plaintiff paid a sum of Rs.28,47,200/- by way of advance of a part of the sale consideration and three months time was specified for completion of the contract of sale. Since the major portion of the sale consideration has been paid, the defendant has also handed over the relevant title deeds in favour of the plaintiff on the date of agreement itself and the plaintiff is also in possession of the suit properties in pursuant of the agreement and therefore, the plaintiff is entitled to benefits of Section 53A of the Transfer of Property Act. Though three months time has been fixed, the plaintiff is always ready and willing to perform his part of the contract by paying the balance sale consideration of Rs.4 lakhs and called upon the first defendant personally on 10.01.2010 and requested the first defendant to complete the formalities of registration, however, the first defendant had given evasive replies which has created a bonafide suspicion in the mind of the plaintiff regarding the conduct of the first defendant. As suspected, the first defendant acting with ulterior motive have lodged a false complaint before the



Superintendent of Police on 18.01.2010 as if he had been threatened by the plaintiff and sought protection. It is the further case that the defendants 2 to 4 having clear knowledge of the agreement of sale, by colluding together had created an agreement for sale dated 25.01.2010 followed by a registered sale deed dated 09.02.2011 in favour of the fourth defendant. They are not bonafide transferees. Hence, the suit.

4.b. Admitting that he is the owner of the suit properties, the first defendant denied the agreement dated 03.01.2010 and submitted that the agreement is a result of forgery, he never executed any such agreement and he has not signed the agreement and the said agreement has been fabricated. The plaintiff calling upon the defendant on 10.01.2010 to register the sale deed is also denied. Since there was a threat and coercion on the first defendant, he had given a complaint on 18.01.2010 before the Superintendent of Police, Pudukottai. The original documents were with one A.L.Meenakshi Achi of Royavaram while seeking a loan of Rs.5 lakhs for business purpose. The plaintiff has obtained the documents from Meenakshi Achi through her relative VKL. Chellappan and Jeyam. Hence, opposed the suit.

4.c. The fourth defendant had filed a written statement contending that there is no collusion between the defendants to create agreements and the registered sale in their favour is a bonafide and independent transaction, the sale deed is acted upon and revenue records are mutated in their favour. The



defendants 2 and 3 adopted the written statement filed by the fourth defendant.

4.d. On the basis of the above pleadings, the Trial Court framed the following issues for consideration:-

(i) Whether the suit sale agreement dated 03.01.2010 has been executed by the defendant No.1 in favour of the plaintiff as alleged?

(ii) Whether the plaintiff is entitled to the relief of specific performance of a sale agreement dated 03.01.2010 as prayed for?

(iii) Whether the defendant No.2 to 4 are necessary parties to the suit?

(iv) Whether the defendant No.4 is a bonafide purchaser of the suit properties for valuable consideration as alleged?

(v) Whether the plaintiff is entitled to the alternative relief of refund of advance amount of Rs.28,47,200/- as claimed?

(iv) To what relief's the plaintiff is entitled?

4.e. On the side of the plaintiff, PW1 to PW 3 were examined and Exs.A1 to 19 were marked. On the side of the defendants, DW1 to DW3 were examined and Exs.B1 to 23 were marked and Exs.C1 & C2 were marked as Court documents.

4.f. On appreciation of the oral and documentary evidences, the Trial Court dismissed the suit for specific performance and granted alternate relief of refund of advance amount of Rs.28,47,200/- with simple interest @ 9% p.a., from the date of Ex.A1 with charge over the suit properties till the date of



realisation.

5. Challenging the dismissal of the suit for specific performance, the plaintiff has filed A.S.No.37 of 2013. Challenging the granting of alternative relief of refund of advance amount of Rs.28,47,200/- with simple interest @ 9% p.a., from the date of Ex.A1 till realisation, the first defendant has filed A.S.No.33 of 2013. Challenging the creation of charge over the suit properties till the date of realisation of the refund of advance amount along with 9% simple interest, the fourth defendant has filed the appeal in A.S.No.172 of 2013.

6. Mr.AR.L.Sundaresan, learned senior counsel for the plaintiff would mainly contend that agreement came into existence on 03.01.2010 and PW2 and PW3 have clearly spoken about the execution as well as the receipt of the consideration, there was no reason as to why they have to give a false evidence as against the defendants. Admittedly, Exs.A2 to A6 title deeds of the properties are also with the plaintiff. PW2 and PW3 not only proved the execution of the agreement but also the passing of consideration. It is the further contention that handwriting expert who was examined as DW2, in her evidence has clearly stated that there are dissimilarities in all the signatures, therefore, according to him, the evidence of the handwriting expert cannot be a conclusive proof to decide the nature of the document. Hence, would submit that for the purpose of defeating the rights of the plaintiff, the defendant has signed in different manner in Ex.A1 agreement and the very document Exs.A2 to A6 clearly proves the fact



that the properties have been purchased only for the purpose of the sale of the properties. All these facts clearly show that the plaintiff is always ready and willing to perform the contract and the possession is also handed over to the plaintiff. Even in the criminal complaint lodged by the first defendant prior to the suit under Ex.A11 dated 13.01.2009, there was no whisper made with regard to the collecting the original document from Meenakshi Aachi, hence, the contention of the defendants the original document came into possession of the plaintiff through Meenakshi Aachi is an afterthought only to non-suit the plaintiff.

7. The evidence of PW2 and PW3 clinchingly establish the execution as well as the passing of consideration. Having received such huge consideration, the defendant has created an agreement in favour of other defendants followed by the registered document under Exs.B6 to B10 on 25.01.2010. At any event, the subject purchaser is *lis pendens* purchasers, therefore, they cannot have any better right, hence, would submit that the Trial Court having accepted the execution of the document ought to have granted relief of specific performance in favour of the plaintiff.

8. Mr.V.Raghavachari, learned counsel for the first defendant would submit that Ex.A1 agreement of sale is nothing but result of forgery, even on bare eyes, signatures of the first defendant with Ex.A1 when compared with the



admitted signatures under Exs.A2 to A6 would show that the Ex.A1 has been created by the plaintiff. It is further contention that the evidence of the handwriting expert DW2 and Exs.C1 & C2 clearly establish that Ex.A1 signature is not signed by the first defendant. When the handwriting expert has clearly given evidence with regard to the dissimilarities and that the document has not been signed by the first defendant, the Trial Court disbelieving the same is not correct. PW2 and PW3 are interested persons and are related to real estate business, therefore, the very consideration set out in the agreement is imaginary, the same property is sold for more than 2 crores within a period of six months, whereas, in the agreement, the value is shown as Rs.32 lakhs, these facts creates doubt about the very agreement under Ex.A1.

9. It is the further contention that even though three months time is said to have been agreed between the parties to complete the sale transaction, no legal notice whatsoever issued prior to filing of the suit. Admittedly, the first defendant has lodged a complaint on 13.01.2009 and thereafter, the suit has came to be filed which itself clearly shows agreement is a result of forgery only to avoid criminal complaint lodged by the first defendant. It is the specific case of the first defendant that the original documents were with Meenakshi Aachi in a loan transaction and those documents have been taken over and agreement is fabricated. At any event, the entire circumstances when analysed cumulatively, the agreement under Ex.A1 suffers from serious doubt and it has been fortified



by the expert evidence. The contention that the first defendant has not examined Meenakshi Aachi to the effect that the original documents were with Meenakshi Aachi is concerned, Ex.A7 clearly shows that Meenakshi Aachi has already died. It is unbelievable to accept the contention that Rs.28 lakhs has been paid by way of cash at the time of agreement. Income Tax Statement did not contain details of such amount. When the genuineness of the agreement has not been established, the Trial Court ought not to have granted the relief of refund of advance money and ought to have dismissed the suit in entirety. In support of his submissions, he placed reliance on the following judgment:-

a. *M.Jayaprakash Narayanan vs. Santhammal and others* reported in 2018 (1) CTC 701

10. Mr.S.Rajasekar, the learned counsel for the subsequent purchaser submitted that under Ex.B18, properties have been purchased by the fourth defendant, of course as a subsequent purchaser, but the fact remains that that he has purchased the property for a sum of Rs.2,16,48,000/- under Ex.B18 dated 31.01.2011, the very value set out in the registered document under Ex.B18 and value set out in the the agreement under Ex.A1 at Rs.32,47,200/- created by the plaintiff creates serious doubt about the very transaction itself. Though there is some secret dealing with the plaintiff and the defendant, the plaintiff had taken advantage of the so-called instrument. When the Court is dealing with equity



jurisdiction has to take into various considerations including the conduct of the parties etc.,

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11. In support of his submissions, he placed reliance on the following judgments:-

a. *M.K.Srinivasan vs. R.Ramasamy and others* reported in 2024 (5) CTC 769

b. *S.Sarojini vs. Mariappan* reported in 2018 SCC OnLine Mad 14331

12. In light of the above submissions, now, the following points arise for consideration in these appeals are as follows:-

(i) Whether the Ex.A1 dated 03.01.2010 is true, valid or is a result of forgery?

(ii) Whether the Ex.A1 dated 03.01.2010 is duly executed by the first defendant or a result of fabrication? If so, whether Ex.A1 is a genuine transaction to enforce the specific performance?

(iii) To what other reliefs, are the parties entitled to?

Points (i) to (iii)

13. The suit has been laid to enforce the agreement dated 03.01.2010 said to have been executed by the first defendant for sale of the huge property of more than 54 acres for a sum of Rs.32,47,200/-. According to the plaintiff, on the date of agreement itself, a sum of Rs.28,47,200/- was parted towards the sale consideration, only remaining Rs.4 lakhs alone to be paid and it is agreed to



complete the sale transaction within a period of three months from the date of agreement. Further, even on 10.01.2010, when the plaintiff sought the first defendant to complete the sale transaction, the first defendant was evasive. In the meanwhile, the first defendant had also lodged a criminal complaint on 13.01.2009, thereafter, the suit has been filed by the plaintiff on 29.01.2010. The specific defence of the first defendant is that he never signed the agreement, the agreement was result of forgery at the instance of one Jeyam and others. The original title deeds were with Meenakshi Aachi in a loan transaction, the same has been taken by the plaintiff and others who are relatives of the said Meenakshi Aachi. The first defendant has totally denied the execution of the sale agreement under Ex.A1. It is well settled that when the execution of the document is denied, the initial onus lies on the plaintiff to prove the execution of the document. Mere signing of the document itself does not amount to execution, in fact, execution implies reading out, understanding and signing the documents.

14. Though PW2 and PW3, the attesting witnesses to the document under Ex.A1 in unison voice have supported the case of the plaintiff. On careful perusal of the entire evidence of both PW1 to PW3, the following facts emerge from their evidence.

15. The agreement was said to have been executed on 03.01.2010, however, the same has been prepared on stamp paper purchased on 01.04.2008.



According to the plaintiff, he has purchased the stamp paper in the year 2008 only to purchase the properties, therefore, the same has been used under Ex.A1.

According to the plaintiff, document has been prepared in his house and the witness was brought by the defendant and he has paid a sum of Rs.28,47,200/- by cash, however, he has not withdrawn that amount from the bank. The entire evidence when carefully seen, he has stated that the document was typed by one Sundaram. PW2 and PW3 have supported the case of the plaintiff. Their entire evidence when carefully seen coupled with Exs.A2 to A6, it would indicate that they were in the habit of purchasing the properties by using Power of Attorney and sell the properties to others. Even the PW1 in his evidence has clearly admitted that he is a real estate man, members of their family have sold 380 acres to one Bulla Reddy, second defendant and according to PW1, he himself has sold 60 acres and he has accounts for all the properties, however, he has not shown accounts for the so-called advance amount of Rs.28 lakhs.

16. Though PW2 has denied that he has involved in real estate matters, the fact remains that Exs.A2 to A6, when the properties were purchased in the name of the first defendant in the Power of Attorneys, PW2 was the main witness. The General Power of Attorney executed on 02.09.2009 under Ex.A7, the PW2 was the main witness in respect of the property of KM.Murugapan and K.M.Palaniappan. The General Power of Attorney executed on 05.10.2009



under Ex.A8, the PW2 was the main witness in respect of the property of AR.Arunachalam. The General Power of Attorney executed on 23.09.2009

under Ex.A9, the PW2 was the main witness in respect of the property of SP.Subbaiyya & SP.Vairavan. The General Power of Attorney executed on 05.10.2009 under Ex.A10, the PW2 was the main witness in respect of the property of AR.Muthuraman.

17. It is relevant to note that the first defendant became owner of the property based on the Power of Attorneys namely Exs.A7 to A10 and being the power agent, he himself has registered the said properties under Exs.A2 to A6 on the same day, i.e., 21.11.2009. The power agent himself became owner of the suit properties under Exs.A2 to A6. The power of attorney under Exs.A7 to A10 and sale under Exs.A2 to A6 were executed within a month. Similarly, under Exs.A15 to A19 dated 21.11.2009, several sale deeds were also executed in favour of the first defendant. All these facts coupled with the fact that PW1 himself has admitted in his evidence that he has also involved in real estate business and he is in the habit of sale and purchase of the property and his family members have also sold more than 380 acres and he alone had sold 60 acres, these transactions clearly establish that there are some secret transactions between the parties herein namely the plaintiff and the first defendant and witnesses. Such being the position, now, it is the case of the plaintiff that the first defendant has executed Ex.A1 agreement dated 03.01.2010 for sale of



property of an extent of more than 54 acres for a total sale consideration of Rs.32,47,200/-. When the specific denial is made in the written statement with regard to the execution of the document, the burden lies on the plaintiff to prove the execution of the document.

18. Though PW2 and PW3 supported the case of the plaintiff, nature of transactions under Exs.A2 to A6 and the power of attorney under Exs.A7 to A10 and sale deeds under Exs.A15 to A19 on the same day, we are of the view that the parrot like version of PW2 and PW3 alone is not sufficient to prove the genuineness of the contract. If really the plaintiff was in a position to part with the substantial sale consideration of Rs.28,47,200/-, there was no reason to agree for another three months to pay a paltry sum of Rs.4 lakhs. When a person is in the habit of dealing with real estate and he already appears to have sold 60 acres, he could have had proper accounts for all his income, therefore, merely, on the basis of interested witnesses, even assuming it to be true, ill gotten money or black money has pumped into real estate, it has been brought as income and there is a complete evasion of tax, we are of the view that such illegal consideration cannot be basis to enforce the contract.

19. Further, it is also to be noted that Ex.A1 was sent to handwriting expert. The handwriting expert of Forensic Sciences Department subjected Ex.A1 document with the admitted signatures of the contemporaneous document available, when compared categorically found that disputed signature



in the agreement has not signed by the person who has signed in the admitted signatures. Exs.C1 & C2 is also filed in this regard. DW2 has clearly admitted that even when a person is signing differently, the character in the signature of the person will not be changed. Though the handwriting expert is not based on exact science, but the fact remains that expert has examined the document by their expertise and has categorically come to the conclusion that such document has not been signed by a person who has signed in the admitted documents namely in the other registered documents.

20. Further, it is the admitted case that even before sending any legal notice, the suit has been laid on 29.01.2010 and prior to that, the defendant has already lodged a complaint against the plaintiff and his brother for threatening with regard to the properties, these facts also cannot be ignored altogether, therefore, possibility of creating document with the help of PW2 and PW3 after the first defendant gave complaint to the police also cannot be ruled out. Considering this aspect, the contention of the first defendant is more probable. The contention of the first defendant that while borrowing Rs.5 lakhs, he has left the original documents with Meenakshi Aachi, but the fact remains that the Power of Attorney under Ex.A7 dated 02.09.2009 indicate that Meenakshi Aachi has already died and the properties have already been given to the first defendant and the first defendant himself has registered the sale deed in his favour. All these factors indicate that there would have been some other



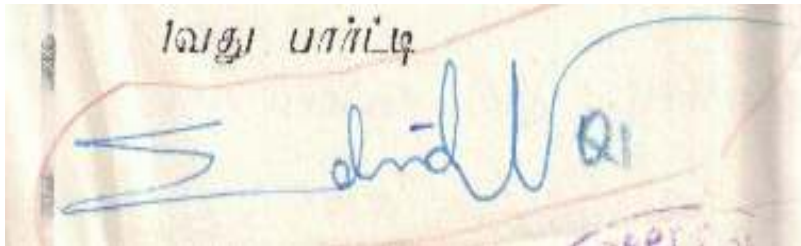
understanding that the document should have been retained by the original owners. In this case, particularly, on perusal of signatures under Ex.A1 and the admitted signatures found in Exs.B6 to B15 of the contemporaneous documents, in all the documents, even seen on bare eyes, shows a lot of difference. The admitted signature found in Ex.B6 and disputed signature found in Ex.A1 is scanned below:-

Admitted signature found in Ex.B6



Party Of The First Part

Disputed signature found in Ex.A1



21. On careful perusal of the signature found in Ex.A1 even if the contention of the plaintiff appears to be true that the defendant has signed differently, it is relevant to note that any person signing signature differently,



there will not be any variance and there will not be any difference in words etc., therefore, in the very signatures found in Ex.A1 and admitted signature, there are lot of dissimilarities.

22. Further, it is relevant to note that it is the case of the plaintiff that he has paid a sum of Rs.28,47,200/- on the date of agreement, i.e., 03.01.2010 towards sale consideration and what remains to be paid is only Rs.4 lakhs, if the plaintiff is in the habit of dealing with land, he has already sold 60 acres to Bulla Reddy and he is a man of means, there was no reason as to why he has to agree for another three months to complete the sale for a paltry sum of Rs.4 lakhs, this creates serious doubt about the genuineness of the document. If the person is interested in purchase of property and he was in a position to mobilise the entire amount as he was dealing with the real estate, normal prudence is immediate registration of the document by paying the entire sale consideration. Therefore, fixing another three months to pay a paltry sum of Rs.4 lakhs is also highly doubtful.

23. It is further to be noted that admittedly, the fourth defendant has purchased all the land for windmill plant, of course, after the suit, but the fact remains that consideration paid for the same properties is more than 2 crores and value per acre is more than Rs.4 lakhs, whereas, the agreement indicates that value is only Rs.60,000/- per acre. In one year, even of 100% escalation is accepted, value will be only around Rs.1,20,000/- per acre and it will not raise



to Rs.4 lakhs, this fact also indicate that the agreement is not reflecting the true value and it has been reflected based on the sale deed value which were registered in favour of the first defendant. All these facts create serious doubt about the entire transactions. When the signature of the first defendant itself is doubtful and not established and expert evidence is staring at the plaintiff and the so-called consideration of the huge amount is also not been established and the legal consideration has not been established, we are of the view that the agreement cannot be held to be validly proved, merely, because some interested witnesses has supported case of the plaintiff and admittedly, PW2 has also actively participated right from obtaining from the power deed in favour of the first defendant. Accordingly, we hold that Ex.A1 is a forged one.

24. It is further to be noted that the so-called payment of Rs.28,47,200/- is said to have been paid by cash. Even the evidence of PW2 and PW3 proves the contention of the plaintiff, the fact remains that in such case also money parted by the plaintiff is only an ill gotten money and evading tax is not a legal money and based on such ill gotten money, one cannot seek to enforce the contract. In this regard, it is relevant to record the following observations of a Coordinate Bench of this Court in the case of *M.K.Srinivasan and ors., vs. R.Ramasamy and ors.*, reported in 2024 (5) CTC 769:-

"Here, the first plaintiff as P.W.1 stuns this Court with his statement that he possessed the entire balance sale consideration in black money. And desperate to save the plaintiffs, their counsel



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argued that even if balance sale consideration is possessed in the form of unaccounted (black) money, then it is for the Income Tax Department to worry about and not for a civil court to concern itself with. What is overlooked is that a remedy for specific performance is a relief in equity and where the Court will weigh every step which the plaintiffs place in reaching their goal. If this Court were to accept this argument, then it has to tacitly lend its approval for certain illegality which the plaintiffs had willingly engaged, but that would be inequitable to the very scheme of equitable remedy. When the Court expects the plaintiffs to be ready and willing, it means that the plaintiffs possess legal money ready for legal tender/agreement. If the contentions of the plaintiffs were to be stretched further, then in a given case where proceeds of crime were to be diverted for providing sale consideration, then such purchase can even be defended under the provisions of Prevention of Money Laundering Act. That would lead to dangerous consequences. A court of law is, and at all times must be purity personified, and it will be plainly incongruent to its character to spot it in the company of illegality ? big, small or moderate.

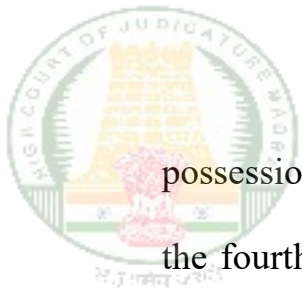
25. In another Coordinate Bench of this Court in the case of *S.Sarojini vs.*

Mariappan reported in 2018 SCC OnLine Mad 14331, it is held as follows:-

23. In a suit for Specific Performance, the Court has to keep in mind that the discretionary power vested in it is by virtue of Section 20 of the Specific Relief Act. It is now a well settled principle of law that the Court is not bound to grant Specific Performance merely because it is lawful to do so. The Court should meticulously consider all the facts and circumstances of the case and ensure that it is not used as an instrument of oppression to have an unfair advantage to the plaintiff. Since the relief of Specific Performance is given exercising the equity jurisdiction, the conduct of the plaintiff should be fair. The discretion that is exercised by the Court is not arbitrary but it is guided by sound and reasonable judicial principles.

26. It is further to be noted that though it is the contention of the plaintiff

that in the agreement, as a part performance of the contract, he was also put in



possession. Such contention will also militate against the plaintiff. Admittedly, the fourth defendant has already purchased the properties and revenue records were mutated and several developments have already taken place, therefore, the alleged possession also cannot be pressed into service. That apart, it is relevant to note that by virtue of The Registration and other Related Laws (Amendment) Act, 2001 (Act No. 38 of 2001), the words “the contract, though required to be registered, has not been registered, or” has been omitted in Section 53A of the Transfer of Property Act, 1882. Therefore, as long as the agreement has not been registered, now the plea of part performance cannot be sought based on the unregistered document.

27. Considering all these aspects, we are of the view that Ex.A1 has not been established, therefore, once, the agreement itself is found to be fabricated and is a result of rank forgery in a real estate dealing, the question of venturing into the readiness and willingness does not arise at all. Therefore, dismissing the suit in respect of specific performance does not require interference and the same stands confirmed.

28. However, the Trial Court believing the document merely on the basis of oral evidences and granting alternate relief of refund of money and creating charge over the suit properties till the date of realisation of the refund of money is liable to be interfered with. Accordingly, the same are set aside.

29. In the result, A.S.No.37 of 2013 stands dismissed with costs.



A.S.Nos.33 & 172 of 2013 stands allowed. The suit filed by the plaintiff in O.S.No.3 of 2010 stands dismissed. Consequently, connected miscellaneous petition stands closed.

(N.SATHISH KUMAR J.)(M.JOTHIRAMAN J.)
06-08-2026

dhk
Index:Yes/No
Speaking/Non-speaking order
Internet:Yes
Neutral Citation:Yes/No

To

1. The District Judge
District Court, Nagapattinam

2. The Section Officer
VR Section, Madras High Court



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AS Nos. 37, 33 & 172 of 2



**N.SATHISH KUMAR J.
AND
M.JOTHIRAMAN J.**

dhk

AS Nos.33, 37 & 172 of 2013

06-08-2026