



C.R.P.No.1832 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 25.07.2025

CORAM

THE HONOURABLE MR. JUSTICE N. SATHISH KUMAR

C.R.P.No.1832 of 2025

Shashikumar
Rep by Power Agent
S.Karthikeyan

... Petitioner

Vs.

1.G.Vasantha

Simrija Sharath Chandrakumar (Died)
2.James Paul

3.Siddarth Gopinath

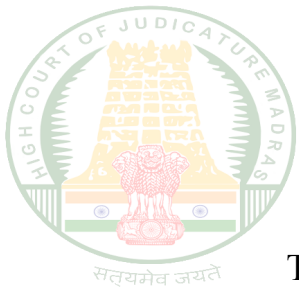
... Respondents

Prayer : Civil Revision Petition filed under Article 227 of the Constitution of India, to set aside the fair and decretal order dated 23.01.2025 made in I.A.No.2 of 2024 in O.S.No.102 of 2007 on the file of the learned III Additional District Judge, Coimbatore and allow the CRP directing the refund of Rs.1,17,82,231/- with any further interest that has accrued until the date of final orders in the present CRP.

For Petitioner : Mr.R.Bharath Kumar

For Respondents : Mr.K.S.Jeyaganeshan for R2
R1 & R3 – No appearance

ORDER



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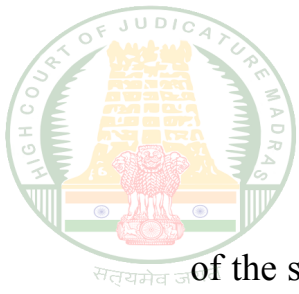
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This civil revision petition has been filed to set aside the fair and decretal order dated 23.01.2025 passed in I.A.No.2 of 2024 in O.S.No.102 of 2007 on the file of the learned II Additional District Judge, Coimbatore.

2. The petitioner is the plaintiff in the suit and the second respondent in this revision is the subsequent purchaser/third defendant. The very issue involved in this revision is with regard to the refund of interest accrued on the balance sale consideration deposited from the date of deposit till the date of execution of sale deed.

3. Brief background in filing of this revision are as follows:

3.a. The first respondent/judgment debtor had entered into a sale agreement dated 01.08.2006 with the revision petitioner/plaintiff/decreed holder to sell the suit property for a total sale consideration of Rs.1,54,18,000/- and received a sum of Rs.30 lakhs as advance. Since, the second respondent has not come forward to execute the sale deed as per the terms of the sale agreement, the revision petitioner filed a suit in O.S.No.102 of 2007 on the file of the III Additional District and Sessions Court, Coimbatore seeking for specific performance. During the pendency



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of the suit, the petitioner came to know that the first defendant had executed sale deed in favour of the second defendant/Simrija Sharath Chandrakumar, who in turn, had executed the sale deed in favour of the third defendant/James Paul. Hence, the defendants 2 and 3 were impleaded. The suit was decreed exparte vide decree and judgment dated 07.12.2012. The revision petitioner deposited the balance sale consideration of Rs.1,24,18,000/- to the account of III Additional District Court, Coimbatore.

3.b. Third defendant filed an application in IA.No.556 of 2013 to set aside the exparte decree dated 07.12.2012 and the same was allowed. Thereafter, after trial, the suit was decreed for specific performance vide decree and judgment dated 26.09.2016. Challenging the decree and judgment, the third defendant had filed an appeal before this Court in A.S.No.114 of 2017. This Court vide decree and judgment dated 30.12.2018 dismissed the appeal holding that the hasty manner in which the sale deed dated 14.12.2006 came to be executed by the first defendant in favour of the second defendant is nothing short of a deceitful and calculated design devised by the first defendant intended to deprive the right of the plaintiff as an agreement holder of the suit property.



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3.c. SLP was filed before the Hon'ble Supreme Court by the third defendant in SLP.Nos.17194 & 17195 of 2019 which was also dismissed by the Hon'ble Supreme Court vide order dated 29.07.2019 and the decree of the Trial Court has reached finality. The revision petitioner filed execution petition in EP.No.104 of 2019 for execution of the sale deed against the defendants 1 to 3. Pending execution petition, the second defendant died, therefore, application was filed in E.A.No.2 of 2019 to impleading the legal heir which was allowed vide order dated 03.03.2020. Challenging the said order, the third defendant filed revision in CRP.No.1815 of 2021, however, the said revision was also dismissed vide order dated 06.10.2021.

3.d. E.P.No.104 of 2019 was allowed vide order dated 25.04.2022. Challenging the said order, revision was filed in CRP.No.2004 of 2022 and the said revision was dismissed vide order dated 30.06.2022. On 11.07.2022, sale deed was executed in favour of the petitioner in the above execution petition as against 11.86 acres since, 0.50 acres was acquired by the Highways Department pending the suit and the third defendant received a compensation amount of Rs.18,60,527/-. The petitioner did not seek for



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recovery of possession in E.P.No.104 of 2019, however, has filed Execution Petition in E.P.No.169 of 2022 seeking the relief of recovery of possession and the said petition came to be allowed on 10.03.2023 directing the petitioner/judgment debtor to deliver the possession by 30.03.2023. On 30.03.2023, the property was delivered to the decree holder, the revision petitioner. Challenging the order of delivery, revision was filed in CRP.No.1128 of 2023 by the third defendant. The said revision was also dismissed vide order dated 28.06.2023.

3.e. At this stage, the buyer claimed for the interest from the date of deposit till the execution of sale deed. Accordingly, I.A.No.2 of 2024 was filed for transfer of Rs.1,17,82,231/- deposited in the case to his account, however, the same was dismissed vide order dated 23.01.2025. Challenging the said order, the present revision has been filed.

4. The petitioner herein is the plaintiff in O.S No. 102 of 2007 who has filed this revision challenging the decreetal order dated 23.01.2025 passed in I.A.No.2 of 2024 in O.S.No.102 of 2007 on the file of the II Additional District Court, Coimbatore, by relying upon the provisions in



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clause(b) of sub-section 6 to Section 55 of the Transfer of Property Act,1882.

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5. The learned counsel for the petitioner argued that the buyer is entitled to claim interest on the amount of purchase money paid till the date of execution of the sale deed or delivery of possession whichever is earlier. By relying on the said proposition of law, he filed an application in IA.No. 2 of 2024 before the trial Court claiming interest amount on the balance of sale consideration deposited by him in O.S. No.102 of 2007. The said petition was contested by the second respondent/subsequent purchaser herein and on hearing the second respondent objection, the trial Court dismissed the said petition. Aggrieved against the same, the plaintiff/petitioner has preferred this petition.

6. The main contention of the learned counsel for the contesting defendant/third respondent is that as against the decree and judgment of the Division Bench of this Court in A.S.No.114 of 2017, he has already filed a review application and the same is pending. Hence, seeks for dismissal of this revision.



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7. The respondents 1 and 3 from the very suit itself remained exparte and also before the Additional District Court, they remained exparte. In the present revision, though paper publication was effected and names being printed in the cause-list, none represented the respondents 1 and 3.

8. Heard both sides and perused the materials placed on record.

9. At the outset, it is relevant to extract Section 55(6) (b) of the Transfer of Property Act which reads as follows:

“55. Rights and liabilities of buyer and seller.—

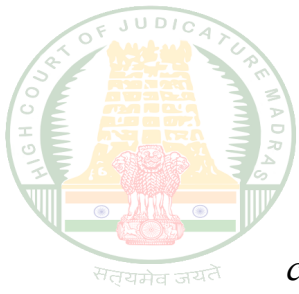
...

(6) The buyer is entitled—

(a) where the ownership of the property has passed to him, to the benefit of any improvement in, or increase in value of, the property, and to the rents and profits thereof;

(b) unless he has improperly declined to accept delivery of the property, to a charge on the property, as against the seller and all persons claiming under him, to the extent of the seller's interest in the property, for the amount of any purchase-money properly paid by the buyer in anticipation of the delivery and for interest on such amount; and, when he properly declines to accept the delivery, also for the earnest (if any) and for the costs (if any) awarded to him of a suit to compel specific performance of the contract or to obtain a decree for its rescission.

An omission to make such disclosures as are mentioned in this section, paragraph (1), clause (a), and paragraph (5),



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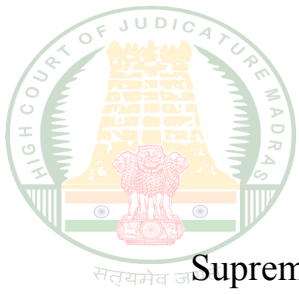
clause (a), is fraudulent.

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10. It is plain from the above provision that, in the absence of a contract to the contrary, the buyer will have a charge on the seller's interest in the property which is the subject matter of the sale agreement insofar as the purchase money and interest on such amount, unless the buyer has improperly declined to accept delivery. The charge is available against the seller and all persons claiming under him. This charge in favour of the buyer is the converse of the seller's charge under Section 55(4) (b) of the Transfer of Property Act, 1882. The buyer's charge under this Section is a statutory charge and differs from a contractual charge which a buyer may be entitled to claim under a separate contract.

11. The above sub-section of Section 55 also makes it clear that buyer is entitled to interest on the amount of purchase money paid. Interest is payable from the date of payment of the purchase money to the seller till the date of delivery of property to the purchaser or till the execution of the sale deed, whichever is earlier.

12. In this regard, it is relevant to refer to the judgment of the Hon'ble



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Supreme Court in the case of Delhi Development Authority vs. Skipper Construction Co.(P) Ltd and others reported in (2000) 10 SCC 310 which reads as follows:

“ 31. The above sub-section of Section 55 also makes it clear that the buyer is entitled to interest on the amount of purchase money paid. Interest is payable from the date of payment of the purchase money to the seller till the date of delivery of property to the purchaser or till the execution of the sale deed, whichever is earlier. Points 1 and 2 are decided accordingly in favour of the buyers ”

13. Similarly, the Delhi High Court in the case of *Sarawjeet Singh vs. Kusum Kumaria and others* reported in 2018 SCC Online Del 8693 has held as follows:

“5. An issue qua b) the fate of interest accrued on 5,32,50,000/- lying deposited since the year 2013, I may refer to Section 55 (6)(b) of the Transfer of the property Act:

“55(b)(a)xxxxx

(b) unless he has improperly declined to accept delivery of the property, to a charge on the property, as against the seller and all persons claiming under him, 2[* *] to the extent of the seller's interest in the property, for the amount of any purchase-money properly paid by the buyer in anticipation of the delivery and for interest on such amount; and, when he properly declines to accept the delivery, also for the earnest (if any) and for the costs (if any) awarded to him of a suit to compel specific performance of the contract or to obtain a decree for its rescission. “*

6. Further in Delhi Development Authority vs. Skipper Construction Co.(P) Ltd. and Others (2000) 10 SCC 130 the Court held :

“29. It is plain from the above provision that, in the absence



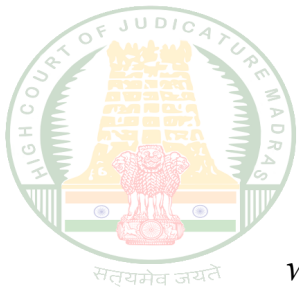
of a contract to the contrary, the buyer will have a charge on the seller's interest in the property which is the subject matter of the sale agreement insofar as the purchase money and interest on such amount are concerned, unless the buyer has improperly declined to accept delivery. The charge is available against the seller and all persons claiming under him. This charge in favour of the buyer is the converse of the seller's charge under Section 55(4)(b). The buyer's charge under this Section is a statutory charge and differs from a contractual charge which a buyer may be entitled to claim under a separate contract.

xxxxxx

31. The above sub-section of Section 55 also makes it clear that the buyer is entitled to interest on the amount of purchase money paid. Interest is payable from the date of payment of the purchase money to the seller till date of delivery of property to the purchaser or till the execution of the sale deed, whichever is earlier. Points 1 and 2 are decided accordingly in favour of the buyers. “

7. In Videocon Properties Ltd. vs. Dr.Bhalchandra Laboratories and Others (2004) 3 SCC 711 the Court held:

“The buyer's charge engrafted in clause (b) of paragraph 6 of Section 55 of the Transfer of Property Act would extend and ensure to the purchase-money or earnest money paid before the title passes and property has been delivered by the purchaser to the seller, on the seller's interest in the property unless the purchaser has improperly declined to accept delivery of property or when he properly declines to accept delivery including for the interest on purchase money and costs awarded to the purchaser of a suit to compel specific performance of the contract or to obtain a decree for its rescission. The principle underlying the above provision is a trite principle of justice, equity and good conscience. The charge would last until the conveyance is executed by the seller and possession is also given to the purchaser and ceases only thereafter. The charge will not be lost by merely accepting delivery of possession alone. This charge is a statutory charge in favour of a buyer and is different from contractual charge to



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which the buyer may become entitled to under the terms of the contract, and in substance a converse to the charge created in favour of the seller under Section 55(4)(b).

14. Further, it is also relevant to note that when the similar issue came up before this Court, this Court in the case of Kanan vs. Dr.Sridharan made in CRP.(NPD).No.649 of 2019 vide order dated 18.03.2022 set aside the order of the Trial Court and held that the petitioner is entitled to receive the interest at the rate of 6% for the amount/balance sale price deposited before the Trial Court till the date of execution of sale deed.

15. So far as payment of interest is concerned as per Section 55(6)(b) of Act specifically envisages payment of interest upon the purchase money. In the instant case, balance sale consideration of Rs.1,24,18,000/- was deposited in the Court on 22.01.2013 by this petitioner but sale deed was executed only on 11.07.2022 in E.P.No.104 of 2019 in O.S.No.102 of 2007. Moreover as per decree the first respondent/first defendant is entitled to receive balance sale amount of Rs.1,24,18,000/-. The accrued interest for that amount is now claimed by this petitioner, as he was always ready to perform his part of contract. He has not committed any breach of contract as per the decree. He deposited balance sale price in the year 2013 and there is



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no improper decline on the part of the buyer/petitioner. The ratio laid down in above referred cases support petitioner's contention. But trial Court without appreciating the Section 55(b)(6) erroneously dismissed the petition is unsustainable one. The buyer's charge under this Section is a statutory charge.

16. It is the contention of the third respondent that review is pending as against the decree and judgment of a Division Bench of this Court in A.S.No.114 of 2017 in CMP.No.19249 of 2021 in Rev.App.SR.No.117879 of 2019, this Court is of the view that review application is not even numbered. Therefore, mere pendency of such application without any stay of final judgment will not have any impact in deciding this revision.

17. It is also the contention of the third respondent that the defendants 1 and 2 in the suit all along have remained exparte and they have realised their amount by selling the property to others, whereas, only the third respondent/third defendant alone is the affected party as he has paid the sale consideration.



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18. Taking note of the fact that the first defendant/original vendor had already received a sum of Rs.30 lakhs as advance at the time of sale agreement, thereafter, again, she has sold the property to the second defendant and received sale consideration and further, the second defendant also realised the sale consideration by selling the property to the third defendant/contesting defendant. The defendants 1 and 2, in fact, have realised their money in one way or another, whereas, the third defendant is contesting the matter.

19. This Court is of the view that the defendants 1 and 2 have all along remained exparte, such view of the matter, the third respondent is entitled to return of the original balance sale consideration less the sum of Rs.13,98,833/- being the costs ordered by the Court in favour of the plaintiff. The costs of sum of Rs.13,19,833/- ordered by the Trial Court has to be deducted from the original balance sale consideration deposited before the Trial Court. Remaining amount shall be refunded to the third respondent on proper application. It is for the third respondent either elect to take back the original balance sale consideration after deducting the costs or to contest



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the review application.

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20. In the event, the third respondent filing an application for return of balance sale consideration after deducting the costs, he has to elect to receive the amount by giving necessary undertaking before the Court.

21. In all, the impugned order is liable to be set aside and the same stands set aside. Accordingly, the revision petitioner is entitled to the accrued interest on the balance sale consideration deposited before the Trial Court from the date of deposit till the date of execution of the sale deed and also the sum of Rs.13,19,833/- being costs ordered by the Trial Court. The Trial Court is directed to refund the interest accrued on the balance sale consideration deposited from the date of deposit, i.e., 22.01.2013 till the date of execution of sale deed to the revision petitioner, i.e., 11.07.2022 and also return the sum of Rs.13,19,833/- being costs ordered by the Trial Court to the petitioner within a period of two weeks.

22. In view of the above, this revision stands disposed of. No costs. It is also made clear that if the defendants 1 and 2/respondents 1 and 2 have



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any claim against the third defendant/third respondent, it is for them to establish the same in the manner known to law since they have not appeared throughout all the proceedings and even before this Court also.

25.07.2025

dhk

Internet : Yes/No

Index : Yes/No

Neutral Citation : Yes/No

To

1.The III Additional District Judge
Coimbatore

2. The Section Officer,
VR Section,
High Court, Madras.

N. SATHISH KUMAR, J.

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