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S.A.No.793 of 2024

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 24.09.2025

CORAM:

THE HONOURABLE **Mrs.JUSTICE R.KALAIMATHI**

S.A.No.793 of 2024
and CMP.No.25320 of 2024

M/s.Maruthi Air Conditioners

Rep.by its Managing Director,

D.Suresh Kumar

.. Appellant/Defendant

vs.

M/s.Asva Cool Solutions Private Limited,

Rep.by its Managing Director

T.K.Sankaran

.. Respondent/Plaintiff

PRAYER: This Second Appeal is filed under Section 100 of C.P.C., to set aside the judgment and decree in A.S.No.87 of 2021, dated 10.04.2024 on the file of XXII Additional Judge, City Civil Court, Chennai, reversing the judgment and decree in O.S.No.488 of 2013 dated 28.02.2019 on the file of the VII Assistant City Civil Court, Chennai.

For Appellant : Mr.K.Lavan

For Respondent : Mr.N.Bhaskaran



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JUDGMENT

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Against the reversal findings made in A.S.No.87 of 2021 by the XXII Additional City Civil Court, Chennai dated 28.02.2019, the defendant who is aggrieved of the said Judgment has preferred the second appeal.

2. Parties are indicated herein as per their litigative status and ranking before the Trial Court.

3. According to the plaintiff, the respondent herein (M/s.Maruthi Air Conditioners) had placed a Purchase Order dated 25.05.2010 in Chennai for the supply of PUF Panels and Refrigeration Units as per the basis of Design and Annexure-Blue Star Cold Room – 1 Lot, at a cost of Rs.1,60,000/- with VAT at 12.5% at Rs.20,000/- with the total cost of unit at Rs.1,80,000/- towards the installation and Commissioning Charges of Rs.25,000/-, at a total cost of Rs.2,05,000/- by enclosing cheque bearing No.640619 dated 25.05.2010, drawn on Axis Bank, for a sum of Rs.90,000/- towards the advance amount and the Cold Room – Storage



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unit to be delivered, installed and commissioned at Murugan Idli Shop at Purasawalkam, was duly installed and commissioned by the plaintiff on 29.06.2010.

3.1. Another Purchase Order was placed by the defendant dated 07.07.2010 in Chennai with the plaintiff for the supply of PUF, Panels and Refrigeration Units as per the basis of Design and Annexure, with dimensions 1.77 (D) x 2.36 (W) x 2.39 (H)(m) – 1 Lot at a cost of Rs.1,70,000/- with VAT at 12.5% - Rs.21,250/-, the total cost of the unit was Rs.1,91,250/-. Adding the installation and commissioning charges of Rs.25,000/-, thus the total cost of Rs.2,16,250/-. The Cold Room – Storage unit to be delivered, installed and commissioned at Murugan Idli Shop at Pursaiwakkam and it was installed and commissioned by the plaintiff on 27.08.2010. The defendant issued a cheque bearing No.611875 dated 22.06.2010, for a sum of Rs.90,000/-, in favour of the plaintiff .



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3.2 The defendant accepted to make the payment of Rs.4,21,250/- to the plaintiff, as it was treated as one transaction for account purpose.

Against the above said Purchase Orders placed by the defendant, the defendant made a further part payment of Rs.1,70,000/- by way of cheque bearing No.611892 dated 08.07.2010, in favour of the plaintiff.

All the payments were duly honoured by the defendant.

3.3 As per the agreed terms of the Purchase Order, 50% of the amount was to be paid along with the order, and the balance after the delivery of the unit, with the remaining 50% payable after the completion of work. The plaintiff realized only a sum of Rs.3,50,000/- by way of three cheques as on 08.07.2010 against the total sum of Rs.4,21,250/-.

The defendant still owes a sum of Rs.71,250/- which ought to have been paid on 27.08.2010 after completion of work at Valasaravakkam, Murugan Idli Shop, the second designated place mentioned by the defendant.



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3.4. The plaintiff continuous demanded for settling the amount of Rs.71,250/-. However, despite repeated demands, the defendant failed to settle the said sum. By a letter dated 08.07.2011, the plaintiff called upon the defendant to settle the due of Rs.71,250/- to the plaintiff herein. Despite the receipt of said letter of the plaintiff, the defendant did not come forward to pay all the dues.

3.5. The plaintiff also issued a legal notice dated 08.06.2012, calling upon the defendant to settle the due amount of Rs.71,250/- together with interest at the rate of 12% p.a.m. on the said sum from 08.07.2010 instead of 27.08.2010, the date was mistakenly mentioned in the legal notice as 08.07.2010. Hence, the suit is laid for recovery of a sum of Rs.71,250/- from the defendant at the rate of 12% p.a. as per business practice.

4. Per contra, the defendant would *inter alia*, aver that out of R.4,25,250/-, the defendant had already paid Rs.3,50,000/- to the



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plaintiff. The defendant's customer at Valasaravakkam, received the Original Tax Invoice from Ms/ Blue Star Limited(Manufacturer), quoting the unit price with VAT at Rs.1,18,770/-. After receiving the original tax invoice from Blue Star Company Limited, the customer, M/s.Murugan Idly Shop at Valasarawakam, refused to pay any excess amount mentioned in the Original Tax Invoice received from M/s.Blue Star Limited. Because of the difference in price, their customer, M/s.Murugan idli shop, no placed further orders to the defendants. The total amount payable by the defendant is given in the table below :-

No.	Description	Actual rate	Margin	Installation	Total
1	Pursawakkam Cold Room Size 1.77(D)x1.77(W) x 2.39(H)m	90,000.00	15,000.00	25,000.00	1,05,000.00
2	Valasarawakkam 1.77 (D) x 2.36(W) x 2.39 (H)m	1,18,770.00	15,000.00	25,000.00	1,58,770.00
3	Grand Total value of two Cold room				2,63,770.00
4	Maruthi paid amount				3,50,000.00
5	Balance C/d(excess we paid)				86,230.00



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4.1. As per the above said statement, grand total value of the Two Blue Star Limited cold room was estimated at Rs.2,63,770/-. However, the defendant had already paid a sum of R.3,50,000/- . Therefore, the plaintiff is liable to repay the excess amount of Rs.86,230/-.

4.2. In this type of business, generally margin would be Rs.15,000/- per cold room. As per the Original Invoice received from M/s.Blue Star Limited, it came to light that the plaintiff had margin of Rs.72,480/- , which is unfair. The plaintiff was therefore asked to refund the excess payment of Rs.86,230/-, vide letter dated 11.07.2011 (Ex.B5).

5. More so, on 08.06.2012, the plaintiff issued a legal notice to the defendant calling upon him to settle the sum of Rs.71,250/- with interest from 08.07.2010 at the rate of 12% p.a. The defendant, refuting liability to pay the due, sent a legal notice to the plaintiff was returned with an



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endorsement as “intimation delivered” on 16.08.2013. The defendant is not liable to pay R.71,250/- with interest thereon, as claimed by the plaintiff. It is the plaintiff who is liable to pay a sum of Rs.86,230/- to the defendant and they are ready and willing to pay necessary court fee for the same.

6. Based on the divergent pleadings, the Trial Court framed relevant issues. At trial, on behalf of the plaintiff's company, one Balaji has been examined as P.W.1 and ten documents have been marked. Ex.A5 is the Purchase Order dated 07.07.2010 placed by the defendants. Ex.A6 dated 27.08.2010 – is the Cold Storage Commissioning Report. On the defendant's side, one Kishore has been examined as DW1 and seven documents have been marked.

7. Upon consideration of evidence and after hearing the arguments advanced by either side, the trial Court held that based on the actual value of cold storage, the plaintiff, having claimed excess amount from



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the defendant, was not entitled to such a claim and thereby dismissed the suit in its entirety.

8. Aggrieved, the plaintiff preferred appeal in A.S.No.87 of 2021 before the XXII Additional City Civil Court, Chennai. The First Appellate Court, upon consideration of evidence and after hearing the arguments advanced by either side, held that the plaintiff, having proved the case, is entitled for the relief of recovery of money as prayed for and decreed the suit. The Court further held that the plaintiff is entitled to a sum of Rs.90,487.50 from the defendant with interest at the rate of 6% p.a. from the date of filing of the plaint.

9. The crucial question is whether the defendant is permitted to take a stand that, since his client paid a lesser amount than the amount quoted in the purchase order, he need not pay the due amount to the plaintiff herein.

10. The following substantial question of law arises for



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consideration:-

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Whether the respondent/plaintiff is permitted to sell the cold storages over and above the maximum retail price mentioned in Ex.B1 Tax Invoice raised by Blue Star Company?

11. On perusal of Ex.A5 and Ex.B1 would explicate that there is a difference in the amount. The Purchase Order of the defendant to the plaintiff 's company, in respect of supply of PUF Panels Refrigerator Units as per their basis of design and annexure, with the size 1.77(D) x 2.36 (W) x 2.39 (H(m) -1 with Lot, at 12.5% VAT. makes the total cost of the unit payable is Rs.1,91,250/- with installation and commissioning charges of Rs.25,000/-, the total cost comes to Rs.2,16,250/-.

12. As per Ex.A2 – Purchase Order placed by the defendant Maruthi Air Conditioners to the plaintiff on 25.05.2010 for the purchase of a Blue Star Cold Room, a sum of Rs.2,05,000/- was quoted . The terms of payment required 50% along with the order and 50% after completion



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of commissioning work. Admittedly, on both occasions, the defendant company paid a sum of Rs.90,000/- towards advance payment by way of one cheque.

13. The plaintiff 's company itself admitted that, apart from the above said sum of Rs.1,80,000/-, the defendant paid a sum of Rs.1,70,000/- by way of cheque. Therefore, it is pellucid that the defendant had paid a total sum of Rs.3,50,000/- . As per the purchase orders - Ex.A2 dated 25.05.2010 and Ex.A5 dated 07.07.2010, the total amount due is Rs.2,05,000/- & R.2,16,250/- respectively.

14. As per Ex.A2- Purchase order dated 25.05.2010, the purchase details are given hereunder :-

<i>Description</i>	<i>Qty</i>	<i>Amount(Rs.)</i>
Price for supply of PUF panels an Refrigeration units as per the basis of design and annexure	1 Lot	1,60,000/-
Vat @ 12.5%	Extra	20,000/-
Total cost for unit		1,80,000/-



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Installation & Commissioning Charges	1 Lot	25,000/-
Grand Total		2,05,000/-

15. As per Ex.A5 - Purchase order dated 07.07.2010, the purchase details are given hereunder :-

Description	Qty	Amount(Rs.)
Price for supply of PUF panels and Refrigeration units as per the basis of design and annexure	1 Lot	1,70,000/-
Vat @ 12.5%	Extra	21,250/-
Total cost for unit		1,91,250/-
Installation & Commissioning Charges	1 Lot	25,000/-
Grand Total		2,16,250/-

Out of Rs.4,21,250/-, admittedly, the defendant had paid only Rs.3,50,000/- , and the amount due is Rs.71,250/-.

16. When the defendant placed the purchase order (Ex.A2 and Ex.A5) with the plaintiff's company for the supply of two cold rooms (2 in number), he agreed to pay the quoted price including installation



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charges. Having agreed to purchase the cold rooms for the quoted price and completed the purchase order in a business transaction, the defendant cannot later claim that the plaintiff purchased the products for a lesser price from the manufacturer. As per the Original Tax Invoice of the manufacturer only, he is not liable to pay difference amount. Admittedly, the manufacturer may sell the product for a lesser price than the supplier company. The plaintiff company is a general sales agent of Blue Star Limited, and they are admittedly purchasing from Blue Star and supplying to their clients. The defendant is one among such client.

17. The defendant, having placed the purchase order to the plaintiff, is not permitted to take a stand that he is liable to pay the price quoted by the manufacturer and he is liable to pay as per the purchase order. After deliberating on these details, the First Appellate Court has concluded that the defendant is liable to pay the suit amount, which needs no interference by this Court.



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18. This Court does not find any infirmity or perversity in the findings of the First Appellate Court. In such view of the matter, the substantial question of law is answered in favour of the plaintiff.

19. Above being the position, the Second Appeal stands dismissed. Sequel to this, Judgment and decree dated 10.04.2024 passed in A.S.No.87 of 2021 by the XXII Additional City Civil Court, Chennai stands confirmed. There is no order as to costs. Consequently, connected miscellaneous petition is closed.

24.09.2025

Index : Yes/No

Internet : Yes/No

Neutral Citation : Yes/No

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R.KALAIMATHI,J.



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To

1.XXII Additional Judge, City Civil Court, Chennai.

2.VII Assistant City Civil Court, Chennai.

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