



C.S.(Comm.Div.) No.259 of 2024

IN THE HIGH COURT OF JUDICATURE AT MADRAS

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DATED: 24.03.2025

CORAM

THE HONOURABLE MR.JUSTICE SENTHILKUMAR RAMAMOORTHY

C.S.(Comm.Div.) No.259 of 2024
and O.A.No.982 of 2024
and A.No.6701 of 2024

M/s.Rajah Holdings,
Represented by its Partner Mr.Venugoopal S.Raja
No.69, THSS Road,
Kumbakonam – 612 001
Also at:
Rani Mayyammai Towers,
MRC Nagar,
Chennai – 600 028.

... Plaintiff

-VS-

1. K.Karthik
2. K.Vishvamaaya
3. Srinivasan
4. S.Vinodhini
5. M/s.Techno Engineering Construction India Pvt Ltd.
Represented by its Managing Director -
Mr.Karthik Krishnamoorthy
Having registered Office at
C1-First Floor, 53 Second Main Road,
R.A.Puram, Chennai – 600 028.

6. M/s.Swathi Builders



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Represented by its Authorized Signatory -
Mr.Ashwin Saravanan
No.5, Ananda Road, Alwarpet,
Chennai 600 018.

7. M/s.Srinidhi Projects Pvt. Ltd.
Represented by its Director -
Mr.D.Srinivas
Having its registered office at Plot No.66,
Door No.122/5B, Samayapuram Main Road,
Karambakkam, Chennai – 600 116. ... Defendants

PRAYER: Civil Suit (Commercial Division) filed under Order VII Rule 1 of Code of Civil Procedure, 1908 Read With Order IV Rule 1 of Madras High Court Original Side Rules, 1994 Read With Section 2(1)(c) of the Commercial Courts Act, 2015, praying to grant a judgment and decree on the following terms:-

(A). The Defendants 1, 2, 3, 4, 5 & 7 jointly and severally to repay a sum of Rs.1,70,00,000/- along with interest at 36% per annum, from the date of filing the suit, till the date of realization.

(B). Direct the Defendants to pay the cost of the suit.

For Plaintiff : Mr.Niranjan Rajagopalan



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for M/s.G.R.Associates

For Defendant : Mr.SK.Rahul Vivek for D6
Unserved summons – D1 to D5 and D7

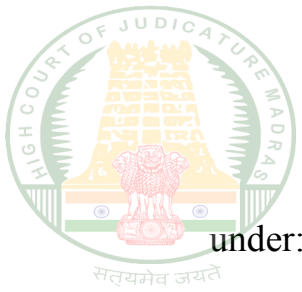
JUDGMENT

The suit was filed for a decree against defendants 1, 2, 3, 4, 5 and 7, jointly and severally, to repay a sum of Rs.1,70,00,000/- to the plaintiff with interest thereon at 36% per annum from the date of filing the suit till the date of realization,

2. The plaintiff, on the one hand, and defendants 1, 2 and 6, on the other, have executed memorandum of compromise dated 24.03.2025. The said document bears the signature of the plaintiff, counsel for the plaintiff, defendants 1, 2 and 6 and counsel for defendant 6.

3. The first and second defendants are present in person before Court and their identities have been verified.

4. In the memorandum of compromise, it is recorded *inter alia* as



under:

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“2. Defendants No.1 and 2 admit and acknowledge that a sum of Rs.1,83,90,107/- (Rupees One Crore Eighty-Three Lakhs Ninety Thousand One Hundred and Seven Only) as Principal along with interest is due and payable to the Plaintiff as of 10.02.2025.

3. To secure the dues of the Plaintiff, Defendants No.2 herein declares and admits that she has reallocated Apartment No.3 on the First Floor having a super built-up area of 1158 Sq.ft or thereabouts together with 417.35 Sq.ft of Undivided Share in the land and one covered car park which is more fully described in the Schedule “C” Property hereunder allotted towards her share under the aforesaid Joint Development Agreement dated 22.03.2024 to the Plaintiff who will retain a charge on the Schedule “C” Property until payment of dues stated above, towards the Plaintiff subject to clause 5 infra. Defendants No.2 herein declares that Plaintiff is entitled to deal with the Schedule “C” Property in any manner as they deem fit in order to recover their dues subject to clause 5 infra.

4. Defendants No.2 herein authorises Defendants No.6 herein to execute a sale deed in favour of Plaintiff and/or its nominees to enable Plaintiff to recover its dues as and when demanded by Plaintiff. Defendants Nos.1 and 6 herein will endeavour to sell the Schedule “C” Property to whoever is willing to purchase the same within 90 days from this date,



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and the sale proceeds therein will be directly received by Plaintiff herein subject to clause 5 infra. The Plaintiff shall not object to sale of Apartment No.3, more fully described in Schedule "C" Property, provided that the sale consideration is sufficient to cover its outstanding dues after payment to Defendants No.6 as detailed in clause 5 infra, and provided that the sale proceeds that are received directly by the Plaintiff from the buyer or nominee is fully sufficient to cover the principal and interest which will be calculated at the rate of 36% p.a until the date of final receipt of the outstandings pertaining to the sums due. Furthermore, any sale contemplated by Defendants 1, 2 or 6 will be subject to receipt of NOC from the Plaintiff. In the event that the portion of the sale proceeds received by the Plaintiff from the sale of Schedule "C" Property satisfies its outstanding dues, the charge shall be discharged upon receipt of such portion. However, if the sale consideration from the sale of the flat is insufficient to cover the entire dues, the charge in favor of the Plaintiff shall be discharged upon receipt of the full sale consideration by Plaintiff, without the need for any further reference to the Plaintiff. Furthermore, the interest at the rate of 36% p.a will be calculated only on the daily balance that is due, with the interest sum being debited at the end of each 30 days so as to facilitate receipts of the sale proceeds in stages



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with the interest accruing only on the sums that remain outstanding, after crediting such receipts.

5. The Parties hereby acknowledge and agree that, in consideration of Defendants No.2 having acquired an additional area from the share of Defendants No.6 pertaining to Apartment No.3, Defendants No.2 is liable to pay a sum of Rs.13,74,109/- (Rupees Thirteen Lakhs Seventy-Four Thousand One Hundred and Nine only) to Defendants No.6, as stated above. To secure the payment of the aforementioned amount, an unpaid vendor lien shall be created over Apartment No.3 in favour of Defendants No.6. The Plaintiff shall first pay to Defendants No.6 herein the aforesaid sum of Rs.13,74,109/- (Rupees Thirteen Lakhs Seventy-Four Thousand One Hundred and Nine only) due and payable by Defendants No.2 to Defendants No.6 under the aforesaid Joint Development Agreement dated 22.03.2024 pertaining to the Schedule "C" Property before executing the sale deed. In case Defendants No.6 is unable to find a purchaser within 90 days from this date, then Plaintiff will be entitled to dispose of by sale the Schedule "C" Property to a person of its choice and appropriate the consideration after setting the aforesaid amount of Rs.13,74,109/- (Rupees Thirteen Lakhs Seventy Four Thousand One Hundred and Nine only) to Defendants No.6. In case the Plaintiff has any surplus (interest will

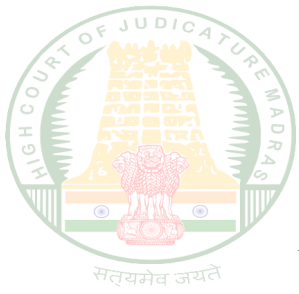


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continue to be computed) as of the date of sale of the Schedule “C” Property from the sale, the surplus will be returned to the Defendants No.2. In case there is no surplus, the recovery of the same will not be attached in any manner further to Schedule “D” and “E” Properties and the Plaintiff may recover it otherwise in a manner known to law. In the event the Schedule “C” Property remains unsold following the issuance of the Completion Certificate by the Competent Authorities, the parties hereto mutually agree that Defendants No.6 shall serve a notice to the Plaintiff, requiring the Plaintiff to take physical possession of the Schedule “C” Property. The Plaintiff shall take physical possession of the Schedule “C” Property within thirty (30) days of receiving such notice, upon payment of the sum of Rs.13,74,109/- (Rupees Thirteen Lakhs Seventy-Four Thousand One Hundred and Nine only) to Defendants No.6. Should the Plaintiff fail to register the sale deed in its name within thirty (30) days of receiving the notice of intimation of readiness of the aforesaid Apartment, the Defendants No.2 hereby declares and agrees to execute a Power of Attorney in favour of the Plaintiff, at the Plaintiff's cost which will comprise only of the stamp duty, registration charges and out of pocket expenses for registering the document, thereby authorizing the Plaintiff to manage and deal with the Schedule “C” Property, in such manner as the



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Plaintiff deems appropriate.

10. This Compromise arrived at between Plaintiff, Defendants Nos.1, 2 and 6 and through Court in the above Suit. The Parties shall record this Compromise in the above suit and get a Decree in terms of this Compromise. The parties shall bear their respective cost.

5. Although the plaintiff prayed for a decree against defendants 3 and 4 who are not parties to the memorandum of compromise, subject to the fulfillment of the terms hereof, it is stated that the plaintiff would have no further claim against defendants 3 and 4.

6. On closely examining the terms of compromise, I see no legal impediment to the issuance of a decree in terms thereof.

7. Therefore, C.S.(Comm.Div.) No.259 of 2024 is decreed in terms of memorandum of compromise dated 24.03.2025. Such memorandum of compromise shall form an integral part of the decree. In these circumstances, there will be no order as to costs. Consequently, the connected applications are closed.



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Index : Yes / No

Internet : Yes / No

Neutral Citation: Yes / No

SENTHILKUMAR RAMAMOORTHY,J

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