



A.S.(MD).No.181 of 2020

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

RESERVED ON : 19.11.2025

PRONOUNCED ON : 17.12.2025

CORAM:

THE HONOURABLE MR.JUSTICE C.V.KARTHIKEYAN
and
THE HONOURABLE MR.JUSTICE R.VIJAYAKUMAR

A.S.(MD).No.181 of 2020
and CMP(MD).No.6548 of 2020

1.V.Baskaran (died)

2.T.Visalatchi

....Appellants/Defendants

(Memo dated 05.08.2025 is recorded as 1st appellant died and 2nd appellant who is already on record is recorded as Legal heirs of the deceased 1st appellant vide Court order dated 24.09.2025)

Vs

B.Muthukrishnan

....Respondent/Plaintiff

Prayer: The First Appeal filed under Section 96 of C.P.C, to set aside the judgment and decree dated 28.08.2018 passed in O.S.No.112 of 2016 on the file of the Additional District Court (Fast Track Court) Palani and allow this appeal.

For Appellants : Mr.S.Meenakshi Sundaram
Senior Counsel for Mr.M.R.Sreenivasan

For Respondent : Mr.M.P.Senthil
For Mr.K.Muthu Ganesa Pandian



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J U D G M E N T

(Made by **R.VIJAYAKUMAR,J.**)

The defendants in O.S.No.112 of 2016 on the file of the Additional District Court (Fast Track Court), Palani have preferred the present first appeal challenging the decree for specific performance.

(A).Pleadings of the parties are as follows:

2.The plaintiff has contended that the defendants are husband and wife and the suit schedule properties absolutely belongs to the first defendant who has purchased the property under a registered sale deed dated 30.06.2003. When the house of the first defendant in the suit schedule properties was under construction, the defendants have received a sum of Rs.5,00,000/- from the plaintiff on 23.11.2012 and permitted the plaintiff to reside in the suit schedule property from 10.02.2014 for a period of 3 years without rent and in lieu of interest.

3.It is further contended that on 03.06.2015, the plaintiff and the first defendant had entered into a registered sale agreement wherein it was agreed that the total sale consideration would be Rs.30,00,000/- and an advance amount of Rs.17,00,000/- was paid on the date of the sale agreement. The defendants have agreed to execute a sale deed within a period of two years after receiving a sum of Rs.13,00,000/-. It was further agreed that the plaintiff



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has to clear the loan amount of Rs.11,00,000/- which the defendant has borrowed from the State Bank of India, Palani Branch.

4.The plaintiff had further contended that a sum of Rs.5,00,000/- was paid by the plaintiff to the defendant on 15.12.2015 and an endorsement was made in the sale agreement. Therefore, out of the total sale consideration of Rs.30,00,000/-, already Rs.22,00,000/- was paid by the plaintiff. Though the plaintiff was ready and willing to pay the balance sale consideration and get the sale deed registered, the defendant was evading. The plaintiff has issued a notice on 15.06.2016 for which a reply was sent by the first defendant on 03.06.2015 wherein it was contended that the sale agreement was executed only as security for the loan amount borrowed from the plaintiff.

5.It is further contended in the plaint that the first defendant is working as a Personal Assistant to the District Collector of Madurai. Therefore, the plaintiff has lodged a complaint on 20.06.2016 before the District Collector, Madurai. The District Revenue Officer has conducted an enquiry on 30.06.2016 in which the first defendant has appeared and agreed to execute the sale deed in favour of the plaintiff within a period of one month. Since the first defendant has not executed the sale deed, the plaintiff has lodged a complaint to the District Revenue Office, Madurai on 01.08.2016.

6.Based upon the said complaint, the District Collector, Madurai had addressed a communication to the Superintendent of Police, Dindigul on



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03.08.2016 to initiate the criminal proceedings as against the first defendant.

It is further contended in the plaint that the plaintiff is ready to deposit a sum of Rs.8,00,000/- and he had enclosed a lodgment schedule to the said effect along with the plaint.

7. Based upon the above said averments, the plaintiff has sought for a decree for specific performance, a receipt of a sum of Rs.8,00,000/- from the plaintiff. He had also prayed for alternative relief of refund of the advance amount of Rs.22,00,000/- along with 12% interest.

8. The first defendant had filed a written statement admitting the execution of the sale agreement in favour of the plaintiff. However, he had contended that the suit is bad for mis-joinder of unnecessary party namely the second defendant. He had further contended that the suit sale agreement was not entered into for the purpose of execution of a sale deed, but it was executed only as a security for the loan.

9. The defendant had further contended that he had borrowed a sum of Rs.8,00,000/- from the plaintiff. At the time of borrowal, the first defendant had received his signature in the blank pro-note. The first defendant has stated that he should pay interest for the same. The plaintiff had started to harass the first defendant and the second defendant in their work places demanding refund of a sum of Rs.8,00,000/- with interest. In view of the insistence and compulsion on the part of the first defendant, the suit sale



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agreement came to be executed on 03.06.2015. Though the value of the property is Rs.70,00,000/-, it is mentioned in the sale agreement that the total sale consideration is only Rs.30,00,000/-. Out of compulsion, the sale agreement was executed by the defendant.

10.It is further contended in the written statement that the plaintiff was permitted to occupy the suit schedule property only in lieu of interest. The defendant has not received any amount as mentioned in the sale agreement. The endorsement alleged to have been made in the suit sale agreement was made without any payment by the plaintiff. It is further contended in the written statement that by giving complaint to the District Collector, the plaintiff exerted political pressure and thereby attempted to get a sale deed from the first defendant. Therefore, at no point of time, the first defendant has ever agreed to execute a sale deed in favour of the plaintiff. In fact, based upon the complaint lodged by the plaintiff, the first defendant was summoned by the police on several occasions and he was threatened to execute the sale deed in favour of the plaintiff. Therefore, the first defendant was forced to file a Anticipatory Bail Petition before the High Court.

11.It is further contended in the written statement that the first defendant is ready to repay a sum of Rs.17,00,000/-. Hence, the defendant has prayed for a decree to be passed for refund of a sum of Rs.17,00,000/- (instead of Rs.22,00,000/-) along with interest.



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12.The plaintiff was examined as PW1 and two other witnesses were examined as PW2 and PW3. On the side of the plaintiff, Exs.A1 to A11 were marked. The second defendant had examined himself as DW1 and the first defendant was examined as DW2. The other witnesses were examined as DW3 to DW5. The defendants have marked Ex.B1 document.

13.The trial Court after considering the pleadings, oral and documentary evidence, has arrived at a finding that the first defendant has executed a sale agreement in favour of the plaintiff and it was intended only as a sale agreement. The trial Court further found that right from the date of sale agreement, the plaintiff was ready and willing to perform his part of the contract.

14.Based upon the above said findings, the trial Court proceeded to pass a decree directing the plaintiff to deposit a sum of Rs.8,00,000/- within a period of one month from the date of receipt of a copy of the order and on such deposit. The defendant was directed to execute a sale deed in favour of the plaintiff and handover possession of the suit schedule property. Challenging the said judgment and decree, the present first appeal has been preferred by the defendants.

15.Pending first appeal, the first appellant (husband) had passed away and the second defendant namely his wife is prosecuting the appeal.



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16.The points that arise for consideration are as follows:

a)Whether the sale agreement between the plaintiff and the first defendant dated 03.06.2015 is valid in the eye of law?

b)Whether the contention of the defendants that the sale deed was executed only as security for the loan is true?

c)Whether the plaintiff was ready and willing to perform his part of the contract?

(B).Submissions of the counsels:

17.The learned Senior Counsel appearing for the appellant/defendants submitted that no advance amount was paid as mentioned in the sale agreement. In fact, the first defendant has borrowed a sum of Rs.8,00,000/- from the plaintiff. Based upon the said borrowal, the plaintiff was permitted to occupy the first floor of the building. Thereafter, the plaintiff compelled the defendant to enter into some kind of registered document so that his loan could be secured. Only under the compulsion of the plaintiff, the suit sale agreement dated 03.06.2015 was entered into between the parties.

18.The learned Senior Counsel appearing for the appellant had further submitted that according to the plaintiff, the loan amount of Rs.8,00,000/- has increased to Rs.17,00,000/- and the said Rs.17,00,000/- was incorporated as an advance amount under the suit sale agreement. Therefore, the advance amount mentioned in the suit schedule agreement is not true and no such



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amount was paid by the plaintiff. The learned Senior Counsel had further submitted that the first defendant was regularly paying interest for the loan amount of Rs.8,00,000/-. The suit sale agreement was not intended to be enforced at all and it was agreed to remain in paper as a security for the loan amount.

19.The learned Senior Counsel appearing for the appellant had further submitted that the first defendant has specifically disputed the payment of Rs.5,00,000/- by the plaintiff and the endorsement made on the suit sale agreement. When the plaintiff has not established the payment of Rs.5,00,000/-, it is clear that a forged document has been presented before the Court seeking specific performance. The suit should have been dismissed by the trial Court on the ground that the plaintiff has not approached the Court with clean hands. He had further pointed out that by giving complaint to the District Collector and exerting political pressure, the plaintiff threatened the first defendant to execute a sale deed in his favour. A police complaint was also lodged. The first defendant was constrained to approach the High Court to get Anticipatory Bail. Therefore, it is clear that the suit sale agreement was obtained by way of force and enforcement of the said agreement was also pursued by resorting to criminal prosecution.

20.The learned Senior Counsel had further submitted that as per the suit sale agreement, the possession was not handed over to the plaintiff.



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Therefore, it is clear that the possession of the plaintiff in the first floor is only traceable to the loan borrowed by the plaintiff and the arrangement between the plaintiff and the defendants under Ex.A1 dated 23.11.2012 which is three years prior to the suit sale agreement.

21.The learned Senior Counsel had further submitted that Ex.B1 valuation report will clearly establish that the value of the property is more than Rs.80,00,000/- and therefore, no prudent person would enter into the sale agreement for such a valuable property for a sum of Rs.30,00,000/-. In fact, the advance amount mentioned in the sale agreement was not at all paid. The plaintiff has not established the fact that an amount of Rs.5,00,000/- was paid under Ex.A11 endorsement. In such circumstances, the suit ought to have been dismissed on the ground that the plaintiff has not approached the Court with clean hands.

22.The learned Senior Counsel appearing for the appellant had further contended that when two years time has been fixed for payment of balance consideration under the suit sale agreement which was preceded by another agreement under Ex.A1, it would clearly establish that the suit sale agreement was executed only as a security for the borrowal of Rs.8,00,000/- and therefore, the same cannot be enforced seeking specific performance.

23.The learned Senior Counsel had relied upon a judgment of the Hon'ble Supreme Court reported in **(2019) 7 MLJ 334 (SC) (Surinder Kaur**



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(D).Thr.Lr.Jasinderjit Singh (D).Thr.Lrs. Vs. Bahadur Singh (D) Thr.Lrs.)

and contended that as per sale agreement, the plaintiff has to clear the Bank loan. However, admittedly the plaintiff has not cleared the Bank loan. In such circumstances, the decree for specific performance ought not to have been considered by the trial Court. He also relied upon the decision of the Hon'ble Supreme Court reported in **(2015) 8 SCC 695 (Padmakumari and others Vs. Dasayyan and others)** to contend that when the plaintiff has failed to perform his part of the contract within the time stipulated, he would not be entitled to get a decree for specific performance. He had further relied upon the judgment of the Hon'ble Supreme Court reported in **2015-2-L.W.801 (Nanjappan Vs. Ramasamy & another)** to contend that the suit property is only a residential property of the defendant who had put up construction and they are residing in the said property. In such circumstances, the defendants will suffer serious consequence if a decree for specific performance is granted against the appellant.

24.The learned Senior Counsel had also relied upon a decision of the Hon'ble Supreme Court reported in **(2005) 7 SCC 534 (Aniglase Yohannan Vs. Ramlatha and others)** and contended that the conduct of the plaintiff should be blemishless throughout the proceedings. However, in the present case, the plaintiff has produced the forged endorsement namely Ex.A11. He has also coerced the first defendant through his employer and also by filing



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police complaint. In such circumstances, the conduct of the plaintiff would clearly disentitle him in seeking a decree for specific performance. Hence, he prayed for allowing the appeal and to dismiss the suit.

25.Per contra, the learned counsel appearing for the respondent/plaintiff had contended that the execution of the sale agreement has been admitted by the defendants. He has also agreed to refund the advance amount of Rs.17,00,000/- and in such circumstances, it is clear that the first defendant having admitted the execution and receipt of advance amount, cannot be turned around and contend that the sale agreement was executed under coercion and threat. He had further submitted that a complaint was lodged before the District Collector, an enquiry was conducted by District Revenue Officer, the first defendant has appeared before the DRO and has agreed to execute a sale deed within a period of one month. Since he had violated such an undertaking, a criminal case was lodged as against the first defendant.

26.The learned counsel for the respondent had further submitted that the endorsement made in the suit sale agreement under Ex.A11 has been proved in accordance with law and in such circumstances, the contention of the appellant that the same is a forged endorsement is not legally sustainable. He had further pointed out the suit sale agreement is dated 03.06.2015 and as per the said sale agreement, the plaintiff has got time for a period of two years



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to perform his part of the contract. However, the suit came to be filed on 21.10.2016 itself. He had further contended that the plaintiff has established his readiness and willingness throughout the proceedings.

27.The learned counsel for the respondent had relied upon the judgment of the Hon'ble Supreme Court reported in **2004 (4) CTC 150 (P.D.'Souza Vs.Shondrilo Naidu)**; the judgments of our High Court reported in **2009 (6) CTC 301 (T.G.Pondiannan Vs. K.M.Natarajan and another)** and **2022 (4) CTC 649 (Lakshmi Ammal and others Vs.Gejaraj (died) and others)** in support of his contention. Hence, he prayed for confirming the judgment and decree of the trial Court and to dismiss the first appeal.

28.We have considered the submissions made on either side and perused the material records.

(C).Discussion:

29.The present suit for specific performance has been filed seeking to enforce the sale agreement dated 03.06.2015 and it has been marked as Ex.A2. A perusal of Ex.A1 reveals that it is a registered sale agreement. The parties have agreed for a total sale consideration of Rs.30,00,000/- and an advance of Rs.17,00,000/- was paid. The plaintiff has agreed to pay the balance amount of Rs.13,00,000/- within a period of two years.

30.An endorsement has been made in Ex.A1 sale agreement that the plaintiff has paid a further sum of Rs.5,00,000/-. The endorsement has been



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marked as Ex.A11. Therefore, as per sale agreement, out of Rs.30,00,000/-, a sum of Rs.22,00,000/- is said to have been paid by the plaintiff.

31.It is contended on the side of the defendants that Ex.A2 sale agreement was entered into due to the pressure exerted by the plaintiff. According to the defendants, the possession of the first floor of the suit schedule property was handed over to the plaintiff under Ex.A1-Othi deed dated 23.11.2012 for a period of three years that is up to 22.11.2015. The present sale agreement has been entered into on 03.06.2015. There is no reference about Ex.A1 in Ex.A2 sale agreement. It is admitted by both the parties that the plaintiff is in possession of the first floor, even on the date of filing of the suit.

32.The defendants in Paragraph No.4 of the written statement have admitted the execution of Ex.A2 sale agreement. Though it is contended on the side of the defendants that it was executed under pressure and as a security for the loan amount borrowed under Ex.A1 Othi deed, the first defendant (DW1) during his cross examination, has admitted that at no point of time, he had ever made any complaint as against the plaintiff that Ex.A1 sale agreement was obtained under threat or coercion. In fact, during his cross examination, the first defendant has admitted that he had received advance amount of Rs.17,00,000/- under Ex.A2 sale agreement.

33.The first defendant was working as a Personal Assistant to the



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District Collector at the time of execution of the sale agreement. Alleging that the first defendant is evading execution of the sale deed, the plaintiff had lodged a complaint to the District Collector, Madurai on 20.06.2016 under Ex.A7. The District Collector has issued summons to the plaintiff as well as the first defendant on 28.08.2016 under Ex.A9 directing both of them to appear before the District Revenue Officer on 30.06.2016. Pursuant to the said notice, the first defendant has appeared before the District Revenue Officer, Madurai and has given an undertaking that he would execute the sale deed within a period of one month. The said undertaking has been marked as Ex.A8. Though the first defendant contends that Ex.A8 was executed under threat, till the date of filing of the suit on 21.10.2016, no complaint was lodged to the higher officials or any proceedings were initiated before the Court. During the cross examination, the first defendant has admitted that he has not initiated any proceedings as against the plaintiff for the allegation of threat or coercion or lodged any police complaint.

34.Considering the fact that the first defendant has admitted the execution of Ex.A2 sale agreement and receipt of advance amount of Rs.17,00,000/- under the said agreement, we are of the opinion that the contention of the defendant that Ex.A2 sale agreement was executed under pressure or that no consideration passed under Ex.A2 sale agreement are liable to be rejected.



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35.The defendants have also taken a defence that the endorsement made under Ex.A11 for a receipt of Rs.5,00,000/- is false. However, during the cross examination, DW2 has categorically admitted that he had received a sum of Rs.5,00,000/- from the plaintiff and made an endorsement on 15.12.2015. Therefore, it is clear that the plaintiff has established the genuineness and validity of Ex.A11 endorsement also.

36.DW1 who is the wife of the second defendant during her cross examination had admitted that Ex.A2 sale agreement was executed by her husband. She had further admitted that her husband has not lodged any complaint for the allegation that Ex.A8 undertaking was extracted by the plaintiff under threat or coercion. In such circumstances, we are of the considered opinion that the suit sale agreement under Ex.A2 between the plaintiff and the first defendant dated 03.06.2015 is valid in the eye of law and the contention of the defendant that the sale deed has been executed only on the security of the loan has not been established.

37.As per Ex.A2 sale agreement, the total sale consideration is Rs.30,00,000/- and an advance amount of Rs.17,00,000/- has been paid under the said agreement. The receipt of the said advance amount is admitted by the first defendant in his deposition. As per Ex.A2 sale agreement, the plaintiff has to clear the Bank loan for a sum of Rs.11,00,000/-. When the total sale consideration is Rs.30,00,000/- and the first defendant has already received a



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sum of Rs.22,00,000/- in cash, the plaintiff cannot be expected to clear the Bank loan of Rs.11,00,000/- which would result in total consideration of Rs.33,00,000/-. Therefore, the non clearance of the Bank loan by the plaintiff cannot be cited as vitiating factor for not enforcing the sale agreement. Instead, the plaintiff has approached the Court and has expressed his willingness to deposit the balance sale consideration of Rs.8,00,000/-. That apart, as per sale agreement dated 03.06.2015, the plaintiff has to pay the entire sale consideration and get a sale deed within a period of two years i.e. on or before 02.06.2017. The present suit for specific performance has been filed on 21.10.2016 itself. Therefore, it is clear that the plaintiff has established his readiness and willingness to perform his part of the contract.

38. Though it is contended on the side of the defendants that the document was executed only as a security for the loan, the defendants were not able to establish their contention that they have been regularly paying interest for the loan amount. On the other hand, the plaintiff has established that it is a sale agreement and out of Rs.30,00,000/- of total sale consideration, a sum of Rs.22,00,000/- has been paid by the plaintiff within the time specified in the sale agreement. The plaintiff has approached the Courts seeking specific performance 8 months prior to the time fixed in the sale agreement.



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(D).Conclusion:

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39.In view of the above said deliberations, we do not find any merit in the appeal. The judgment and decree of the trial Court are hereby confirmed. The first appeal stands dismissed. No costs. Consequently, connected miscellaneous petition is closed.

(C.V.K.J.,)

(R.V.J.,)

17.12.2025.

Index :Yes/No
Internet :Yes/No
NCC : Yes/No
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To

1. The Additional District Judge (FTC)
Palani

2.The Section Officer
V.R.Section
Madurai Bench of Madras High Court
Madurai



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**C.V.KARTHIKEYAN,J.
AND
R.VIJAYAKUMAR,J.**

msa

Pre-delivery Judgment made in
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